

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

**FINANCIAL AUDIT OF CAPITAL ASSET ACCOUNT
June 30, 2008 and
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2008**

**Performed as Special Assistant Auditors for
the Auditor General, State of Illinois**

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

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**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

**AGENCY OFFICIALS
JULY 1, 2006 THROUGH JUNE 30, 2008**

Marc Miller	Acting Director (effective February 6, 2009)
Kurt Granberg	Acting Director (effective January 21, 2009 through February 5, 2009)
Sam Flood	Acting Director (January 1, 2006 through January 20, 2009)
Leslie Sgro	Deputy Director
Deborah Stone	Deputy Director
Ellen King-Pietrzak	Chief Fiscal Officer/Office Director of Fiscal Management
William K. Richardson	General Counsel
J. J. Pohlman	Office Director of Administration
John Evans	Acting Office Director of Architects, Engineering & Grants
Tony Mayville	Office Director of Land Management
Rafael Gutierrez	Acting Office Director of Law Enforcement
Joe Angleton	Office Director of Mines and Minerals
Kristin Vacek	Office Director Public Services
Tom Flattery	Office Director of Realty and Environmental Planning
Mike Conlin	Acting Office Director of Resource Conservation
Damon Stotts	Acting Office Director of Scientific Research and Analysis
Bob Ruff	Office Director of Special Events, Programs & Promotions
Gary Clark	Office Director of Water Resources

Department main headquarters is located at:

One Natural Resources Way
Springfield, Illinois 62702-1271



Illinois Department of Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271
<http://dnr.state.il.us>

Pat Quinn, Governor

Marc Miller, Acting Director

MANAGEMENT ASSERTION LETTER

Washington, Pittman & McKeever, LLC
819 South Wabash Ave., Ste. 600
Chicago, IL 60605

May 19, 2009

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Agency. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Agency's compliance with the following assertions during the two-year period ended June 30, 2008. Based on this evaluation, we assert that during the years ended June 30, 2007 and June 30, 2008, the Agency has materially complied with the assertions below.

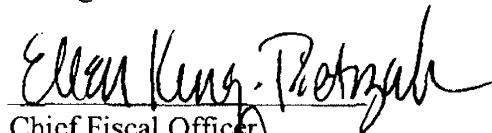
- A. The agency has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The agency has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the agency are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.

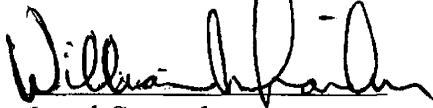
E. Money or negotiable securities or similar assets handled by the agency on behalf of the State or held in trust by the agency have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

State of Illinois, Department of Natural Resources


Acting Director


Chief Fiscal Officer


Legal Counsel

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

ACCOUNTANTS' REPORTS

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u> Findings	<u>Current</u> <u>Report</u>	<u>Prior</u> <u>Report</u>
Repeated findings	13	34
Prior recommendations implemented or not repeated	10	16
	24	13

Details of findings are presented in a separately tabbed report section of this report.

SCHEDULE OF FINDINGS

FINDINGS (GOVERNMENT AUDITING STANDARDS)

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
08-1	14	Inadequate controls over capital assets	Significant deficiency

FINDINGS (STATE COMPLIANCE)

08-2	16	Inadequate preparation of GAAP Package and difficulty in using Programmatic Accounting System	Significant Deficiency and Noncompliance
08-3	18	Failure to monitor and enforce concessionaire lease agreements	Significant Deficiency and Noncompliance
08-4	20	Failure to follow up on outstanding tickets with the Circuit Clerk	Significant Deficiency and Noncompliance
08-5	22	State Police Traffic Information Planning System (TIPS) not updated in a timely manner	Significant Deficiency and Noncompliance

SCHEDULE OF FINDINGS

FINDINGS (STATE COMPLIANCE) - Continued

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
08-6	23	Time sheets not maintained in compliance with the State Officials and Employees Ethics Act	Significant Deficiency and Noncompliance
08-7	24	Employee performance evaluations not completed	Significant Deficiency and Noncompliance
08-8	25	Failure to fill Illinois State Museum Board vacancies	Noncompliance
08-9	26	Amounts reported on Agency Fee Imposition Report Forms do not reconcile to Department records	Significant Deficiency and Noncompliance
08-10	28	Inadequate controls over petty cash funds	Significant Deficiency and Noncompliance
08-11	30	Failure to adequately prepare bank reconciliations	Significant Deficiency and Noncompliance
08-12	32	Inadequate controls over telecommunications expenditures and records	Significant Deficiency and Noncompliance
08-13	34	Lack of contingency planning or testing to ensure recovery of computer systems	Significant Deficiency and Noncompliance

In addition, the following finding which is reported as a current finding relating to *Government Auditing Standards* also meets the reporting requirement for State Compliance.

08-1	14	Inadequate controls over capital assets	Noncompliance
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PRIOR FINDINGS NOT REPEATED

Item No.	Page	Description
A	35	Inadequate controls over the calculation and submission of capital asset information for GAAP reporting purposes
B	35	Excessive administrative approvals for deer and turkey permits
C	35	Weaknesses with contract for Point of Sale system
D	35	Permit fees not received from vendor in a timely manner
E	36	Failure to monitor oil royalty payments
F	36	Failure to enforce grant award time limits for Bike Path Awards
G	36	Failure to adequately evaluate internal fiscal and administrative controls
H	37	Hunting and fishing license consignees not remitting license fees and/or licenses in a timely manner
I	37	Failure to deposit monies with the State Treasurer in a timely manner
J	37	Failure to maintain adequate documentation for returned checks or to suspend or revoke the title, registration or permit in a timely manner
K	38	Failure to follow overtime policies and procedures for Conservation Police Sergeants and Officers
L	38	Timekeeping system is not automated
M	38	Inadequate procedures regarding State vehicles
N	39	Untimely approval of invoice vouchers
O	39	Inadequate controls over travel credit card accounts
P	39	Failure to timely file TA-2 forms
Q	39	Telephone calling cards and pagers not cancelled on a timely basis
R	40	Art print and collector's stamp programs operating at a loss
S	40	Failure to transfer funds from the Illinois Habitat Fund in accordance with the Wildlife Code
T	40	Failure to properly complete locally held funds reports (Form C-17) submitted to the Illinois Office of the Comptroller

SCHEDULE OF FINDINGS

PRIOR FINDINGS NOT REPEATED (Continued)

Item No.	Page	Description
U	40	Computer security deficiencies
V	41	Failure to submit annual reports in accordance with the Coal Mining Act
W	41	Reviews of effects of high capacity water wells not performed
X	41	Failure to follow the Illinois Procurement Code for printed publications

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Department personnel at an exit conference on May 13, 2009. Attending were:

DEPARTMENT OF NATURAL RESOURCES

Marc Miller, Acting Director
Deborah Stone*, Deputy Director
Ellen King-Pietrzak, Chief Fiscal Officer/Office Director of Fiscal Management
William K. Richardson, General Counsel
J. J. Pohlman, Office Director of Administration
Megan Buskirk, Audit Liaison

OFFICE OF THE AUDITOR GENERAL

Jane Clark, Audit Manager

WASHINGTON, PITTMAN & MCKEEVER, LLC

Lester H. McKeever, Jr., Managing Principal
Donald Crosswell, Manager
Marsha Lopez, Senior
Anthony Jamison, Senior

*via phone

Responses to the recommendations were provided by Mr. Marc Miller, Acting Director, in a letter dated May 19, 2009.

WASHINGTON, PITTMAN & McKEEVER, LLC

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**INDEPENDENT ACCOUNTANT'S REPORT ON STATE COMPLIANCE,
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

As Special Assistant Auditors for the Auditor General, we have examined the State of Illinois, Department of Natural Resources' compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the years ended June 30, 2007 and 2008. The management of the State of Illinois, Department of Natural Resources is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Department of Natural Resources' compliance based on our examination.

- A. The State of Illinois, Department of Natural Resources has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois, Department of Natural Resources has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The State of Illinois, Department of Natural Resources has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the State of Illinois, Department of Natural Resources are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the State of Illinois, Department of Natural Resources on behalf of the State or held in trust by the State of Illinois, Department of Natural Resources have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the Audit Guide as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the State of Illinois, Department of Natural Resources' compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the State of Illinois, Department of Natural Resources' compliance with specified requirements.

In our opinion, the State of Illinois, Department of Natural Resources complied, in all material respects, with the requirements listed in the first paragraph of this report during the years ended June 30, 2007 and 2008. However, the results of our procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of findings as findings 08-1, 08-2, 08-3, 08-4, 08-5, 08-6, 08-7, 08-8, 08-9, 08-10, 08-11, 08-12 and 08-13.

Internal Control

The management of the State of Illinois, Department of Natural Resources is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the State of Illinois, Department of Natural Resources' internal control over compliance with the requirements listed in the first paragraph of this report in order to determine our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide, issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the State of Illinois, Department of Natural Resources' internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Department of Natural Resources' internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the requirements listed in the first paragraph of this report such that there is more than a remote likelihood that noncompliance with a requirement that is more than inconsequential will not be prevented or detected by the entity's internal control.

We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as items 08-1, 08-2, 08-3, 08-4, 08-5, 08-6, 08-7, 08-8, 08-9, 08-10, 08-11, 08-12, and 08-13 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

As required by the Audit Guide, immaterial findings excluded from this report have been reported in a separate letter to your office.

The State of Illinois, Department of Natural Resources' response to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the State of Illinois, Department of Natural Resources' response and, accordingly, we express no opinion on it.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information as listed in the table of contents as Supplementary Information for State Compliance Purposes is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the 2007 and 2008 Supplementary Information for State Compliance Purposes, except for information on the Memorandums of Understanding and Service Efforts and Accomplishments on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 2006 Supplementary Information for State Compliance Purposes, and accordingly, we do not express an opinion thereon.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and agency management, and is not intended to be and should not be used by anyone other than these specified parties.


WASHINGTON, PITTMAN & McKEEVER, LLC

Chicago, Illinois
May 19, 2009

WASHINGTON, PITTMAN & McKEEVER, LLC

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MANAGEMENT CONSULTANTS*

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**REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the Schedule of Capital Assets of the State of Illinois, Department of Natural Resources, as of and for the year ended June 30, 2008, and have issued our report thereon dated May 19, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the State of Illinois, Department of Natural Resources' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the Schedule of Capital Assets and not for the purpose of expressing an opinion on the effectiveness of the State of Illinois, Department of Natural Resources' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Department of Natural Resources' internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

We consider the deficiencies described in the accompanying schedule of findings as finding 08-1 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Illinois, Department of Natural Resources' Schedule of Capital Assets is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as item 08-1.

We also noted certain matters which we have reported to management of the State of Illinois, Department of Natural Resources in a separate letter dated May 19, 2009.

The State of Illinois, Department of Natural Resources' response to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the State of Illinois, Department of Natural Resources' response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and agency management, and is not intended to be and should not be used by anyone other than these specified parties.


WASHINGTON, PITTMAN & McKEEVER, LLC

Chicago, Illinois
May 19, 2009

FINDING (GOVERNMENT AUDITING STANDARDS)

08-1 **FINDING:** (Inadequate controls over capital assets)

The Department did not maintain adequate control over its capital assets.

The Department did not maintain sufficient evidence to ensure the existence, valuation, and rights on amounts capitalized as Site Improvements for the Bikeways project. We noted there was insufficient audit evidence (e.g., contract, invoices, vouchers, etc.) to support amounts recorded under the Bikeways project for FY08. The Department did not obtain documentation from the Illinois Department of Transportation (IDOT) for \$454,607 recorded in the Capital Asset Tracking System (CATS) for the Bikeway project in FY08. To date, assets totaling \$27,038,768 have been capitalized under the Bikeway project.

The Statewide Accounting Management Systems Procedures Manual (Procedure 03.30.30) states if ownership to an asset cannot be documented, the asset and corresponding depreciation expense should not be reported by agencies. The American Institute of Certified Public Account's Audit & Accounting Guide for State and Local Governments (Chapter 7, paragraph 15), states "Infrastructure assets, like most capital assets, should be reported by the government that owns the asset. In some situations, ownership of infrastructure assets may be supported by legal documentation, such as deeds or titles conveyed when the government acquires the assets. In other situations, ownership may be supported by legal or contractual provisions that stipulate ownership under certain conditions."

Department personnel stated supporting documentation from IDOT had been requested to support the amounts provided. However, IDOT only provided the amounts to be capitalized by the Department at the end of the fiscal year without documentation (legal documentation, such as deeds or titles conveyed, contract, vouchers, invoices, etc.) to validate the accuracy of the valuation of the assets and to evidence the rights of the entity over these assets. The Department does not have guidelines for obtaining supporting documentation from IDOT for the Bikeways project.

Failure to maintain adequate documentation on capital assets risks the potential for the overstatement of capital assets. (Finding Code No. 08-1)

RECOMMENDATION:

We recommend the Department increase its efforts to ensure pertinent documents are obtained and reviewed to ensure the Department has satisfactory title to its assets and the assets are properly valued. The Department should perform a physical inspection of these assets before they are recorded to obtain reasonable assurance these assets physically exist.

DEPARTMENT RESPONSE:

We agree. This year we received more supporting documentation from the Illinois Department of Transportation for the bikeways projects than in the past. DNR will develop a procedure to ensure that DNR has satisfactory title to assets and that those assets are properly valued. In addition, as recommended by the auditor, a physical inspection of these assets will be performed as part of the new procedure.

FINDING (STATE COMPLIANCE)

- 08-2 **FINDING:** (Inadequate preparation of GAAP Package and difficulty in using Programmatic Accounting System)

The Department's year-end accounting reports (GAAP Packages Forms) submitted to the Illinois Office of the Comptroller (IOC) were not accurate.

We noted the following problems with the Department's fiscal year 2008 GAAP packages:

- The Department did not maintain adequate supporting documentation and the GAAP packages forms were not prepared in an orderly manner, making it difficult to properly review. The Department could not provide supporting documentation for \$281,000 of current year expenditures reported on the Interfund Activity -- Grantee Agency (SCO-567) form for the DNR Federal Projects Fund. Also, the Department could not provide supporting documentation for \$1,958,000, \$2,218,000, \$100,000, and \$248,000 of current year expenditures reported on the Interfund Agency – Grantor Activity (SCO-568) form for the Wildlife and Fish Fund, the DNR Federal Projects Fund, the Park & Conservation Fund, and the Abandoned Mined Lands Reclamation Council Federal Trust Fund, respectively. In addition, receipt support provided by the Department for the DNR Federal Projects Fund differed from the receipt amount reported on the Grant/Contract Analysis (SCO-563) form by \$385,000. Lastly, we noted expenditure support provided by the Department for the Mines and Minerals UIC Fund, DNR Federal Projects Fund and Abandoned Mined Lands Reclamation Council Federal Trust Fund differed from the current year expenditure amounts reported on the SCO-563 by \$136,000, \$181,000, and (\$188,000), respectively.
- The Department provided grant analysis worksheets prepared by fiscal staff as supporting documentation for the Grant/Contract Analysis (SCO-563) form. The total Federal expenditures per the SCO-563 for fiscal year 2008 were \$34,858,000. However, we were unable to agree these amounts to the Department's accounting records.
- It was previously determined the Programmatic Accounting System (PAS) is cumbersome and difficult to use for purposes of GAAP reporting, and, the Department did not maintain this support in an orderly manner, making it difficult to review as part of prior testing. The various Offices which participate in federal financial assistance programs are required to use PAS to document their program expenditures and the Department's matching costs, by maintaining programmatic time sheets and coding vouchers for the purpose of accumulating cost information. The process to match PAS program numbers to the individual Offices' records and federal cost reports has previously been determined to be very time consuming because PAS reports do not include the federal contract numbers and are not maintained in an orderly, centralized manner to support the amounts reported for GAAP.

During the current year, we noted no changes in the Department's use of the PAS, and thus concluded the issues previously noted continue.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources. In addition, good internal control requires the proper maintenance of Department records to support the GAAP package amounts reported to the Comptroller's Office.

Department personnel stated the staff previously responsible for the preparation of the GAAP packages retired from the Department in October 2008 leading to less experienced staff having to try and assemble the necessary information.

Proper maintenance of the Department's financial information to support GAAP reporting purposes is important due to the complexity of the Department, the impact adjustments or errors would have on the statewide financial statements, and the impact on other agencies that rely on Department information for their financial reporting. The failure to provide accurate information to the Office of the Comptroller could result in inaccuracies in the Statewide financial statements. (Finding Code No. 08-2, 06-2, 04-2, 02-1, 00-1)

RECOMMENDATION:

We recommend the Department comply with established procedures to ensure GAAP reporting packages are accurately prepared and supporting documentation is maintained in an orderly and complete manner.

DEPARTMENT RESPONSE:

We agree. The Department is seeking an outside firm who will provide training of Department staff in order for the Department to become self-sufficient in the preparation of the GAAP packages for the following year. Increased efforts will be made for better organization and maintenance of supporting documentation. Also, new Illinois Office of the Comptroller tracking and accountability processes should provide more transparency for the GAAP reporting. In addition, the Department is reviewing alternatives to the current programmatic timekeeping system since the Agency is no longer a pilot for a State-wide solution.

08-3 **FINDING:** (Failure to monitor and enforce concessionaire lease agreements)

The Department failed to monitor and enforce concessionaire lease agreements regarding rental payments.

During the engagement period, the Department had approximately 90 concessionaires at State parks throughout Illinois. The Department's concession coordinators are responsible for negotiating and enforcing lease terms, overseeing the site, approving rates charged, and collecting rental payments.

During our testing of concessionaire payments, we noted the following:

- 14 of 40 (35%) rental payments tested were remitted to the Department in an untimely manner ranging from 5 to 60 days late.

Standard contract language for concessionaires whose rents are based on a percentage of sales states "a report of sales must be forwarded to the Division of Concession and Lease Management no later than the 25th day of the following month". In addition three delinquent payments in a twelve-month period or a delinquent account of ninety days shall be cause for immediate termination of lease.

- 1 of the 4 (25%) top concessionaires remitted rental payments late for three months during the 24 month period, ranging from 47 to 59 days late.

Standard contract language for concessionaires whose rents are based on a percentage of sales states "a report of sales must be forwarded to the Division of Concession and Lease Management no later than the 25th day of the following month". In addition three delinquent payments in a twelve-month period or a delinquent account of ninety days shall be cause for immediate termination of lease.

- 1 of the 4 (25%) top concessionaires failed to make monthly deposits into the required reserve account. As of June 30, 2008, the concessionaire was behind by nine monthly payments totaling \$119,704.

Standard contract language requires all concessionaires to deposit monies into a reserve account based on a percentage of revenues. Similar to rental payments, the "Lessee shall provide Natural Resources a copy of the deposit slip for all monies placed in the said Reserve Account each month no later than the 25th day of the following month".

Department personnel stated although they made repeated collection efforts, rental payments and monthly deposits were not remitted timely due to a lack of sufficient funds by the concessionaires.

Failure to enforce lease payment terms and late fee penalties results in decreased revenues to the Department. Failure to timely deposit funds into the reserve account can lead to future emergencies when the money in the reserve account becomes needed and is noncompliance with the terms of the contract. (Finding Code No. 08-3, 06-9)

RECOMMENDATION:

We recommend the Department implement procedures necessary to monitor concessionaire's compliance with lease agreements to ensure timeliness of payments.

DEPARTMENT RESPONSE:

We agree. Beginning March 1, 2009, the Agency implemented procedures for collection and timeliness of payments received. Audit testing for timeliness of vendor payment deposits was performed using the date of the check and the deposit transmittal form. The Department has since implemented a procedure to date stamp rental payment documentation on the receipt date to ensure a more accurate accounting of the time between when a check is received and when the check is deposited. Also, written policies and procedures have been developed for the collection of untimely concessionaire rental and reserve payments. Additionally, corrective action was taken in March 2008 to receive timely rental and reserve payments from the one concessionaire that was cited for untimely payments in the finding. A payment plan was agreed upon and has since been followed. It is DNR policy to work with vendors in order to collect timely payments rather than terminate lease agreements since qualified concessionaires are difficult to find.

08-4 **FINDING:** (Failure to follow up on outstanding tickets with the Circuit Clerk)

The Department did not follow up on outstanding tickets with the appropriate Circuit Clerk.

The Department did not request nor receive a monthly aging report from the Illinois State Police that includes all tickets, amounts owed or outstanding for all Department offenses and consequently, did not discuss outstanding ticket amounts owed to the Department with appropriate Circuit Clerks.

Good internal controls and the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that revenues, expenditures, and transfers of assets resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Department personnel stated the last two fiscal years of outstanding tickets were not followed up with the appropriate Circuit Court Clerks because it was their understanding Supreme Court Rule 552 "Uniform Tickets Processing" relieved them of this responsibility, which states that upon final disposition of each case, the clerk shall execute a Disposition Report and forward to the law enforcement agency that issued the ticket. As such, it is the clerks' offices responsibility to notify the Department as the arresting agency.

Supreme Court Rule 552, effective since September 30, 2002, while requiring the clerk(s) to issue a Disposition Report, does not preclude the Department's responsibility to determine if violators are prosecuted in a timely manner and to follow up on outstanding tickets with the appropriate clerk. Failure to follow up on outstanding tickets could result in lost revenue to the State. (Finding Code No. 08-4, 06-12)

RECOMMENDATION:

We recommend the Department implement procedures to obtain outstanding ticket reports from the Illinois State Police, review the reports in a timely manner and follow up on all outstanding tickets with each appropriate Circuit Clerk, as necessary.

DEPARTMENT RESPONSE:

We agree that the Department is not obtaining outstanding tickets reports from the Illinois State Police. The report tracks only those offenders that have been found guilty, not the amount of the fine or the amount DNR may collect. There is little benefit for requesting the outstanding ticket report since it is very large and the organization, review and follow up would be very time intensive. Many times little to no money is passed through to the Department from the fines collected by the Circuit Clerks. The amount received from the Circuit Clerks depends on the violation and the state statute governing the distribution of fines imposed, and the municipality ordinances that govern the distribution of funds. Also, low staffing levels prevent current staff from being able to devote their resources to this activity. Instead the Department is working closely with the Administrative Office of the Illinois Courts to resolve this issue through a new system. Once implemented, the automatic disposition reporting from the clerks' offices' will eliminate the need to receive the outstanding ticket report from and will allow the department to know the approximate amount of money owed to it from guilty convictions.

08-5 **FINDING:** (State Police Traffic Information Planning System (TIPS) not updated in a timely manner)

The Department did not enter written warnings and citations issued by the Conservation Police Officers (CPO) into the Traffic Information Planning System (TIPS) in a timely manner.

The TIPS is a computerized system administered by the State Police that provides law enforcement officials information on written warnings and citations. It is the Department's responsibility to enter issued written warnings and citations into TIPS on a timely basis. Departmental personnel stated CPO's issue approximately 10,000 written warnings per year.

During our testing, we noted the Department did not enter current period written warnings into TIPS. The backlog of warnings not entered into TIPS dates back to July 1999. We also tested 40 written citations and noted seven (18%) had not been entered into TIPS as of June 30, 2008, at least seven to nine months after issuance.

Department personnel stated the goal is to enter citations into TIPS within four months, which the Department thinks is reasonable. The Department concentrated efforts to ensure all citations were entered into TIPS, but has not been able to devote enough resources to ensure all written warnings have also been updated into TIPS.

Failure to enter written warnings and citations into TIPS represents a safety issue for all law enforcement officers in the field. Officers are unaware of written warnings and citations issued by CPOs if Department personnel fail to enter the information into TIPS and therefore they do not have access to current, complete, relevant and important information, including knowledge of repeat offenders. Lack of current information seriously impedes the effectiveness of CPOs to perform their duties and consequently, the safety of all the citizens of Illinois. (Finding Code No. 08-5, 06-15, 04-21, 02-8)

RECOMMENDATION:

We recommend the Department make the necessary provisions to enter all past and future citations issued by the CPO's into TIPS in a timely manner.

DEPARTMENT RESPONSE:

We agree with this finding and will continue to work to fund the additional staff this process requires. Since the last audit finding, Office of Law Enforcement (OLE) staff has been dedicated to entering citations timely and has made a great improvement. Also, the Department is working closely with the Illinois State Police (ISP) on implementing electronic citations. Once ISP switches over to electronic citations, OLE officers will begin entering their own citations and written warnings. This will allow OLE to stay current on the entry of citations and ultimately eliminate all backlogs of written warnings and citations. According to ISP the new electronic citations will be implemented by 2011 and in order to comply, DNR will need to secure additional funding for the purchase of laptops and printers.

08-6 **FINDING:** (Time sheets not maintained in compliance with the State Officials and Employees Ethics Act)

The Department did not maintain time sheets for its employees in compliance with the State Officials and Employees Ethics Act (Act).

The Department's employees' time (other than senior management) was tracked using a "negative" timekeeping system whereby the employee was assumed to be working unless noted otherwise. Although senior management staff did maintain their time sheets in compliance with the Act, the Department's other employees did not document the time spent each day on official State business to the nearest quarter hour as required.

The Act (5 ILCS 430/5-5(c)) states "The policies shall require State employees to periodically submit time sheets documenting the time spent each day on official State business to the nearest quarter hour."

Department personnel stated the State of Illinois is in the process of implementing a new automatic timekeeping system and the Department has been chosen to be part of the pilot for this new program, which is expected to begin in FY09. As a result of its anticipated participation in the pilot program, the Department did not implement changes requiring all employees to document their time in accordance with the Act.

By not maintaining the appropriate time sheets, the Department was not in compliance with the Act. (Finding Code No. 08-6, 06-16, 04-29)

RECOMMENDATION:

We recommend the Department apply the appropriate resources necessary to ensure its policies and procedures are updated, based on the expected implementation of the new timekeeping system, in order to comply with the Act.

DEPARTMENT RESPONSE:

We agree. The Department was involved in a pilot program with a timekeeping vendor that was scheduled to deliver a timekeeping solution by April 2009. Unfortunately at the beginning of the calendar year 2009, the program was placed "on hold" due to funding shortfalls. At this time, the Department continues to work within its own IT Division and limited budget to develop and implement a timekeeping tracking system which will include a programmatic timekeeping piece for activity based and federal reimbursement tracking and to comply with the Ethics Act. Until such a timekeeping mechanism is fully implemented, the Department continues to perform timekeeping documentation in a "negative" timekeeping system. Upon implementation of an electronic timekeeping solution, DNR will be in full compliance with the Act.

08-7 **FINDING:** (Employee performance evaluations not completed)

The Department did not complete employee performance evaluations in a timely manner.

During our testing of 35 employees for each fiscal year we noted the following:

- In FY07, 22 of the 35 employees tested were required to have evaluations (the remaining 13 were temporary help or no longer employed). Four (18%) employees were missing evaluations and seven (31%) evaluations were completed from two days to seven months late.
- In FY08, 12 of the 35 employees tested were required to have evaluations (the remaining 23 employees were temporary help or no longer employed). Four (33%) employees were missing evaluations and five (41%) were completed from 24 days to two months late.

The Department's Human Resources Manual, Chapter 3, Section 3C-4 requires the supervisor to complete an evaluation on each of his/her respective subordinate staff annually.

Department personnel stated the Department provided training on evaluations to supervisory personnel and focused on timeliness of evaluations. However, the staff responsible for the training retired, and was not replaced due to a lack of funds, which Department staff believes has impacted the overall response to the training efforts. Also, it appears the Department has not made ensuring evaluations are completed a priority.

Performance evaluations are a systematic and uniform approach used for the development of employees and communication of performance expectations to employees. Performance evaluations should serve as a foundation for salary adjustments, promotions, demotions, discharge, layoff, recall and reinstatement decisions. (Finding Code No. 08-7, 06-19, 04-13)

RECOMMENDATION:

We recommend the Department ensure adequate resources are provided for ongoing training and follow-up, and to establish and maintain appropriate internal controls for the timely completion and submission of evaluation reviews. We also recommend immediate supervisors be held responsible for completing evaluations in a timely manner.

DEPARTMENT RESPONSE:

We agree. The Office of Human Resources does currently review the timeliness of the completion of employee evaluations and maintains a database of past due evaluation; however, the current policies and procedures will be examined and more language regarding enforcement and review by Director and Deputy Directors will be added. In addition the supervisors and staff will be reminded of the importance of evaluations.

08-8 **FINDING:** (Failure to fill Illinois State Museum Board vacancies)

Vacancies on the Illinois State Museum Board were not filled in accordance with State Law. During FY07 and FY08, two of 11 (19%) Illinois State Museum Board positions were vacant.

The Department of Natural Resources Act (Act) (20 ILCS 801/20-10) states, “Within the Department there shall be a Board of the Illinois State Museum, composed of 11 persons, one of whom shall be a senior citizen age 60 or over. The Board shall be composed of 9 representatives of the natural sciences, anthropology, art, and business, qualified by at least 10 years of experience in practicing or teaching their several professions; one senior citizen; and the Director of Natural Resources or the Director’s designee. Members of the Board shall be appointed by the Governor with the advice and consent of the Senate and shall serve for 2-year terms.”

Department personnel stated names were submitted to the Governor’s Office to fill the vacancies and they are unsure why the Governor’s Office did not fill these positions.

Board members should be appointed in a timely manner in order to properly formulate the functions of the Board as intended. A full Board is necessary to properly conduct meetings and operate effectively and efficiently.

In addition, during the prior period, one of four Miners Examining Board positions was vacant. During the current period, this position was filled. (Finding Code No. 08-8, 06-33)

RECOMMENDATION:

We recommend the Department continue to work with the Governor’s Office to ensure the Board vacancies are filled in a timely manner. All follow-up actions should be documented and maintained.

DEPARTMENT RESPONSE:

We disagree. The Department made recommendations to the Governor’s Office during this period and followed up on a regular basis. While the Department is asked to make recommendations, the actual appointments are made by the Governor’s Office and are out of the hands of the agency.

08-9 **FINDING:** (Amounts reported on Agency Fee Imposition Report Forms do not reconcile to Department records)

The Department did not properly report fees collected on the FY07 and FY08 Agency Fee Imposition Reports submitted to the Illinois Office of the State Comptroller (Comptroller).

Our review of the Agency Fee Imposition Reports for FY07 and FY08 noted the reports were inaccurately prepared. The report requires the Department to list the number of licenses/permits/fees, the charge for each, and the total collected. In almost all instances on the Agency Fee Imposition Report, the numbers of licenses/permits/fees multiplied by the fee did not equal the total fees collected. Total fees collected by the Department for FY08 and FY07 were \$46,467,196 and \$40,765,470, respectively. Discrepancies were noted in 28 of 29 (97%) fee categories reported by the Department. The only category correctly reported was the Heritage Watercraft I.D. plaque for \$0 in FY07 and \$25 in FY08.

The State Comptrollers Act (15 ILCS 405/16.2) requires all State agencies that impose and collect fees prepare the Agency Fee Imposition Report Form. The form shall list and describe all fees imposed by the Department, the purpose of the fees, the amount of revenue generated by each fee, and the funds into which the fees are deposited. In addition, good internal controls require adequate documentation be maintained to ensure the accuracy and validity of amounts included in the Agency Fee Imposition Report Form.

Department personnel stated the individual Divisions have a difficult time breaking down the number and rate charged for the individual fees by fiscal year due to timing differences regarding license years. In addition, certain fees are based on several circumstances, and therefore difficult to report.

We believe the report is incorrectly prepared because information about fees continues to be obtained from various Divisions without consistent reporting guidelines. Some Divisions continue to report information by fiscal year while others report by license year. It also appears there is no overall process to reconcile licenses/permits sold to funds deposited with the State Comptroller's Office.

Incorrect reporting of fees on the Agency Fee Imposition Form results in the Department providing inaccurate information on the Statewide Agency Fee Imposition Form submitted to the General Assembly. (Finding Code No. 08-9, 06-14)

RECOMMENDATION:

We recommend the Department implement procedures to ensure the accuracy of amounts reported on the Agency Fee Imposition Report prior to submission to the Comptroller. These procedures should include a reconciliation of fees deposited to subsidiary records maintained by Divisions and review of the Report by knowledgeable personnel.

DEPARTMENT RESPONSE:

We partially agree. The Department did submit the FY07 and FY08 Fee Imposition Reports. A great improvement was made in the Fish and Wildlife reconciliations; however, we understand there is more work to be done at the Department-wide level. We will continue to develop and implement policies and procedures that will ensure that accurate counts are reported and reconciliations of fee revenue and subsidiary records are completed.

08-10 **FINDING:** (Inadequate controls over petty cash funds)

The Department did not implement adequate controls in the operation of its petty cash funds in accordance with State Comptroller requirements (SAMS Procedure 9.10.40). The Department maintains approximately 165 petty cash funds. We tested all 17 petty cash funds maintained at the Department's main Office. The 17 funds had authorized balances ranging from \$300 to \$1,000.

Our testing of petty cash funds revealed the following:

- The Department did not ensure the authorized amounts assigned to each petty cash fund were turning over approximately six times a year. We noted 17 of 17 (100%) petty cash funds with annual turnover rates ranging from 1.10 to 5.008. We noted the Department submitted an explanation listing certain factors why the funds were not turned over six times as required. However, we noted no statement indicating the Department wished to maintain the current levels below the required turnover level or why the current levels of the funds are needed.
- The Department did not reconcile one of 17 (6%) petty cash funds on a monthly basis. We noted reconciliations for the months of August 2007 through January 2008 were not prepared until March 17, 2008 and other reconciliations covered a two-month period. In addition, we noted the custodians prepared bank reconciliations.

SAMS Procedure 9.10.40 requires an annual petty cash turnover report be submitted to the Comptroller every January. An important part of this report is the petty cash Turnover Rate, which is calculated by taking the annual disbursements and dividing them by the approved level of the fund. SAMS Procedure 9.10.40 requires the petty cash fund be turned over approximately six times to ensure proper dollar level of the fund. Otherwise the Agency should reevaluate the authorized amount of the fund and request the fund be reduced. If the turnover rate is less than six times annually and the custodian wishes to maintain the current fund level, an attachment should accompany the C-18, when filed, stating why the current level of the fund is needed. In addition, SAMS Procedure 9.10.40 requires petty cash funds to be reconciled every month by someone other than the custodian.

Department personnel stated they did not include the appropriate statements on the petty cash turnover reports due to oversight. In addition, reconciliations were not performed in a timely manner due to oversight and turnover in experienced custodians and the inability for some to use the Budget and Expenditures Tracking System (BETS).

Failure to properly evaluate petty cash annual turnover in compliance with SAMS Procedure 9.10.40 could result in excessive petty cash balances and the potential misuse of the funds. Also, failure to timely perform reconciliation of the petty cash fund may result in a misappropriation of funds and an inability to demonstrate accountability for imprest balance. (Finding Code No. 08-10, 06-29)

RECOMMENDATION:

We recommend the Department comply with SAMS Procedure 9.10.40 and implement controls to ensure petty cash fund's authorized amounts result in annual turnover rates of approximately six or attach an explanation stating why the current level of the fund is needed as required by SAMS. We also recommend the Department reinforce procedures in place to ensure all petty cash funds are properly reviewed and reconciled on a monthly basis.

DEPARTMENT RESPONSE:

We agree that the turnover rate is not as high as prescribed by SAMS. DNR has reduced the quantity of petty cash accounts as well as the amounts held within the funds. We will continue to monitor the turnover rate and will consider continuing to reduce the quantity of accounts. DNR has implemented compensating controls that limit our risk from not having proper segregation of duties at sites that have very limited staffing. Annually, staff from the Office of Fiscal Management randomly chooses a month from the prior fiscal year and petty cash custodians are required to submit their petty cash reconciliation and supporting documentation for that month for review.

08-11 **FINDING:** (Failure to adequately prepare bank reconciliations)

The Department did not adequately prepare and review bank reconciliations and maintain updated records for its bank accounts for the Investigative Cash Fund and certain sites.

We tested bank reconciliations for the Investigative Cash Fund, as well as, the reconciliations for eight sites visited. We noted the following:

Investigative Cash Fund

During our testing of monthly bank reconciliations for FY07 and FY08, we noted six of 24 (25%) reconciliations were either prepared incorrectly or untimely. We noted the following:

- Transactions were recorded and outstanding checks were listed in the wrong period for three of 24 (13%) reconciliations tested. For example, deposits dated May 2007 and June 2007 were included as deposits in transit in the March 2007 bank reconciliation.
- Reconciliations were not completed timely for three of 24 (13%) months tested. The reconciliations were performed 39 to 113 days after the end of the month. In addition, one (4%) reconciliation was not dated by the reviewer and two (8%) reconciliations were not dated by the preparer.

Site Visits

During our review of monthly bank reconciliations at the sites visited for the revenue account and petty cash account for the months of January through June of both FY08 and FY07, we noted the following:

- Transactions were recorded in the wrong period for 28 of 96 (57%) reconciliations reviewed for the revenue account.
- Transactions were recorded in the wrong period for 50 of 96 (52%) reconciliations reviewed for the petty cash accounts.
- The reconciliations of both accounts (petty cash and revenue) were not reviewed and approved by a second party for six of the eight sites visited, (75%).
- Two former employees were still listed as authorized signers according to bank records for one of the eight sites visited.

Good internal controls require bank reconciliations balance to the checkbook balance at month-end. Only receipts and disbursements applicable to the monthly period should be included in the reconciliation as reconciling items. Good internal controls also mandate bank reconciliations be properly reviewed and approved by a second person and persons no longer employed by the Department be promptly removed as authorized check signers. In addition, the Fiscal Control and Internal Auditing Act requires agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Department personnel stated reconciliations were generally completed late due to a lack of staffing and a lack of knowledge of the Billing and Expenditures Tacking System (BETS).

As a result of these situations, errors or fraud could go undetected and uncorrected for a significant period of time. (Finding Code No. 08-11)

RECOMMENDATION:

We recommend the Department reinforce procedures to ensure staff is adequately trained, bank reconciliations are properly reviewed and employees no longer with the Department are promptly removed from the banks list of authorized checks signers.

DEPARTMENT RESPONSE:

We agree. Current policies and procedures regarding account reconciliations and signatures on file at banks will be reviewed.

08-12 **FINDING:** (Inadequate controls over telecommunications expenditures and records)

The Department did not maintain adequate controls over its telecommunications equipment and expenditures.

During the current period, the Department shifted responsibility for tracking calling cards to the Office of Fiscal Management (OFM) and added a written process on reviewing telephone calls. We noted the following:

- The Department did not require supervisors to adequately review and verify a monthly-itemized listing of local and long distance calls. We reviewed the phone bills for FY07 and FY08 for four divisions, which included three different months for both years. We noted one (25%) division in FY07 and two divisions (50%) in FY08 where there was no supervisor's approval.
- Telecommunication records were not updated for changes in assignments of equipment, such as cell phones, calling cards, pagers and phone lines. We tested 64 assignments (25 calling cards, 25 cell phones and all (14) active pagers) and 26 phone lines. We noted five (8%) assignments where cell phones, pagers or calling cards were no longer needed based on current job assignment or not currently being used by the person listed by the Telecom Liaison for the Department. Two of the five (40%) assignments noted above were to employees who retained two telephone calling cards. Upon further review, it was noted one-employee's calling card was canceled. Management could not explain why the other employee retained two active calling cards.
- During our testing of calls, we noted four instances of 26 (15%) lines tested in which employee assigned to the line had changed, and two of four employees mentioned above were terminated and records were not updated for changes.

Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation.

Department personnel stated policies and procedures requiring the review of monthly itemized bills are maintained. However, communication of the proper procedures was not adequately communicated to all divisions to ensure uniformity in adhering to the policies and procedures.

Failure to ensure adequate controls over telecommunication expenditures and records, including performing and documenting a detailed review of telecommunication billings, increases the risk that inappropriate phone usage or billing errors will not be detected. (Finding Code No. 08-12, 06-24, 04-18, 02-10)

RECOMMENDATION:

We recommend the Department ensure all divisions adhere to established policies and procedures and update the status of calling card, cell phone and pager records in a timely manner.

DEPARTMENT RESPONSE:

We agree. The Department will ensure all divisions adhere to established policies and procedures and update the status of calling card, cell phone and pager records in a timely manner.

08-13 **FINDING:** (Lack of contingency planning or testing to ensure recovery of computer systems)

The Department had not provided adequate planning for the recovery of its applications and data. Additionally, recovery testing of the applications had not been performed during the audit period.

The Department had an Information Processing Recovery Activation Plan (Plan) for the Department's Headquarters, Regional Offices, Museum, and Survey Offices. This Plan was last updated in August 2005 and did not reflect the current operating environment. The Plan stated the testing should be performed at least on an annual basis, but the Department last tested the mainframe portion of the Plan in June 2003.

The Department's IT functions have been consolidated into CMS with a physical move of equipment during 2005. As a result, the Department and CMS have a shared responsibility over disaster contingency planning and testing. However, the Department could not provide any documentation to support communication with CMS in an effort to correct the above deficiency.

Information technology guidance (including the National Institute of Standards and Technology and Government Accountability Office) endorses the formal development and testing of disaster contingency plans. Tests of disaster contingency plans (and the associated documentation of the test results) verify that the plan, procedures, and resources provide the capability to recover critical systems within the required timeframe.

Failure to adequately develop and test a disaster contingency plan leaves the Department exposed to the possibility of major disruptions of services. A comprehensive test of the plan across all systems utilized will assist management in identifying weaknesses to ensure recovery procedures are adequate in the event of a disaster. Continuous testing of plans would also assist management to ensure the plans are appropriately modified, as the Department's computing environment and disaster recovery needs change. (Finding Code No. 08-13)

RECOMMENDATION:

We recommend the Department revise its Plan to address its current operating environment, and test its Plan at least once a year. Also, the Department should communicate to CMS its recovery requirements and establish and document guidelines that outline both the Department's and CMS responsibilities.

DEPARTMENT RESPONSE:

We agree. We are in communication with CMS to test the Disaster Recovery Plan and are awaiting a response from their Disaster Recovery unit. IDNR has been unable to update the Plan due to the inability to replace the Department's former Disaster Recovery Coordinator.

PRIOR FINDINGS NOT REPEATED

- A** **FINDING:** (Inadequate controls over the calculation and submission of capital asset information for GAAP reporting purposes)

During the prior period, the Department's primary capital asset and property control accounting system, the Common Inventory System (CIS) was not adequate for the proper calculation and submission of capital asset information for GAAP reporting purposes. As a result, the Department had to utilize numerous supplemental spreadsheets and schedules to calculate capital asset balances and related depreciation in accordance with Generally Accepted Accounting Principles (GAAP).

During the current period, we noted the Department replaced CIS with the Capital Asset Tracking System (CATS). We further noted the following: 1) the Office of Water Resources and Bikeways Project were included in the property control records, 2) the current fixed asset system is able to keep audit trails of adjustments made (e.g., adjustments due to changes in categorization/asset type, etc.) and update historical data accordingly, 3) corrective actions to capitalize all parcels of land were implemented, and 4) corrective actions to correctly calculate capital asset accounts payable were implemented. (Finding Code No. 06-1, 05-1, 04-3)

- B** **FINDING:** (Excessive administrative approvals for deer and turkey permits)

During the prior period, the Department issued excessive administrative approvals for deer and turkey hunting permits, approved incomplete applications for administrative approvals, and exceeded Department established hunting quotas.

During the current period, the Department reduced the number of deer and hunting permits issued by 25%. In addition, as a result of the implementation of greater administrative controls, we noted significant improvement in the administrative processing of these permits. However, we noted incomplete Department forms and permit applications along with some deer and turkey hunting areas exceeding their quotas. Thus the issue is reported in our letter of Immaterial Findings. (Finding Code No. 06-3)

- C** **FINDING:** (Weaknesses with contract for Point of Sale system)

During the prior period, the Department did not have a timely or adequate contract for the development and implementation of the Point of Sale System.

During the current period, the Department used competitive bidding rather than "per privilege cost" as a method of awarding the other contracts tested. (Finding Code No. 06-4)

- D** **FINDING:** (Permit fees not received from vendor in a timely manner)

During the prior period, the Department did not receive nonresident deer archery permit fees totaling more than \$6.8 million from the vendor in a timely manner.

During the current period, the Department implemented the Point of Sale System (POS). Non-resident archery permit applications are now paid for at the time of application by electronic check or credit card through the POS. The funds are withdrawn electronically from the Vendor License Agents account on a weekly basis and transferred to the Department's account at the State Treasurers office, and thus are received in a timely manner. (Finding Code No. 06-5)

E **FINDING:** (Failure to monitor oil royalty payments)

During the prior period, the Department failed to monitor royalties earned from oil and gas leases to ensure such royalties were received and deposited in a timely manner.

During the current period, we reviewed a sample of royalty payments received for FY07 and FY08 and noted all were collected and deposited in a timely manner. (Finding Code No. 06-6)

F **FINDING:** (Failure to enforce grant award time limits for Bike Path Awards)

During the prior period, the Department did not enforce the time limits for project reimbursements for the Bike Path Program.

During the current period, our sample testing did not disclose any instances where the Department was delayed in reimbursing sponsors of the Bike Path Program for expenditures incurred. The Department has been performing status checks on the progress of the project on a semi-annual bases. These status checks assist the Department in estimating the length of time it will take to complete the project. (Finding Code No. 06-7)

G **FINDING:** (Failure to adequately evaluate internal fiscal and administrative controls)

During the prior period, the Department failed to adequately evaluate internal fiscal and administrative controls in accordance with the Fiscal Control and Internal Auditing Act (FCIAA).

During the current period, we reviewed the Fiscal Control and Internal Auditing Act (FCIAA) and noted the Department had developed procedures to evaluate its internal fiscal and administrative controls. These procedures included: 1) completion of internal control checklists/questionnaires by each Division/Office with a signed certification letter by each Director to the Acting Director of the Department certifying that an evaluation of controls within their respective office was completed in accordance with the Act, 2) development of a Draft Policy and Procedure Manual on FCIAA, including instructions for completing any corrective action plan, and 3) training/brainstorming sessions conducted on FCIAA requirements including status updates on audit findings, discussion of FCIAA checklists and formalization of any identified weaknesses. (Finding Code No. 06-8)

H **FINDING:** (Hunting and fishing license consignees not remitting license fees and/or licenses in a timely manner)

During the prior period, the Department did not monitor vendors who were consigned hunting and fishing licenses for sale to the public as required by Department rules.

During the current period, our testing showed hunting and Fishing licenses are now sold through the Point of Sale System (POS). Vendor License Agents are no longer required to be bonded but must pay a one-time refundable deposit in order to obtain the POS equipment required.

Licenses are no longer consigned to the Vendor License Agent because each Vendor License Agent now has the ability to print licenses and automatically process each license sale. Licenses have no cash value until the sale has been confirmed, posted to the host computer and printed on the DNR license paper stock. License sales processed through the POS equipment are withdrawn electronically from the Vendor License Agents bank account on a weekly basis. Since funds are electronically withdrawn, the Department is able to keep track of all funds received from each Vendor License Agent. (Finding Code No. 06-10, 04-23)

I **FINDING:** (Failure to deposit monies with the State Treasurer in a timely manner)

During the prior period, the Department failed to deposit monies with the State Treasurer in a timely manner in compliance with the State Officers and Employees Money Disposition Act. 88% of refunds tested, 100% of violations tested, 16% of general receipts tested and a royalty check were deposited between 1 to 208 days late.

During the current period, the Department was more timely in depositing monies with the State Treasurer for those receipts tested in our sample. However, we noted two items were deposited between four and 22 days late. Thus the issue is reported in our letter of Immaterial Findings. (Finding Code No. 06-11)

J. **FINDING:** (Failure to maintain adequate documentation for returned checks or to suspend or revoke the title, registration or permit in a timely manner)

During the prior period, the Department did not maintain adequate records supporting checks returned for insufficient funds.

During the current period, the Department strengthened controls over the documentation of returned checks. However, we noted a sample of not sufficient funds (NSF) collection letters tested did not specify dates as to when the applicable permits or licenses were suspended or revoked. Thus the issue is reported in our letter of Immaterial Findings. (Finding Code No. 06-13, 04-24)

K **FINDING:** (Failure to follow overtime policies and procedures for Conservation Police Sergeants and Officers)

During the prior period, the Department did not pay overtime for Conservation Police Sergeants and Officers in accordance with the Department's Timekeeping Handbook.

During the current period, the Department's Office of Law Enforcement re-evaluated and modified its policies and procedures regarding overtime payment to conservation police sergeants and officers. The Department waived the statement that overtime should be paid in the same period the overtime credit was earned. Our review of a sample of overtime payment to conservation police sergeants and officers did not disclose any instances where payments were incorrectly calculated. (Finding Code No. 06-17, 04-11)

L **FINDING:** (Timekeeping system is not automated)

During the prior period, the Department-wide timekeeping system was not automated, resulting in inefficiencies and errors in accurately calculating employee accumulated leave.

During the current period, we reviewed a sample of 60 employees' accrued leave and noted accrued leaves were calculated correctly. In addition, the State of Illinois is currently working on a State-wide automated timekeeping system, as such, the Department has ceased its plans to implement its own automated system in order to save resources and money. It was noted the Department was chosen as part of the pilot for the new program, which is expected to begin in FY09. (Finding Code No. 06-18, 04-12, 02-5 and 00-3)

M **FINDING:** (Inadequate procedures regarding State vehicles)

During the prior period, the Department did not have adequate procedures over its State vehicles. Personally assigned vehicles were not evaluated annually to determine the assignment was still justifiable and in the best interest of the State, Department employees did not effectively utilize the Department's vehicle fleet, accidents involving State vehicles were not reported in a timely manner, odometer readings were not maintained, and the Department did not have documentation to ensure personally assigned vehicles were adequately maintained.

During the current period, the Department strengthened its controls over its State vehicles. We noted Department reviewed vehicle assignments twice a year to determine if assignment of vehicle was justifiable and developed procedures to ensure employees utilized the motor vehicle fleet, in lieu of their personal vehicles. In addition, accident reports involving State vehicles were submitted timely based on our sample testing and the Department developed a centralized database to keep track of vehicle maintenance. (Finding Code No. 06-20, 04-15, 02-6)

N **FINDING:** (Untimely approval of invoice vouchers)

During the prior period, the Department did not maintain adequate records controls over the processing, approval and payment of vouchers as required by the Illinois Administrative Code.

During the current period, the Department implemented additional training of all Office staff handling vendor invoices resulting in a significant improvement in the process of approving and paying vouchers. However, we noted a few exceptions in our sample testing during the current period and these items are reported in our letter of Immaterial Findings. (Finding Code No. 06-21, 04-17)

O **FINDING:** (Inadequate controls over travel credit card accounts)

During the prior period, the Department did not maintain adequate records related to travel credit card accounts and did not comply with policies and procedures established for the monitoring of government credit cards.

During the current period, we reviewed 100% of monthly-itemized credit card statements for FY07 and FY08 and noted the Department maintained records of credit card statements with specific information, such as dates and vendors. We also noted the supervisors approved the monthly statements. (Finding Code No. 06-22, 04-20)

P **FINDING:** (Failure to timely file TA-2 forms)

During the prior period, the Department did not file any of the required Travel Headquarters (TA-2) forms with the Legislative Audit Commission in a timely manner. The forms were filed from 6 to 98 days late.

During the current period, we reviewed 100% of the TA-2 forms and noted they were filed timely with the Legislative Audit Commission. (Finding Code No. 06-23)

Q **FINDING:** (Telephone calling cards and pagers not cancelled on a timely basis)

During the prior period, the Department did not cancel telephone calling cards and pagers in a timely manner.

During the current period, we reviewed 25 individuals assigned calling cards and 14 individuals assigned pagers and noted all individuals assigned calling cards were issued to employees whose job assignments required them to be in remote locations where cell phones have no services and a form of communication is needed with the Department's main office. We also reviewed 14 individuals assigned pagers. However, we noted a few exceptions during the current period and these items are reported in our letter of Immaterial Findings. (Finding Code No. 06-25, 04-19, 02-11)

R **FINDING:** (Art print and collector’s stamp programs operating at a loss)

During the prior period, the Department’s art print and collector’s stamp programs operated at a financial loss.

During the current period, the Department evaluated the art print and collector’s stamp programs and determined the Department would continue to operate the program. In FY07 these programs resulted on a slight profit while in FY08 the programs resulted in a small deficit. For the two-year period of FY08 and FY07, the Department showed a net loss of (\$1,518). However, the overall profit/losses noted are immaterial and the Department appears to be evaluating the programs on a periodic basis. (Finding Code No. 06-26)

S **FINDING:** (Failure to transfer funds from the Illinois Habitat Fund in accordance with the Wildlife Code)

During the prior period, the Department failed to transfer funds from the Illinois Habitat Fund to the State Pheasant Fund and the State Furbearer Fund in accordance with the Wildlife Code.

During the current period, we reviewed the transfers and noted during FY08 and FY07 the Department appeared to properly transfer the funds from the Illinois Habitat Fund to the State Pheasant Fund and the State Furbearer Fund in accordance with the Wildlife Code. (Finding Code No. 06-27)

T **FINDING:** (Failure to properly complete locally held funds reports (Form C-17) submitted to the Illinois Office of the Comptroller)

During the prior period, the Department did not properly complete the quarterly “Report of Receipts and Disbursements” (Form C-17) submitted to the Illinois Office of the Comptroller (Comptroller) for their locally held Investigative Cash Fund. In addition two of the eight reports were submitted late.

During the current period, the Department filed all the quarterly “Report of Receipts and Disbursements” (Form C-17) in a timely manner. In addition, quarterly information was filed on a cumulative basis, utilizing an appropriate basis of accounting and all cash balances agreed to the balances in the Department’s general ledger. (Finding Code No. 06-28)

U **FINDING:** (Computer security deficiencies)

During the prior period, the Department had not effectively or consistently secured its computer systems and did not have an adequate computer security administration function.

During the current period, after consolidation of the information technology functions of State government to CMS, the Department and CMS have a shared responsibility over the security and integrity of the Department's application and data. However, we noted the Department in conjunction with CMS has not established adequate controls for securing its computer resources and these items are reported in our letter of Immaterial Findings. (Finding Code No. 06-30)

V **FINDING:** (Failure to submit annual reports in accordance with the Coal Mining Act)

During the prior period, the Miners' Examination Board (Board) did not submit required annual reports for FY05 and FY06 to the Director of the Department as required by the Coal Mining Act (Act).

During the current period, the Board submitted the required annual reports for FY07 and FY08 to the Director of the Department as required by the Coal Mining Act (Act). (Finding Code No. 06-31)

W **FINDING:** (Reviews of effects of high capacity water wells not performed)

During the prior period, the Department's State Water Survey did not provide the required assistance in the review of the effects of high capacity water wells.

During the current period, the Department requested and received a change in the responsibility for the reviews of the effects of high capacity water wells to the University of Illinois in legislation dated June 30, 2008 (PA 95-0728). (Finding Code No. 06-32, 04-27)

X **FINDING:** (Failure to follow the Illinois Procurement Code for printed publications)

During the prior period, the Department failed to include all elements required by the Illinois Procurement Code on publications ordered and distributed by the Division of Safety Education.

During the current period, we reviewed a sample of publications printed during FY07 and FY08 and noted all elements required by the Illinois Procurement Code were included on the publications. (Finding Code No. 06-34)

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

FINANCIAL STATEMENT REPORT

SUMMARY

The audit of the accompanying Schedule of Capital Assets of the State of Illinois, Department of Natural Resources was performed by Washington, Pittman & McKeever, LLC.

Based on their audit, the auditors expressed an unqualified opinion on the Department's Schedule of Capital Assets.

WASHINGTON, PITTMAN & McKEEVER, LLC

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INDEPENDENT AUDITOR'S REPORT

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying Schedule of Capital Assets of the State of Illinois, Department of Natural Resources as of June 30, 2008. This schedule is the responsibility of the State of Illinois, Department of Natural Resources' management. Our responsibility is to express an opinion on this schedule based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule of Capital Assets is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 2, the schedule presents only the Capital Asset Account and does not purport to, and does not, present fairly the financial position of the State of Illinois, Department of Natural Resources as of June 30, 2008, and its changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the Schedule of Capital Assets referred to above presents fairly, in all material respects, the Capital Asset Account of the State of Illinois, Department of Natural Resources, as of June 30, 2008 in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 19, 2009 on our consideration of the State of Illinois, Department of Natural Resources' internal control over financial reporting of the Capital Asset Account and on our tests of the State of Illinois, Department of Natural Resources compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters as they relate to the Capital Asset Account. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the Schedule of Capital Assets of the State of Illinois, Department of Natural Resources. The accompanying Schedule of Changes in Capital Assets is presented for the purpose of additional analysis and is not a required part of the Schedule of Capital Assets. The Schedule of Changes in Capital Assets has been subjected to the auditing procedures applied in the audit of the Schedule of Capital Assets and, in our opinion, is fairly stated in all material respects in relation to the Schedule of Capital Assets taken as a whole.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Comptroller, and agency management, and is not intended to be and should not be used by anyone other than these specified parties.


WASHINGTON, PITTMAN & McKEEVER, LLC

Chicago, Illinois
May 19, 2009

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

Schedule of Capital Assets

**June 30, 2008
(expressed in thousands)**

Capital Assets not being depreciated:	
Land and land improvements	\$ 360,962
Total Capital Assets not being depreciated:	<u>360,962</u>
Capital Assets being depreciated:	
Site improvements	411,050
Building and building improvements	262,529
Infrastructure	46,726
Equipment	74,442
Capital leases - equipment	26
Total Capital Assets being depreciated:	<u>794,773</u>
Less Accumulated Depreciation for:	
Site improvements	192,600
Building and building improvements	109,802
Infrastructure	24,959
Equipment	63,481
Capital leases - equipment	15
Total Accumulated Depreciation	<u>390,857</u>
Total Capital Assets being depreciated, net	<u>403,916</u>
Total Capital Assets, net	<u><u>\$ 764,878</u></u>

The accompanying Notes to Schedule of Capital Assets
are an integral part of this schedule.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
NOTES TO SCHEDULE OF CAPITAL ASSETS

June 30, 2008

1. DESCRIPTION OF CAPITAL ASSET ACCOUNT

The State of Illinois, Department of Natural Resources (the Department) maintains a Capital Asset Account. Capital Assets include infrastructure, land and land improvements, site improvements, buildings, building improvements, equipment, and all other tangible assets that are used in operations and that have expected useful lives extending beyond a single reporting period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedule of Capital Assets maintained by the Department has been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as prescribed by the Governmental Accounting Standards Board (GASB). To facilitate the understanding of data included in the schedule, summarized below are the more significant accounting policies.

(a) Reporting Entity

As defined by GAAP, the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- (1) Appointment of a voting majority of the component unit's board and either (a) the primary government's ability to impose its will, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- (2) Fiscal dependency on the primary government.

Based upon the required criteria, the capital asset account does not have component units, nor is it a component unit of any other entity. However, because the capital asset account is not legally separate from the State of Illinois (State), it is included in the financial statements of the State. The State of Illinois' Comprehensive Annual Financial Report may be obtained by writing to the State Comptroller's Office, Financial Reporting Department, 325 West Adams Street, Springfield, Illinois, 62704-1871.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
NOTES TO SCHEDULE OF CAPITAL ASSETS – Continued

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The schedule presents only the capital assets administered by the State of Illinois, Department of Natural Resources and does not purport to, and does not, present fairly the financial position of the State of Illinois, Department of Natural Resources as of June 30, 2008, and changes in its financial position, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

(b) Basis of Presentation

The Capital Asset Account balances are reported under the State of Illinois' Comprehensive Annual Financial Report. For its reporting purposes, the Department has presented the Schedule of Capital Assets using a columnar format that presents capital assets, net of accumulated depreciation, as of June 30, 2008.

(c) Basis of Accounting

The Capital Asset Account is reported using the economic resources measurement focus and the accrual basis of accounting.

(d) Use of Estimates

The preparation of the Schedule of Capital Assets in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and accumulated depreciation at the date of the schedule. Actual results could differ from those estimates.

(e) Valuation

Capital assets are reported at cost or estimated historical cost or, if donated, at their fair value at the time of acquisition. Historical costs include the amount paid for the asset and ancillary charges necessary to place the asset into its intended location and condition for use. Assets acquired in various amounts for a single purpose which may not individually meet the capitalization threshold are capitalized if the estimated total of the project exceeds the capitalization threshold.

For capital assets that are depreciated, expenditures that extend the useful lives of capital assets beyond their initial estimated useful lives (preservation costs) or improve their efficiency (improvements) or capacity (additions) are capitalized, whereas expenditures for repairs and maintenance are expensed.

STATE OF ILLINOIS
 DEPARTMENT OF NATURAL RESOURCES
 NOTES TO SCHEDULE OF CAPITAL ASSETS – Continued

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

(e) Valuation (Continued)

Capital assets are depreciated using the straight-line method. During 2008, the Department changed method of depreciating capital assets from a straight-line half-year method to a straight-line full month method because of a recommendation from the State of Illinois Office of the Comptroller.

(f) Capitalization Policies

Capitalization thresholds and the estimated useful lives are as follows:

Capital Asset Category	Capitalization Threshold	Estimated Useful Life
Land	\$ 100,000	N/A
Infrastructure	250,000	30
Site Improvements	25,000	30
Buildings	100,000	30
Building Improvements	25,000	30
Equipment	5,000	7
Capital Leases – Equipment	5,000	7

(g) Infrastructure

The Department maintains infrastructure assets, including waterways, dams, tunnels, and drainage systems. The Department maintains certain infrastructure networks, composed of all assets that provide a particular type of service for the Department.

In the majority of cases, a legal title document was not created when these assets were constructed or placed into service. The Department capitalizes all infrastructure assets supported by purchasing documentation (e.g., contracts, requisitions, purchase orders, payment documents, etc.). In cases where infrastructure assets are jointly developed or constructed by the Department and neighboring states or local municipalities, the Department capitalizes only those assets which are maintained by the Department and legal title has not been established by another legal entity.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
NOTES TO SCHEDULE OF CAPITAL ASSETS -- Continued

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- Continued

(h) Historical Treasures and Works of Art

The Department maintains extensive collections of historical treasures and works of art. Items meeting the following conditions are not capitalized: 1) held for public exhibition, education, or research in furtherance of public service, rather than financial gain; 2) protected, kept unencumbered, cared for, and preserved; and 3) subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections. All Department historical treasures and works of art meet these conditions and are not capitalized in the Schedule of Capital Assets.

3. CAPITAL ASSET MANAGEMENT SYSTEM

The Department maintains a capital asset management system which includes for all capital assets the major asset category, description of asset, date of acquisition, method of acquisition, cost or other value, responsible organizational unit, location of asset, identification of applicable network or subsystem (for infrastructure assets), estimated life, estimated salvage value, annual and accumulated depreciation, and appropriation.

4. REPORTING REQUIREMENTS

The Department is required to complete and submit the *SAMS TO GAAP Reconciliation – Capital Assets* (SCO-537) and *Capital Asset Summary* (SCO-538) forms to the Illinois Office of the Comptroller as part of the year-end reporting process related to capital assets. Amounts reported on these forms have been reconciled to the Schedule of Capital Assets.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES

Schedule of Changes in Capital Assets

For the Year Ended June 30, 2008
(expressed in thousands)

	Balance At June 30, 2007	Additions	Deletions	Net Transfers	Balance At June 30, 2008
Capital Assets not being depreciated:					
Land and land improvements	\$ 354,618	\$ 6,743	\$ 471	\$ 72	\$ 360,962
Total Capital Assets not being depreciated:	<u>354,618</u>	<u>6,743</u>	<u>471</u>	<u>72</u>	<u>360,962</u>
Capital Assets being depreciated:					
Site improvements	405,433	1,803	-	3,814	411,050
Building and building improvements	259,964	876	-	1,689	262,529
Infrastructure	44,612	2,104	-	10	46,726
Equipment	72,620	3,354	121	(1,411)	74,442
Capital leases - equipment	26	-	-	-	26
Total Capital Assets being depreciated:	<u>782,655</u>	<u>8,137</u>	<u>121</u>	<u>4,102</u>	<u>794,773</u>
Less Accumulated Depreciation for:					
Site improvements	180,481	12,119	-	-	192,600
Building and building improvements	100,872	8,930	-	-	109,802
Infrastructure	23,655	1,304	-	-	24,959
Equipment	59,826	3,759	104	-	63,481
Capital leases - equipment	9	6	-	-	15
Total Accumulated Depreciation	<u>364,843</u>	<u>26,118</u>	<u>104</u>	<u>-</u>	<u>390,857</u>
Total Capital Assets being depreciated, net	<u>417,812</u>	<u>(17,981)</u>	<u>17</u>	<u>4,102</u>	<u>403,916</u>
Total Capital Assets, net	<u>\$ 772,430</u>	<u>\$ (11,238)</u>	<u>\$ 488</u>	<u>\$ 4,174</u>	<u>\$ 764,878</u>

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

SUMMARY

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

- Fiscal Schedules and Analysis:
 - Schedule of Expenditures of Federal Awards
 - Year Ended June 30, 2008
 - Year Ended June 30, 2007
 - Notes to Schedules of Expenditures of Federal Awards
 - Schedule of Appropriations, Expenditures and Lapsed Balances
 - Fiscal Year 2008
 - Fiscal Year 2007
 - Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances
 - Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances – Total All Appropriated Funds by Major Object Code
 - Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances – Total Expenditures by Fund
 - Comparative Schedule of Receipts, Disbursements and Fund Balance (Cash Basis) – Non-appropriated Funds
 - Schedule of Changes in State Property
 - Comparative Schedule of Cash Receipts
 - Reconciliation Schedule of Cash Receipts to Deposits
 - Remitted to the State Comptroller
 - Year Ended June 30, 2008
 - Year Ended June 30, 2007
 - Analysis of Significant Variations in Expenditures
 - Analysis of Significant Variations in Receipts
 - Analysis of Significant Lapse Period Spending
 - Analysis of Significant Account Balances
 - Analysis of Accounts Receivable
 - Schedule of Indirect Cost Reimbursements
- Analysis of Operations:
 - Agency Functions and Planning Program
 - Average Number of Employees
 - Memorandums of Understanding (Not Examined)
 - Emergency Purchases
 - Service Efforts and Accomplishments (Not Examined)

The accountant's report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General, except for information on the Memorandums of Understanding and Service Efforts and Accomplishments on which they did not perform any procedures. However, the accountants do not express an opinion on the supplementary information.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2008
(expressed in thousands)

Federal Grantor/Pass Through Grantor/Program Title	Grantor ID Number	CFDA Number	Federal Expenditures	Amount To Subrecipients
U.S. Department of Agriculture:				
Direct Programs:				
Plant & Animal Disease, Pest Control and Animal Care	N/A	10.025	\$ 261	\$ -
Wildlife Services	N/A	10.028	75	-
Conservation Reserve	N/A	10.069	2	-
Cooperative Extension	N/A	10.500	44	30
Cooperative Forestry Assistance	N/A	10.664	340	162
Schools and Roads-Grants to States	N/A	10.665	304	-
Urban and Community Forestry	N/A	10.675	56	28
Forest Legacy	N/A	10.676	28	-
Wildlife Habitat Incentive	N/A	10.914	2	-
Total U.S. Department of Agriculture			1,112	220
U.S. Department of Commerce:				
Direct Programs:				
Coastal Zone Management Administration Awards	N/A	11.419	37	-
Total U.S. Department of Commerce			37	-
U.S. Department of Defense:				
Direct Programs:				
Payments to States in Lieu of Real Estate Taxes	N/A	12.112	700	700
Total U.S. Department of Defense			700	700
U.S. Department of Interior:				
Direct Programs:				
Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	N/A	15.250	2,104	53
Abandoned Mine Land Reclamation	N/A	15.252	9,778	185
Sport Fish Restoration	N/A	15.605	4,837	1,341
Fish and Wildlife Management Assistance	N/A	15.608	43	-
Wildlife Restoration	N/A	15.611	4,434	1,056
Coastal Wetlands Planning, Protection and Restoration Act	N/A	15.614	144	-
Cooperative Endangered Species Conservation	N/A	15.615	16	4
Clean Vessel Act	N/A	15.616	1	1
Sportfishing and Boating Safety Act	N/A	15.622	34	10
Hunter Education and Safety	N/A	15.626	222	-
Landowner Incentive	N/A	15.633	332	-
State Wildlife Grants	N/A	15.634	1,095	971
US Geological Survey Research and Data Collection	N/A	15.808	20	-
National Spatial Data Infrastructure Cooperative Agreements	N/A	15.809	22	7
Outdoor Recreation - Acquisition, Development and Planning	N/A	15.916	1,760	750
Total U.S. Department of Interior			24,842	4,378

The accompanying notes are an integral part of the schedule.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2008
(expressed in thousands)

Federal Grantor/Pass Through Grantor/Program Title	Grantor ID Number	CFDA Number	Federal Expenditures	Amount To Subrecipients
U.S. Department of Labor:				
Direct Programs:				
Mine Health and Safety Grants	N/A	17.600	212	-
Total U.S. Department of Labor			<u>212</u>	<u>-</u>
U.S. Department of Transportation:				
Pass-Through Program From:				
Illinois Department of Transportation				
Recreational Trails Program, Revised	C-30-nnn-n	20.219	2,458	-
Total U.S. Department of Transportation			<u>2,458</u>	<u>-</u>
U.S. Environmental Protection Agency:				
Direct Programs:				
Water Quality Cooperative Agreements	N/A	66.463	130	-
Total U.S. Environmental Protection Agency			<u>130</u>	<u>-</u>
U.S. Department of Homeland Security:				
Direct Programs:				
Boating Safety Financial Assistance	N/A	97.012	2,305	-
Community Assistance Program - SSSE	N/A	97.023	228	-
Disaster Grants-Public Assistance	N/A	97.036	281	-
National Dam Safety	N/A	97.041	76	-
Cooperating Technical Partners	N/A	97.045	2,044	2,021
Mapping Management Assistance	N/A	97.070	113	-
Law Enforcement Terrorism Prevention	N/A	97.074	185	-
Buffer Zone Protection	N/A	97.078	108	-
			<u>5,340</u>	<u>2,021</u>
Pass-Through Program From:				
Illinois Emergency Management Assistance				
Disaster Grants-Public Assistance	DSR-nnn PW	97.036	316	-
Law Enforcement Terrorism Prevention	FFY 06-01	97.074	185	-
Buffer Zone Protection	FFY 06-02	97.078	289	-
Total U.S. Department of Homeland Security			<u>6,130</u>	<u>2,021</u>
Total Federal Awards and Expenditures			<u>\$ 35,621</u>	<u>\$ 7,319</u>

The accompanying notes are an integral part of the schedule.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2007
(expressed in thousands)

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Grantor ID Number</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>	<u>Subrecipient Amounts</u>
U.S. Department of Agriculture:				
Direct Programs:				
Plant & Animal Disease, Pest Control and Animal Care	N/A	10.025	\$ 325	\$ -
Conservation Reserve	N/A	10.069	203	-
Wetland Reserve	N/A	10.072	18	-
Cooperative Extension	N/A	10.500	49	-
Cooperative Forestry Assistance	N/A	10.664	924	420
Schools and Roads - Grants to States	N/A	10.665	304	304
Forest Legacy	N/A	10.676	17	-
Forest Stewardship	N/A	10.678	274	-
Total U.S. Department of Agriculture			<u>2,114</u>	<u>724</u>
U.S. Department of Commerce:				
Interjurisdictional Fisheries Act of 1986	N/A	11.407	4	-
Coastal Zone Management Administrative Awards	N/A	11.419	200	-
Total U.S. Department of Commerce			<u>204</u>	<u>-</u>
U.S. Department of Defense:				
Payments to States in Lieu of Real Estate Taxes	N/A	12.112	600	604
Total U.S. Department of Defense			<u>600</u>	<u>604</u>
U.S. Department of Interior:				
Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	N/A	15.250	2,167	-
Abandoned Mine Land Reclamation	N/A	15.252	7,598	345
Sport Fish Restoration	N/A	15.605	3,677	-
Fish and Wildlife Management Assistance	N/A	15.608	22	-
Wildlife Restoration	N/A	15.611	3,636	564
Cooperative Endangered Species Conservation	N/A	15.615	59	-
Clean Vessel Act	N/A	15.616	78	78
Sportfishing and Boating Safety Act	N/A	15.622	1,122	1,046
Landowner Incentive	N/A	15.633	318	-
State Wildlife Grants	N/A	15.634	475	35
Outdoor Recreation - Acquisition, Development & Planning	N/A	15.916	2,321	1,596
Total U.S. Department of Interior			<u>21,473</u>	<u>3,664</u>
U.S. Department of Labor:				
Mine Health and Safety Grants	N/A	17.600	209	-
Total U.S. Department of Labor			<u>209</u>	<u>-</u>
U.S. Department of Transportation:				
Pass-Through Program From:				
Illinois Department of Transportation Recreational Trails Program, Revised	RTP-DNR	20.219	1,202	-
Total U.S. Department of Transportation			<u>1,202</u>	<u>-</u>

The accompany notes are an integral part of the schedule.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2007
(expressed in thousands)

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Grantor ID Number</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>	<u>Subrecipient Amounts</u>
U.S. Environmental Protection Agency:				
Water Quality Cooperative Agreements	N/A	66.463	217	-
Total U.S. Environmental Protection Agency			<u>217</u>	<u>-</u>
U.S. Department of Homeland Security:				
Boating Safety Financial Assistance	N/A	97.012	1,376	-
Community Assistance Program - SSSE	N/A	97.023	200	-
Disaster Grants-Public Assistance	N/A	97.036	90	-
National Dam Safety	N/A	97.041	90	-
Cooperating Technical Partners	N/A	97.045	2,218	-
Mapping Management Assistance	N/A	97.070	87	-
Total U.S. Federal Emergency Management Agency			<u>4,061</u>	<u>-</u>
Total Federal Awards and Expenditures			<u>\$ 30,080</u>	<u>\$ 4,992</u>

The accompany notes are an integral part of the schedule.

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS

Years Ended June 30, 2008 and 2007

1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards present the federal award programs administered by the State of Illinois, Department of Natural Resources (Department). The Schedules of Expenditures of Federal Awards include the expenditure of awards received directly from federal agencies and awards passed through to other State and local agencies.

The Schedules of Expenditures of Federal Awards were prepared for State compliance purposes only. A separate single audit of the Department was not conducted. A separate single audit of the entire State of Illinois (which includes the Department) was performed and released under separate cover.

2. BASIS OF ACCOUNTING

The Schedules of Expenditures of Federal Awards were prepared on the modified accrual basis of accounting. These schedules have been reconciled to certain Fiscal Schedules (Schedule of Appropriations, Expenditures and Lapsed Balances – Fiscal Year 2008, Schedule of Appropriations, Expenditures and Lapsed Balances – Fiscal Year 2007, Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances, Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances – Total All Appropriated Funds by Major Object Code, and Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances – Total Expenditures by Fund) presented in the supplementary information for State compliance purposes portion of this document.

3. NONCASH AWARDS

The Department did not receive any noncash awards.

4. INDIRECT COSTS

The indirect cost rates established with the U.S. Department of the Interior, National Business Center for allocating indirect costs to federal award programs for FY 2008 and 2007 are 25.02% and 24.52% for the Office of Resource Conservation; 33.61% and 32.52% for the Office of Mines and Minerals; 56.77% and 46.32% for the Office of Water Resources and 46.44% and 47.54% for the Office of Scientific Research and Analysis, respectively.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES

SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2008

Fourteen Months Ended August 31, 2008

PUBLIC ACT 94-0348, 95-0011

FUND NAME- ALL FUNDS

APPROPRIATED FUNDS

Fund Number	Appropriations (Net of Transfers)	Expenditures Through June 30, 2008	Lapse Period Expenditures July 1 to August 31, 2008	Total Expenditures	Balances	
					Reappropriated July 1, 2008	Lapsed
0001	\$ 84,628,502	\$ 73,814,082	\$ 4,507,950	\$ 78,322,032	\$ -	\$ 6,306,470
0039	21,043,689	10,024,880	883,600	10,908,480	9,172,113	963,096
0040	20,541,396	7,900,155	830,676	8,730,831	2,913,958	8,896,607
0041	67,378,281	47,552,775	4,882,262	52,435,037	10,072,431	4,870,813
0042	308,200	278,369	12,210	290,579	-	17,621
0077	326,400	266,414	20,000	286,414	-	39,986
0086	500,000	303,623	-	303,623	-	196,377
0111	89,700	23,361	-	23,361	-	66,339
0137	1,656,200	461,189	34,134	495,323	-	1,160,877
0141	123,001,044	13,594,595	-	13,594,595	109,406,449	-
0145	109,000	91,803	-	91,803	-	17,197
0146	290,800	223,945	16,275	240,220	-	50,580
0147	471,300	83,548	13,056	96,604	-	374,696
0240	200,000	183,774	16,209	199,983	-	17
0257	1,500,000	-	-	-	-	1,500,000
0261	837,200	599,082	55,748	654,830	-	182,370
0293	259,234	86,073	-	86,073	173,161	-
0294	200,000	175,555	24,445	200,000	-	-
0298	28,072,565	10,605,130	948,605	11,553,735	7,250,787	9,268,043
0299	116,285,953	19,206,993	95,620	19,302,613	86,789,467	10,193,873
0353	1,082,034	498,419	-	498,419	583,615	-
0375	75,200	26,242	10,917	37,159	-	38,041

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES

SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2008

Fourteen Months Ended August 31, 2008

PUBLIC ACT 94-0348, 95-0011

FUND NAME- ALL FUNDS

APPROPRIATED FUNDS

Fund Number	Appropriations (Net of Transfers)	Expenditures Through June 30, 2008	Lapse Period		Total Expenditures	Balances Reappropriated July 1, 2008	Balances Lapsed
			Expenditures July 1 to August 31, 2008	Expenditures July 1, 2008			
0391	\$ 4,383,832	\$ 1,249,612	\$ -	\$ -	\$ 1,249,612	\$ 3,134,220	\$ -
0443	700,000	700,000	-	-	700,000	-	-
0465	30,391,878	1,760,397	-	-	1,760,397	15,631,481	13,000,000
0504	100,000	-	-	-	-	-	100,000
0574	2,696,668	867,753	-	-	867,753	1,828,915	-
0608	18,211,032	2,820,334	6,496	-	2,826,830	15,369,347	14,855
0609	5,292,388	1,012,803	-	-	1,012,803	4,279,585	-
0670	837,458	121,719	-	-	121,719	-	715,739
0765	3,800,700	2,205,362	310,885	-	2,516,247	-	1,284,453
0831	1,400,000	159,157	28,068	-	187,225	-	1,212,775
0840	472,100	381,841	68,338	-	450,179	-	21,921
0855	480,700	286,787	14,242	-	301,029	-	179,671
0858	350,000	4,864	-	-	4,864	-	345,136
0866	162,592	79,886	-	-	79,886	82,706	-
0878	25,000	14,020	-	-	14,020	-	10,980
0884	1,300,000	1,298,657	-	-	1,298,657	-	1,343
0894	6,162,000	2,157,502	417,097	-	2,574,599	-	3,587,401
0905	5,799,107	1,688,181	226,338	-	1,914,519	3,321,711	562,877
0909	1,879,205	311,941	-	-	311,941	1,567,264	-
0953	3,239,185	425,229	320,000	-	745,229	2,493,956	-
0962	46,763,202	13,451,805	1,375,241	-	14,827,046	30,500,983	1,435,173
0971	1,678,752	1,392,358	-	-	1,392,358	286,394	-

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES

SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2008

Fourteen Months Ended August 31, 2008

PUBLIC ACT 94-0348, 95-0011

FUND NAME- ALL FUNDS

APPROPRIATED FUNDS

Fund Number	Appropriations (Net of Transfers)	Expenditures Through June 30, 2008	Lapse Period Expenditures July 1 to August 31, 2008	Total Expenditures	Balances	
					Reappropriated July 1, 2008	Balances Lapsed
0982	\$ 3,567,229	\$ 1,838,486	\$ 208,223	\$ 2,046,709	\$ 953,106	\$ 567,414
0991	25,812,684	9,589,723	162,563	9,752,286	15,262,138	798,260
TOTALS - ALL APPROPRIATED FUNDS	\$ 634,362,410	\$ 229,818,424	\$ 15,489,198	\$245,307,622	\$ 321,073,787	\$ 67,981,001
<u>NON-APPROPRIATED FUNDS</u>						
0884	N/A	\$ 1,201,917	\$ 703,729	\$ 1,905,646	N/A	N/A
0894	N/A	1,269,054	360,004	1,629,058	N/A	N/A
0931	N/A	8,875	385	9,260	N/A	N/A
TOTALS-ALL NON-APPROPRIATED FUNDS		\$ 2,479,846	\$ 1,064,118	\$ 3,543,964		
GRAND TOTAL- ALL FUNDS	\$ 634,362,410	\$ 232,298,270	\$ 16,553,316	\$ 248,851,586	\$ 321,073,787	\$ 67,981,001

Notes: 1) All data in this schedule has been obtained from State Comptroller records which have been reconciled to those of the Department.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES

SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2007

Fourteen Months Ended August 31, 2007

PUBLIC ACT 94-0798

FUND NAME- ALL FUNDS

APPROPRIATED FUNDS

Fund Number	Appropriations (Net of Transfers)	Expenditures Through June 30, 2007	Lapse Period		Total Expenditures	Balances	
			Expenditures July 1 to August 31, 2007	Expenditures July 1 to August 31, 2007		Reappropriated July 1, 2007	Lapsed
0001	S 86,027,749	S 75,182,823	S 4,924,110	S 80,106,933	S 1,166,144	S 4,754,672	
0039	20,766,208	10,128,784	762,975	10,891,759	8,679,983	1,194,466	
0040	21,714,089	10,847,038	1,098,485	11,945,523	8,514,696	1,253,870	
0041	73,378,536	54,818,302	4,215,307	59,033,609	10,769,701	3,575,226	
0042	280,000	246,319	15,088	261,407	-	18,593	
0077	288,700	209,458	9,732	219,190	-	69,510	
0086	500,000	5304,247	-	304,247	-	195,753	
0111	89,700	68,985	1,040	70,025	-	19,675	
0137	1,531,000	391,148	19,223	410,371	-	1,120,629	
0141	145,584,347	12,583,307	-	12,583,307	123,001,044	9,999,996	
0145	98,300	85,892	3,747	89,639	-	8,661	
0146	280,000	229,152	15,177	244,329	-	35,671	
0147	320,400	197,598	11,074	208,672	-	111,728	
0240	200,000	172,671	23,333	196,004	-	3,996	
0257	1,500,000	-	-	-	-	1,500,000	
0261	790,900	659,449	34,929	694,378	-	96,522	
0293	320,755	171,521	-	171,521	149,234	-	
0294	200,000	191,000	7,000	198,000	-	2,000	
0298	19,084,655	13,514,601	608,432	14,123,033	2,743,765	2,217,857	
0299	97,339,660	16,154,193	46,828	16,201,021	80,921,953	216,686	
0353	1,424,272	892,239	-	892,239	532,033	-	
0375	75,200	9,891	29,138	39,029	-	36,171	

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2007

Fourteen Months Ended August 31, 2007

PUBLIC ACT 94-0798

FUND NAME- ALL FUNDS

APPROPRIATED FUNDS

Fund Number	Appropriations (Net of Transfers)	Expenditures Through June 30, 2007	Lapse Period Expenditures July 1 to August 31, 2007	Total Expenditures	Balances	
					Reappropriated July 1, 2007	Lapsed
0391	\$ 3,941,619	\$ 1,157,788	\$ -	\$ 1,157,788	\$ 2,783,831	\$ -
0443	600,000	599,992	-	599,992	-	8
0465	26,512,590	2,320,713	-	2,320,713	24,191,877	-
0504	100,000	91,392	-	91,392	-	8,608
0573	900,000	773,729	-	773,729	-	126,271
0574	2,557,313	460,646	-	460,646	2,096,667	-
0608	15,485,514	3,674,483	-	3,674,483	11,811,031	-
0609	6,672,400	1,380,013	-	1,380,013	5,292,387	-
0670	836,168	323,710	-	323,710	512,458	-
0765	3,683,300	2,087,068	157,291	2,244,359	-	1,438,941
0831	1,400,000	184,635	53,147	237,782	-	1,162,218
0840	472,100	358,087	87,016	445,103	-	26,997
0855	400,000	269,601	14,852	284,453	-	115,547
0858	350,000	192	94,571	94,763	-	255,237
0866	192,759	110,167	-	110,167	82,592	-
0878	25,000	621	-	621	-	24,379
0884	1,050,000	829,166	206,719	1,035,885	-	14,115
0894	4,802,528	1,800,000	533,488	2,333,488	-	2,469,040
0905	4,652,662	1,416,688	337,691	1,754,379	2,641,007	257,276
0909	1,655,106	270,946	4,955	275,901	1,379,205	-
0953	3,223,944	804,760	-	804,760	2,419,184	-
0962	43,894,722	13,512,949	1,586,993	15,099,942	27,996,102	798,678
0971	4,096,017	2,417,266	-	2,417,266	1,678,751	-

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES

SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2007

Fourteen Months Ended August 31, 2007

PUBLIC ACT 94-0798

FUND NAME- ALL FUNDS

APPROPRIATED FUNDS

Fund Number	Appropriations (Net of Transfers)	Expenditures Through June 30, 2007	Lapse Period Expenditures July 1 to August 31, 2007	Total Expenditures	Balances Reappropriated July 1, 2007	Balances Lapsed
0982	\$ 3,247,146	\$ 1,634,185	\$ 203,164	\$ 1,837,349	\$ 1,153,929	\$ 255,868
0991	24,845,029	7,401,097	188,554	7,589,651	16,250,884	1,004,494
TOTALS - ALL APPROPRIATED FUNDS	\$ 627,390,388	\$ 240,938,512	\$ 15,294,059	\$ 256,232,571	\$ 336,768,458	\$ 34,389,359

NON-APPROPRIATED FUNDS

0884	N/A	\$ 12,305,111	\$ 842,102	\$ 13,147,213	N/A	N/A
0894	N/A	517,096	15,549	532,645	N/A	N/A
0931	N/A	11,600	9,410	21,010	N/A	N/A
TOTALS-ALL NON-APPROPRIATED FUNDS		\$ 12,833,807	\$ 867,061	\$ 13,700,868		
GRAND TOTAL- ALL FUNDS	\$ 627,390,388	\$ 253,772,319	\$ 16,161,120	\$269,933,439	\$ 336,768,458	\$ 34,389,359

Notes: 1) All data in this schedule has been obtained from State Comptroller records which have been reconciled to those of the Department.

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**

	Fiscal Year		
	2008	2007	2006
	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>GENERAL REVENUE FUND - 0001</u>			
Appropriations (net of transfers)	\$ 84,628,502	\$ 86,027,749	\$ 86,973,391
Expenditures:			
Personal services	51,941,685	52,157,075	51,854,658
Employee retirement - contributions paid by employer	-	-	232,774
State contributions to State Employees' Retirement System	6,143,708	4,338,009	2,958,139
State contributions to Social Security	2,548,081	2,594,570	2,614,531
Contractual services	6,608,557	7,114,884	6,955,768
Conferences, vendor payments	6,600	19,300	25,400
Travel	310,403	337,712	299,155
Commodities	1,154,572	1,322,786	1,276,598
Printing	56,837	116,842	137,960
Equipment	155,818	547,921	359,846
Electronic data processing	822,483	693,930	95,810
Telecommunications	1,249,557	1,188,471	1,118,847
Operation of automotive equipment	1,395,349	1,373,405	1,300,186
Lump sums	2,395,632	4,801,415	3,357,310
Lump sums operations	2,888,069	-	-
Awards & grants	-	2,906,657	2,989,083
Awards & grants, lump sum & other purposes	-	-	1,806,260
Permanent improvements, lump sum & other purposes	644,681	593,956	600,302
Total expenditures	<u>78,322,032</u>	<u>80,106,933</u>	<u>77,982,627</u>
Reappropriations	<u>-</u>	<u>1,166,144</u>	<u>1,204,898</u>
Lapsed balances	<u>\$ 6,306,470</u>	<u>\$ 4,754,672</u>	<u>\$ 7,785,866</u>

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**

	Fiscal Year		
	2008	2007	2006
	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>STATE BOATING ACT FUND - 0039</u>			
Appropriations (net of transfers)	\$ 21,043,689	\$ 20,766,208	\$ 19,321,692
Expenditures:			
Personal services	4,543,443	4,378,423	3,998,621
Employee retirement - contributions paid by employer	-	-	33,274
State contributions to State Employees' Retirement System	753,049	505,056	311,795
State contributions to Social Security	201,774	203,458	188,244
Group insurance	1,088,742	1,100,984	1,073,505
Contractual services	801,311	837,087	832,382
Travel	6,767	6,595	4,150
Commodities	74,285	80,883	79,565
Printing	158,178	138,869	123,478
Equipment	157,689	114,634	129,231
Electronic data processing	101,600	16,410	84,500
Telecommunications	135,145	148,951	149,142
Operation of automotive equipment	186,084	186,323	186,337
Lump sums	713,362	326,425	20,185
Lump sums operations	201,244	80,699	56,502
Grants to local governments	150,000	150,000	150,000
Awards & grants, lump sum & other purposes	517,804	1,690,436	958,285
Permanent improvements, lump sum & other purposes	1,110,068	919,391	1,122,152
Refunds	7,935	7,135	8,613
Total expenditures	<u>10,908,480</u>	<u>10,891,759</u>	<u>9,509,961</u>
Reappropriations	<u>9,172,113</u>	<u>8,679,983</u>	<u>9,169,806</u>
Lapsed balances	<u>\$ 963,096</u>	<u>\$ 1,194,466</u>	<u>\$ 641,925</u>

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**

	Fiscal Year		
	2008	2007	2006
	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>STATE PARKS FUND - 0040</u>			
Appropriations (net of transfers)	\$ 20,541,396	\$ 21,714,089	\$ 20,855,420
Expenditures:			
Personal services	1,955,350	1,904,727	1,756,995
Employee retirement - contributions paid by employer	-	-	18,916
State contributions to State Employees' Retirement System	325,159	220,082	137,256
State contributions to Social Security	100,789	97,232	89,365
Group insurance	503,101	494,897	492,231
Contractual services	1,689,678	2,598,042	2,504,210
Travel	14,627	17,452	12,168
Commodities	440,207	421,174	415,691
Equipment	70,085	798,647	677,641
Electronic data processing	22,300	-	-
Telecommunications	255,084	255,114	280,872
Operation of automotive equipment	257,440	255,633	256,905
Lump sums	2,355,407	1,864,474	2,150,325
Lump sums operations	42,223	49,426	-
Permanent improvements, lump sum & other purposes	675,080	2,926,795	386,432
Refunds	24,301	41,828	20,379
Total expenditures	<u>8,730,831</u>	<u>11,945,523</u>	<u>9,199,386</u>
Reappropriations	<u>2,913,958</u>	<u>8,514,696</u>	<u>10,490,385</u>
Lapsed balances	<u>\$ 8,896,607</u>	<u>\$ 1,253,870</u>	<u>\$ 1,165,649</u>

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**

	Fiscal Year		
	2008	2007	2006
	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>WILDLIFE AND FISH FUND - 0041</u>			
Appropriations (net of transfers)	\$ 67,378,281	\$ 73,378,536	\$ 50,343,301
Expenditures:			
Personal services	23,221,836	21,881,381	17,905,972
Employee retirement - contributions paid by employer	-	-	135,702
State contributions to State Employees' Retirement System	3,854,632	2,529,973	1,400,110
State contributions to Social Security	1,450,802	1,383,439	1,096,035
Group insurance	5,720,951	5,479,017	4,735,977
Contractual services	3,145,709	3,432,628	4,019,474
Travel	129,503	103,806	99,239
Commodities	1,876,446	1,867,720	1,842,811
Printing	263,984	248,132	284,608
Equipment	1,311,579	852,679	828,633
Electronic data processing	891,800	306,418	99,400
Telecommunications	283,010	362,007	346,891
Operation of automotive equipment	1,042,143	863,566	814,855
Lump sums	6,929,027	5,801,475	4,138,413
Lump sums operations	716,306	216,748	214,787
Awards & grants, lump sum & other purposes	101,275	178,030	100,000
Permanent improvements, lump sum & other purposes	776,637	12,721,354	-
Refunds	719,397	805,236	988,529
Total expenditures	<u>52,435,037</u>	<u>59,033,609</u>	<u>39,051,436</u>
Reappropriations	<u>10,072,431</u>	<u>10,769,701</u>	<u>7,853,634</u>
Lapsed balances	<u>\$ 4,870,813</u>	<u>\$ 3,575,226</u>	<u>\$ 3,438,231</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

	Fiscal Year		
	2008	2007	2006
	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>SALMON FUND - 0042</u>			
Appropriations (net of transfers)	\$ 308,200	\$ 280,000	\$ 259,300
Expenditures:			
Personal services	198,159	186,822	155,209
Employee retirement - contributions paid by employer	-	-	610
State contributions to State Employees' Retirement System	33,303	21,874	12,302
State contributions to Social Security	15,034	14,182	11,788
Group insurance	41,192	38,529	34,708
Contractual services	2,891	-	-
Lump sums	-	-	1,391
Total expenditures	<u>290,579</u>	<u>261,407</u>	<u>216,008</u>
Lapsed balances	<u>\$ 17,621</u>	<u>\$ 18,593</u>	<u>\$ 43,292</u>
<u>MINES AND MINERALS UIC FUND - 0077</u>			
Appropriations (net of transfers)	\$ 326,400	\$ 288,700	\$ 441,800
Expenditures:			
Personal services	174,511	150,645	131,397
Employee retirement - contributions paid by employer	-	-	1,257
State contributions to State Employees' Retirement System	28,907	17,366	10,241
State contributions to Social Security	12,885	11,047	9,640
Group insurance	50,111	40,132	45,775
Equipment	20,000	-	-
Total expenditures	<u>286,414</u>	<u>219,190</u>	<u>198,310</u>
Lapsed balances	<u>\$ 39,986</u>	<u>\$ 69,510</u>	<u>\$ 243,490</u>
<u>FOREST RESERVE FUND - 0086</u>			
Appropriations (net of transfers)	\$ 500,000	\$ 500,000	\$ 500,000
Expenditures:			
Awards & grants, lump sum & other purposes	<u>303,623</u>	<u>304,247</u>	<u>301,235</u>
Lapsed balances	<u>\$ 196,377</u>	<u>\$ 195,753</u>	<u>\$ 198,765</u>

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	Fiscal Year		
	2008	2007	2006
	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>TOXIC POLLUTION PREVENTION FUND - 0111</u>			
Appropriations (net of transfers)	\$ 89,700	\$ 89,700	\$ 89,700
Expenditures:			
Lump sums	23,361	70,025	6,330
Lapsed balances	\$ 66,339	\$ 19,675	\$ 83,370
<u>PLUGGING AND RESTORATION FUND - 0137</u>			
Appropriations (net of transfers)	\$ 1,656,200	\$ 1,531,000	\$ 829,300
Expenditures:			
Personal services	245,177	178,957	166,773
Employee retirement - contributions paid by employer	-	-	1,088
State contributions to State Employees' Retirement System	40,610	20,625	12,995
State contributions to Social Security	18,241	13,279	12,379
Group insurance	55,592	42,030	41,130
Equipment	247	15,735	35,300
Electronic data processing	-	55	9,147
Operation of automotive equipment	41,162	28,103	25,133
Lump sums	94,144	105,867	-
Awards & grants	-	4,500	-
Refunds	150	1,220	648
Total expenditures	495,323	410,371	304,593
Lapsed balances	\$ 1,160,877	\$ 1,120,629	\$ 524,707

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	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>CAPITAL DEVELOPMENT FUND - 0141</u>			
Appropriations (net of transfers)	\$ 123,001,044	\$ 145,584,347	\$ 153,985,826
Expenditures:			
Lump sums	852,494	1,002,677	776,018
Construction grants	3,044,727	4,724,211	1,896,230
Awards & grants, lump sum & other purposes	3,943,285	585,940	4,160,272
Permanent improvements	309,090	58,617	470,871
Permanent improvements, lump sum & other purposes	1,514,412	2,625,336	3,245,220
Highway and waterway construction	3,930,587	3,586,526	7,852,874
Total expenditures	<u>13,594,595</u>	<u>12,583,307</u>	<u>18,401,485</u>
Reappropriations	<u>109,406,449</u>	<u>123,001,044</u>	<u>135,584,341</u>
Lapsed balances	<u>\$ -</u>	<u>\$ 9,999,996</u>	<u>\$ -</u>
<u>EXPLOSIVES REGULATORY FUND - 0145</u>			
Appropriations (net of transfers)	\$ 109,000	\$ 98,300	\$ 92,700
Expenditures:			
Lump sums	<u>91,803</u>	<u>89,639</u>	<u>81,238</u>
Lapsed balances	<u>\$ 17,197</u>	<u>\$ 8,661</u>	<u>\$ 11,462</u>
<u>AGGREGATE OPERATIONS REGULATORY FUND - 0146</u>			
Appropriations (net of transfers)	\$ 290,800	\$ 280,000	\$ 270,400
Expenditures:			
Commodities	1,392	-	2,035
Telecommunications	16,000	15,680	-
Lump sums	<u>222,828</u>	<u>228,649</u>	<u>129,309</u>
Total expenditures	<u>240,220</u>	<u>244,329</u>	<u>131,344</u>
Lapsed balances	<u>\$ 50,580</u>	<u>\$ 35,671</u>	<u>\$ 139,056</u>
<u>COAL MINING REGULATORY FUND - 0147</u>			
Appropriations (net of transfers)	\$ 471,300	\$ 320,400	\$ 310,600
Expenditures:			
Lump sums	<u>96,604</u>	<u>208,672</u>	<u>267,881</u>
Lapsed balances	<u>\$ 374,696</u>	<u>\$ 111,728</u>	<u>\$ 42,719</u>

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	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>EMERGENCY PUBLIC HEALTH FUND - 0240</u>			
Appropriations (net of transfers)	\$ 200,000	\$ 200,000	\$ 200,000
Expenditures:			
Lump sums	199,983	196,004	200,000
Lapsed balances	\$ 17	\$ 3,996	\$ -
<u>ABANDONED MINED LAND RECLAMATION SET-ASIDE FUND - 0257</u>			
Appropriations (net of transfers)	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Lapsed balances	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
<u>UNDERGROUND RESOURCE CONSERVATION ENFORCEMENT TRUST FUND - 0261</u>			
Appropriations (net of transfers)	\$ 837,200	\$ 790,900	\$ 690,100
Expenditures:			
Personal services	308,999	315,721	300,216
Employee retirement - contributions paid by employer	-	-	2,476
State contributions to State Employees' Retirement System	51,177	36,388	23,394
State contributions to Social Security	22,530	22,846	21,749
Group insurance	95,102	109,292	115,691
Contractual services	68,298	80,563	54,164
Travel	909	4,492	2,297
Commodities	1,864	2,953	5,318
Printing	1,115	2,714	772
Equipment	47,563	47,748	4,314
Electronic data processing	235	16,670	3,067
Telecommunications	11,009	9,991	7,964
Operation of automotive equipment	45,000	44,925	37,408
Refunds	1,029	75	2,175
Total expenditures	654,830	694,378	581,005
Lapsed balances	\$ 182,370	\$ 96,522	\$ 109,095

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	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>STATE FURBEARER FUND - 0293</u>			
Appropriations (net of transfers)	\$ 259,234	\$ 320,755	\$ 296,865
Expenditures:			
Permanent improvements, lump sum & other purposes	86,073	171,521	86,110
Reappropriations	173,161	149,234	210,755
Lapsed balances	\$ -	\$ -	\$ -
<u>USED TIRE MANAGEMENT FUND - 0294</u>			
Appropriations (net of transfers)	\$ 200,000	\$ 200,000	\$ 199,000
Expenditures:			
Lump sums	200,000	198,000	199,000
Lapsed balances	\$ -	\$ 2,000	\$ -

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	2008	2007	2006
	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>NATURAL AREAS ACQUISITION FUND - 0298</u>			
Appropriations (net of transfers)	\$ 28,072,565	\$ 19,084,655	\$ 15,875,495
Expenditures:			
Personal services	1,288,453	1,226,435	1,170,945
Employee retirement - contributions paid by employer	-	-	7,187
State contributions to State Employees' Retirement System	214,046	142,062	91,449
State contributions to Social Security	94,911	90,473	85,720
Group insurance	303,989	300,671	292,739
Contractual services	59,866	51,268	52,677
Travel	20,313	16,781	12,612
Commodities	39,957	36,008	40,124
Printing	-	-	397
Equipment	98,676	105,505	91,119
Electronic data processing	23,000	4,800	-
Telecommunications	34,200	33,812	34,199
Operation of automotive equipment	57,700	57,700	61,450
Lump sums	3,008,459	1,194,343	1,033,037
Lump sums operations	1,353,074	1,329,396	1,206,733
Permanent improvements, lump sum & other purposes	4,957,091	9,533,779	5,128,440
Total expenditures	<u>11,553,735</u>	<u>14,123,033</u>	<u>9,308,828</u>
Reappropriations	<u>7,250,787</u>	<u>2,743,765</u>	<u>6,241,656</u>
Lapsed balances	<u>\$ 9,268,043</u>	<u>\$ 2,217,857</u>	<u>\$ 325,011</u>
<u>OPEN SPACE LANDS ACQUISITION AND DEVELOPMENT FUND - 0299</u>			
Appropriations (net of transfers)	\$ 116,285,953	\$ 97,339,660	\$ 77,369,394
Expenditures:			
Lump sums	1,170,126	1,003,713	902,176
Awards & grants, lump sum & other purposes	18,132,487	15,197,308	11,963,734
Total expenditures	<u>19,302,613</u>	<u>16,201,021</u>	<u>12,865,910</u>
Reappropriations	<u>86,789,467</u>	<u>80,921,953</u>	<u>64,319,260</u>
Lapsed balances	<u>\$ 10,193,873</u>	<u>\$ 216,686</u>	<u>\$ 184,224</u>

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	Fiscal Year		
	2008 Public Act 95-0348 95-0011	2007 Public Act 94-0798	2006 Public Act 94-0015
<u>STATE PHEASANT FUND - 0353</u>			
Appropriations (net of transfers)	\$ 1,082,034	\$ 1,424,272	\$ 1,439,983
Expenditures:			
Permanent improvements, lump sum & other purposes	498,419	892,239	565,711
Reappropriations	583,615	532,033	874,272
Lapsed balances	\$ -	\$ -	\$ -
<u>NATURAL HERITAGE FUND - 0375</u>			
Appropriations (net of transfers)	\$ 75,200	\$ 75,200	\$ 75,200
Expenditures:			
Contractual services	22,417	23,248	-
Commodities	14,742	15,781	-
Total expenditures	37,159	39,029	-
Lapsed balances	\$ 38,041	\$ 36,171	\$ 75,200
<u>ILLINOIS HABITAT FUND - 0391</u>			
Appropriations (net of transfers)	\$ 4,383,832	\$ 3,941,619	\$ 3,469,719
Expenditures:			
Permanent improvements, lump sum & other purposes	1,249,612	1,157,788	928,101
Reappropriations	3,134,220	2,783,831	2,541,618
Lapsed balances	\$ -	\$ -	\$ -
<u>FLOOD CONTROL LAND LEASE FUND - 0443</u>			
Appropriations (net of transfers)	\$ 700,000	\$ 600,000	\$ 600,000
Expenditures:			
Grants to local governments	700,000	599,992	597,646
Lapsed balances	\$ -	\$ 8	\$ 2,354

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	Fiscal Year		
	2008	2007	2006
	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>LAND AND WATER RECREATION FUND - 0465</u>			
Appropriations (net of transfers)	\$ 30,391,878	\$ 26,512,590	\$ 23,823,974
Expenditures:			
Awards & grants, lump sum & other purposes	1,760,397	2,320,713	3,511,384
Reappropriations	15,631,481	24,191,877	20,312,590
Lapsed balances	\$ 13,000,000	\$ -	\$ -
<u>WILDLIFE PRAIRIE PARK FUND - 0504</u>			
Appropriations (net of transfers)	\$ 100,000	\$ 100,000	\$ 100,000
Expenditures:			
Lump sums	-	91,392	-
Lapsed balances	\$ 100,000	\$ 8,608	\$ 100,000
<u>PETROLEUM RESOURCES REVOLVING FUND - 0573</u>			
Appropriations (net of transfers)	\$ -	\$ 900,000	\$ 500,000
Expenditures:			
Lump sums	-	773,729	490,000
Lapsed balances	\$ -	\$ 126,271	\$ 10,000
<u>OFF HIGHWAY VEHICLE TRAILS FUND - 0574</u>			
Appropriations (net of transfers)	\$ 2,696,668	\$ 2,557,313	\$ 2,238,853
Expenditures:			
Awards & grants, lump sum & other purposes	867,753	460,646	281,541
Reappropriations	1,828,915	2,096,667	1,957,312
Lapsed balances	\$ -	\$ -	\$ -

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	Fiscal Year		
	2008 Public Act 95-0348 95-0011	2007 Public Act 94-0798	2006 Public Act 94-0015
<u>CONSERVATION 2000 FUND - 0608</u>			
Appropriations (net of transfers)	\$ 18,211,032	\$ 15,485,514	\$ 14,864,743
Expenditures:			
Lump sums	2,766,985	3,674,483	3,161,644
Lump sums operations	59,845	-	-
Total expenditures	2,826,830	3,674,483	3,161,644
Reappropriations	15,369,347	11,811,031	9,085,514
Lapsed balances	\$ 14,855	\$ -	\$ 2,617,585
<u>CONSERVATION 2000 PROJECTS FUND - 0609</u>			
Appropriations (net of transfers)	\$ 5,292,388	\$ 6,672,400	\$ 8,981,896
Expenditures:			
Permanent improvements, lump sum & other purposes	1,012,803	1,380,013	2,309,497
Reappropriations	4,279,585	5,292,387	6,672,399
Lapsed balances	\$ -	\$ -	\$ -
<u>FEDERAL TITLE IV FIRE PROTECTION ASSISTANCE FUND - 0670</u>			
Appropriations (net of transfers)	\$ 837,458	\$ 836,168	\$ 701,240
Expenditures:			
Awards & grants, lump sum & other purposes	121,719	323,710	190,073
Reappropriations	-	512,458	511,167
Lapsed balances	\$ 715,739	\$ -	\$ -

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	Fiscal Year		
	2008	2007	2006
	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>FEDERAL SURFACE MINING CONTROL AND RECLAMATION FUND - 0765</u>			
Appropriations (net of transfers)	\$ 3,800,700	\$ 3,683,300	\$ 3,560,700
Expenditures:			
Personal services	1,131,284	1,101,618	1,282,130
Employee retirement - contributions paid by employer	-	-	8,326
State contributions to State Employees' Retirement System	183,825	124,880	96,789
State contributions to Social Security	80,873	79,323	91,495
Group insurance	280,993	262,636	330,049
Contractual services	361,531	226,308	395,742
Travel	8,444	7,029	8,760
Commodities	3,279	5,644	6,134
Printing	-	-	50
Equipment	81,465	3,852	39,123
Electronic data processing	126,822	118,319	41,681
Telecommunications	23,710	21,989	10,364
Operation of automotive equipment	27,286	23,875	29,774
Lump sums	172,283	268,886	188,873
Lump sums operations	34,452	-	-
Total expenditures	<u>2,516,247</u>	<u>2,244,359</u>	<u>2,529,290</u>
Lapsed balances	<u>\$ 1,284,453</u>	<u>\$ 1,438,941</u>	<u>\$ 1,031,410</u>
<u>RESTORATION TRUST FUND - 0831</u>			
Appropriations (net of transfers)	\$ 1,400,000	\$ 1,400,000	\$ 377,700
Expenditures:			
Lump sums	187,225	237,782	307,107
Lapsed balances	<u>\$ 1,212,775</u>	<u>\$ 1,162,218</u>	<u>\$ 70,593</u>
<u>HAZARDOUS WASTE RESEARCH FUND - 0840</u>			
Appropriations (net of transfers)	\$ 472,100	\$ 472,100	\$ 472,100
Expenditures:			
Lump sums	450,179	445,103	471,994
Lapsed balances	<u>\$ 21,921</u>	<u>\$ 26,997</u>	<u>\$ 106</u>

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	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
<u>NATIONAL FLOOD INSURANCE</u>			
<u>PROGRAM FUND - 0855</u>			
Appropriations (net of transfers)	\$ 480,700	\$ 400,000	\$ 400,000
Expenditures:			
Lump sums	301,029	284,453	291,672
Lapsed balances	<u>\$ 179,671</u>	<u>\$ 115,547</u>	<u>\$ 108,328</u>
<u>LAND RECLAMATION FUND - 0858</u>			
Appropriations (net of transfers)	\$ 350,000	\$ 350,000	\$ 350,000
Expenditures:			
Lump sums	4,864	94,763	16,150
Lapsed balances	<u>\$ 345,136</u>	<u>\$ 255,237</u>	<u>\$ 333,850</u>
<u>SNOWMOBILE TRAIL ESTABLISHMENT FUND - 0866</u>			
Appropriations (net of transfers)	\$ 162,592	\$ 192,759	\$ 187,058
Expenditures:			
Awards & grants, lump sum & other purposes	79,886	110,167	74,299
Reappropriations	82,706	82,592	112,759
Lapsed balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>DRUG TRAFFIC PREVENTION FUND - 0878</u>			
Appropriations (net of transfers)	\$ 25,000	\$ 25,000	\$ 25,000
Expenditures:			
Lump sums	14,020	621	1,846
Lapsed balances	<u>\$ 10,980</u>	<u>\$ 24,379</u>	<u>\$ 23,154</u>
<u>DNR SPECIAL PROJECTS - 884</u>			
Appropriations (net of transfers)	\$ 1,300,000	\$ 1,050,000	\$ -
Expenditures:			
Lump sums	1,298,657	1,035,885	-
Lapsed balances	<u>\$ 1,343</u>	<u>\$ 14,115</u>	<u>\$ -</u>

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<u>DNR FEDERAL PROJECTS - 894</u>			
Appropriations (net of transfers)	\$ 6,162,000	\$ 4,802,528	\$ -
Expenditures:			
Lump sums	2,574,599	2,333,488	-
Lapsed balances	\$ 3,587,401	\$ 2,469,040	\$ -
<u>ILLINOIS FORESTRY DEVELOPMENT FUND - 0905</u>			
Appropriations (net of transfers)	\$ 5,799,107	\$ 4,652,662	\$ 3,930,931
Expenditures:			
Equipment	80,600	102,660	120,377
Electronic Data Processing	13,200	12,967	-
Lump sums	1,299,971	1,321,885	1,120,603
Lump sums operations	73,285	100,411	90,458
Awards & grants	257,722	165,977	241,234
Awards & grants, lump sum & other purposes	189,741	50,479	238,445
Total expenditures	1,914,519	1,754,379	1,811,117
Reappropriations	3,321,711	2,641,007	1,726,261
Lapsed balances	\$ 562,877	\$ 257,276	\$ 393,553
<u>ILLINOIS WILDLIFE PRESERVATION FUND - 0909</u>			
Appropriations (net of transfers)	\$ 1,879,205	\$ 1,655,106	\$ 1,478,437
Expenditures:			
Lump sums	311,941	275,901	323,332
Reappropriations	1,567,264	1,379,205	1,155,105
Lapsed balances	\$ -	\$ -	\$ -
<u>NATURAL RESOURCES INFORMATION FUND - 0914</u>			
Appropriations (net of transfers)	\$ -	\$ -	\$ 254,000
Expenditures:			
Lump sums	-	-	64,076
Lapsed balances	\$ -	\$ -	\$ 189,924

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<u>STATE MIGRATORY WATERFOWL</u>			
<u>STAMP FUND - 0953</u>			
Appropriations (net of transfers)	\$ 3,239,185	\$ 3,223,944	\$ 3,279,731
Expenditures:			
Awards & grants	160,000	160,000	160,000
Grants to non-profit organizations	160,000	160,000	160,000
Permanent improvements, lump sum & other purposes	425,229	484,760	555,788
Total expenditures	745,229	804,760	875,788
Reappropriations	2,493,956	2,419,184	2,403,943
Lapsed balances	\$ -	\$ -	\$ -
<u>PARK AND CONSERVATION FUND - 0962</u>			
Appropriations (net of transfers)	\$ 46,763,202	\$ 43,894,722	\$ 41,346,491
Expenditures:			
Lump sums	10,275,025	10,171,921	9,812,472
Lump sums operations	158,664	-	-
Construction grants	1,042,665	2,474,306	1,647,902
Permanent improvements, lump sum & other purposes	3,350,692	2,453,715	707,369
Total expenditures	14,827,046	15,099,942	12,167,743
Reappropriations	30,500,983	27,996,102	28,397,020
Lapsed balances	\$ 1,435,173	\$ 798,678	\$ 781,728
<u>BUILD ILLINOIS BOND FUND - 0971</u>			
Appropriations (net of transfers)	\$ 1,678,752	\$ 4,096,017	\$ 17,376,818
Expenditures:			
Lump sums	143,003	773,154	1,405,957
Awards & grants	1,249,355	1,644,112	11,874,847
Total expenditures	1,392,358	2,417,266	13,280,804
Reappropriations	286,394	1,678,751	4,096,014
Lapsed balances	\$ -	\$ -	\$ -

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<u>ILLINOIS BEACH MARINA FUND - 0982</u>			
Appropriations (net of transfers)	\$ 3,567,229	\$ 3,247,146	\$ 2,972,495
Expenditures:			
Lump sums operations	1,880,880	1,760,717	1,646,057
Permanent improvements, lump sum & other purposes	145,824	63,518	113,249
Refunds	20,005	13,114	6,545
Total expenditures	<u>2,046,709</u>	<u>1,837,349</u>	<u>1,765,851</u>
Reappropriations	<u>953,106</u>	<u>1,153,929</u>	<u>842,447</u>
Lapsed balances	<u>\$ 567,414</u>	<u>\$ 255,868</u>	<u>\$ 364,197</u>
<u>ABANDONED MINED LANDS RECLAMATION COUNCIL FEDERAL TRUST FUND - 0991</u>			
Appropriations (net of transfers)	\$ 25,812,684	\$ 24,845,029	\$ 24,118,478
Expenditures:			
Personal services	1,568,659	1,487,585	1,495,983
Employee retirement - contributions paid by employer	-	-	9,135
State contributions to State Employees' Retirement System	260,010	171,550	116,623
State contributions to Social Security	116,512	111,832	112,445
Group insurance	322,658	307,368	339,201
Contractual services	145,801	141,074	251,870
Travel	6,424	12,381	5,886
Commodities	5,002	6,833	11,192
Printing	-	-	16
Equipment	42,974	43,377	40,706
Electronic data processing	156,675	148,150	50,490
Telecommunications	25,949	25,520	12,003
Operation of automotive equipment	44,019	42,379	39,467
Lump sums	35,680	21,856	20,799
Lump sums operations	33,176	-	-
Awards & grants, lump sum & other purposes	6,988,747	5,069,746	5,539,549
Total expenditures	<u>9,752,286</u>	<u>7,589,651</u>	<u>8,045,365</u>
Reappropriations	<u>15,262,138</u>	<u>16,250,884</u>	<u>15,320,631</u>
Lapsed balances	<u>\$ 798,260</u>	<u>\$ 1,004,494</u>	<u>\$ 752,482</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

	Fiscal Year		
	2008 Public Act 95-0348 95-0011	2007 Public Act 94-0798	2006 Public Act 94-0015
<u>GRAND TOTAL - ALL APPROPRIATED FUNDS</u>			
Appropriations (net of transfers)	\$ 634,362,410	\$ 627,390,388	\$ 587,329,831
Total expenditures	245,307,622	256,232,571	232,954,718
Reappropriations	321,073,787	336,768,458	331,083,787
Lapsed balances	<u>\$ 67,981,001</u>	<u>\$ 34,389,359</u>	<u>\$ 23,291,326</u>
<u>GENERAL REVENUE - 0001 STATE COMPTROLLER</u>			
OFFICERS SALARIES			
Appropriations (net of transfers)	<u>\$ 384,173</u>	<u>\$ 353,400</u>	<u>\$ 333,000</u>
Expenditures:			
Director	115,473	100,690	56,600
Assistant Director	-	-	68,279
Mine Officers	90,466	83,776	79,764
Miners' Examining Officers	<u>49,316</u>	<u>32,861</u>	<u>34,553</u>
Total expenditures - Officers Salaries	<u>255,255</u>	<u>217,327</u>	<u>239,196</u>
Lapsed balances	<u>\$ 128,918</u>	<u>\$ 136,073</u>	<u>\$ 93,804</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

TOTAL - ALL APPROPRIATED FUNDS
BY MAJOR OBJECT CODE

	Fiscal Year		
	2008	2007	2006
	Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
	<u> </u>	<u> </u>	<u> </u>
TOTAL - ALL APPROPRIATED FUNDS			
Appropriations (net of transfers)	\$ 634,362,410	\$ 627,390,388	\$ 587,329,831
Expenditures:			
Personal services	86,577,556	84,969,389	80,218,899
Employee retirement - contributions paid by employer	-	-	450,745
State contributions to State Employees' Retirement System	11,888,426	8,127,865	5,171,093
State contributions to Social Security	4,662,432	4,621,681	4,333,391
Group insurance	8,462,431	8,175,556	7,501,006
Contractual services	12,906,059	14,505,102	15,066,287
Conferences, vendor payments	6,600	19,300	25,400
Travel	497,390	506,248	444,267
Commodities	3,611,746	3,759,782	3,679,468
Printing	480,114	506,557	547,281
Equipment	2,066,696	2,632,758	2,326,290
Electronic data processing	2,158,115	1,317,719	384,095
Telecommunications	2,033,664	2,061,535	1,960,282
Operation of automotive equipment	3,096,183	2,875,909	2,751,515
Lump sums	38,188,691	38,896,680	30,939,138
Lump sums operations	7,441,218	3,537,397	3,214,537
Awards & grants	1,667,077	4,881,246	15,265,164
Grants to local governments	850,000	749,992	747,646
Construction grants	4,087,392	7,198,517	3,544,132
Grants to non-profit organizations	160,000	160,000	160,000
Awards & grants, lump sum & other purposes	33,006,717	26,291,422	29,125,077
Permanent improvements	309,090	58,617	470,871
Permanent improvements, lump sum & other purposes	16,446,621	35,924,165	15,748,371
Highway and waterway construction	3,930,587	3,586,526	7,852,874
Refunds	772,817	868,608	1,026,889
Total expenditures	<u>245,307,622</u>	<u>256,232,571</u>	<u>232,954,718</u>
Reappropriations	<u>321,789,526</u>	<u>336,768,458</u>	<u>331,083,787</u>
Lapsed balances	<u>\$ 67,265,262</u>	<u>\$ 34,389,359</u>	<u>\$ 23,291,326</u>

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**

TOTAL - EXPENDITURES BY FUND

	Fund Number	Fiscal Year		
		2008	2007	2006
		Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
ALL FUNDS				
Appropriations (net of transfers and reversions)		\$ 634,362,410	\$ 627,390,388	\$ 587,329,831
Expenditures:				
General Revenue Fund	0001	78,322,032	80,106,933	77,982,627
State Boating Act Fund	0039	10,908,480	10,891,759	9,509,961
State Parks Fund	0040	8,730,831	11,945,523	9,199,386
Wildlife and Fish Fund	0041	52,435,037	59,033,609	39,051,436
Salmon Fund	0042	290,579	261,407	216,008
Mines and Minerals UIC Fund	0077	286,414	219,190	198,310
Forest Reserve Fund	0086	303,623	304,247	301,235
Toxic Pollution Prevention Fund	0111	23,361	70,025	6,330
Plugging and Restoration Fund	0137	495,323	410,371	304,593
Capital Development Fund	0141	13,594,595	12,583,307	18,401,485
Explosives Regulatory Fund	0145	91,803	89,639	81,238
Aggregate Operations Regulatory Fund	0146	240,220	244,329	131,344
Coal Mining Regulatory Fund	0147	96,604	208,672	267,881
Emergency Public Health Fund	0240	199,983	196,004	200,000
Underground Resource Conservation Enforcement Trust Fund	0261	654,830	694,378	581,005
State Furbearer Fund	0293	86,073	171,521	86,110
Used Tire Management Fund	0294	200,000	198,000	199,000
Natural Areas Acquisition Fund	0298	11,553,735	14,123,033	9,308,828
Open Space Lands Acquisition and Development Fund	0299	19,302,613	16,201,021	12,865,910
State Pheasant Fund	0353	498,419	892,239	565,711
Natural Heritage Fund	0375	37,159	39,029	-
Illinois Habitat Fund	0391	1,249,612	1,157,788	928,101
Flood Control Land Lease Fund	0443	700,000	599,992	597,646
Land and Water Recreation Fund	0465	1,760,397	2,320,713	3,511,384
Wildlife Prairie Park Fund	0504	-	91,392	-
Petroleum Resources Revolving Fund	0573	-	773,729	490,000
Off Highway Vehicle Trails Fund	0574	867,753	460,646	281,541
Conservation 2000 Fund	0608	2,826,830	3,674,483	3,161,644
Conservation 2000 Projects Fund	0609	1,012,803	1,380,013	2,309,497

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**

TOTAL - EXPENDITURES BY FUND

	Fund Number	Fiscal Year		
		2008	2007	2006
		Public Act 95-0348 95-0011	Public Act 94-0798	Public Act 94-0015
Federal Title IV Fire Protection Assistance Fund	0670	\$ 121,719	\$ 323,710	\$ 190,073
Federal Surface Mining Control and Reclamation Fund	0765	2,516,247	2,244,359	2,529,290
Restoration Trust Fund	0831	187,225	237,782	307,107
Hazardous Waste Research Fund	0840	450,179	445,103	471,994
National Flood Insurance Program Fund	0855	301,029	284,453	291,672
Land Reclamation Fund	0858	4,864	94,763	16,150
Snowmobile Trail Establishment Fund	0866	79,886	110,167	74,299
Drug Traffic Prevention Fund	0878	14,020	621	1,846
DNR Special Projects Fund	0884	1,298,657	1,035,885	-
DNR Federal Projects Fund	0894	2,574,599	2,333,488	-
Illinois Forestry Development Fund	0905	1,914,519	1,754,379	1,811,117
Illinois Wildlife Preservation Fund	0909	311,941	275,901	323,332
Natural Resources Information Fund	0914	-	-	64,076
State Migratory Waterfowl Stamp Fund	0953	745,229	804,760	875,788
Park and Conservation Fund	0962	14,827,046	15,099,942	12,167,743
Build Illinois Bond Fund	0971	1,392,358	2,417,266	13,280,804
Illinois Beach Marina Fund	0982	2,046,709	1,837,349	1,765,851
Abandoned Mined Lands Reclamation Council Federal Trust Fund	0991	9,752,286	7,589,651	8,045,365
Total expenditures		<u>245,307,622</u>	<u>256,232,571</u>	<u>232,954,718</u>
Reappropriations		<u>321,789,526</u>	<u>336,768,458</u>	<u>331,083,787</u>
Lapsed balances		<u>\$ 67,265,262</u>	<u>\$ 34,389,359</u>	<u>\$ 23,291,326</u>
<u>NON-APPROPRIATED FUND EXPENDITURES</u>				
DNR Special Projects Fund	0884	\$ 1,905,646	\$ 13,147,213	\$ 10,871,525
DNR Federal Projects Fund	0894	1,629,058	532,645	2,254,703
J.J. Wolf Memorial for Conservation Investigation Fund	0931	9,260	21,010	12,712
Total Non-Appropriated Fund expenditures		<u>\$ 3,543,964</u>	<u>\$ 13,700,868</u>	<u>\$ 13,138,940</u>
GRAND TOTAL EXPENDITURES - ALL FUNDS		<u>\$ 248,851,586</u>	<u>\$ 269,933,439</u>	<u>\$ 246,093,658</u>

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

**COMPARATIVE SCHEDULE OF RECEIPTS, DISBURSEMENTS AND
FUND BALANCE (CASH BASIS) - NON-APPROPRIATED FUNDS**

	Fiscal Year		
	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>INVESTIGATIVE CASH FUND - 1204</u>			
Cash balance, July 1	\$ 590	\$ 10,000	\$ 6,500
Receipts	21,147	22,116	23,740
Disbursements	<u>(11,792)</u>	<u>(31,526)</u>	<u>(20,240)</u>
Cash balance, June 30	<u>\$ 9,945</u>	<u>\$ 590</u>	<u>\$ 10,000</u>

Note: This locally held non-appropriated cash account is reported as part of the J.J. Wolf Memorial for Conservation Investigation Fund - 0931.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF CHANGES IN STATE PROPERTY

Years Ended June 30, 2007 and 2008

	Land and Improvements	Site Improvements	Buildings and Improvements	Equipment	Capital Leases- Equipment	Totals
Balance July 1, 2006	\$ 320,779,345	\$ 184,566,783	\$ 477,206,975	\$ 107,017,446	\$ 19,620	\$ 1,089,590,169
Additions	26,193,065	3,108,666	3,386,249	9,074,869	5,588	41,768,437
Deletions and Other Adjustments	(845,480)	(104,840)	(358,375)	(927,497)	-	(2,236,192)
Net Transfers	574,316	1,991,924	3,792,286	(4,221,247)	-	2,137,279
Balance June 30, 2007	346,701,246	189,562,533	484,027,135	110,943,571	25,208	1,131,259,693
Additions	4,558,025	41,574,487	1,140,554	4,508,253	-	51,781,319
Deletions and Other Adjustments	(480,545)	(38,266)	(15,222)	(395,866)	-	(929,899)
Net Transfers	11,454,679	4,743,685	1,408,960	(1,580,426)	-	16,026,898
Balance June 30, 2008	\$ 362,233,405	\$ 235,842,439	\$ 486,561,427	\$ 113,475,532	\$ 25,208	\$ 1,198,138,011

This schedule has been reconciled to property reports submitted to the Office of the Comptroller.

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

**COMPARATIVE SCHEDULE OF CASH RECEIPTS
(Expressed in Thousands)**

Type	Fiscal Year		
	2008	2007	2006
Deposits by the Department:			
Licenses and fees	\$ 49,408	\$ 50,147	\$ 56,773
Federal government	32,990	33,029	26,279
Fines, penalties and violations	691	745	902
Rentals:			
Concession	1,211	1,187	1,305
Boat and dock fees	3,007	3,061	2,988
Other rental	4,371	5,010	3,246
Sales:			
Merchandise	160	200	167
Product	1,119	1,003	1,043
Publication	257	277	336
Advertising	-	60	34
Donations	30	34	72
Other revenue	6,559	14,120	15,630
Total per Department records	<u>99,803</u>	<u>108,873</u>	<u>108,775</u>
Deposits by other agencies and transfers:			
Motor fuel tax	5,040	5,040	5,040
Real estate transfer tax	38,420	49,817	58,297
Sportsman's license plates	268	258	268
Environmental license plates	1,188	1,201	1,312
Firearm owners I.D.	749	697	692
Oil and gas assessment	-	349	556
All terrain vehicle titles	419	441	478
Certificate of title	5,635	5,809	6,020
M.E.A.O.B.	10,000	10,000	10,000
Build Illinois Bond	10,000	10,000	10,000
Non-game checkoff	209	201	25
Interest income	2,807	3,664	2,444
Total deposits by other agencies and transfers	<u>74,735</u>	<u>87,477</u>	<u>95,132</u>
Combined total	<u>\$ 174,538</u>	<u>\$ 196,350</u>	<u>\$ 203,907</u>

STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(Expressed in Thousands)

	General Revenue Fund 0001	State Boating Act Fund 0039	State Parks Fund 0040	Wildlife and Fish Fund 0041	Salmon Fund 0042	Mines and Minerals Underground Injection Control Fund 0077
Licenses and fees	\$ 49,408	\$ -	\$ 5,976	\$ 33,496	\$ 259	\$ -
Federal government	32,990	2,901	-	9,620	-	228
Fines penalties and violations	691	165	97	287	-	-
Rental:						
Concession	1,211	-	940	13	-	-
Boat and dock fees	3,007	-	2	5	-	-
Other rental	4,371	-	1,528	2,712	-	-
Sales:						
Merchandise	160	-	-	160	-	-
Product	1,119	-	-	906	-	-
Publication	257	-	-	257	-	-
Advertising	-	-	-	-	-	-
Donations	30	-	-	-	-	-
Other revenue	6,559	2	16	44	-	-
Total per Department records	99,803	7,682	8,559	47,500	259	228
Refunds	241	15	-	2	-	-
Deposits in transit to Comptroller:						
Add: Beginning of period	2,150	3	210	1,497	6	-
Less: End of period	2,424	1	354	1,586	6	-
Total per State Comptroller records	\$ 99,770	\$ 110	\$ 8,415	\$ 47,413	\$ 259	\$ 228

STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES
**RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008**
 (Expressed in Thousands)

	Forest Reserve Fund 0086	Plugging and Restoration Fund 0137	Explosives Regulatory Fund 0145	Aggregate Operations Regulatory Fund 0146	Coal Mining Regulatory Fund 0147	Fish and Wildlife Endowment Fund 0260	Underground Resource Conservation Enforcement Trust Fund 0261
Licenses and fees	\$ -	\$ 414	\$ 115	\$ 264	\$ 149	\$ 59	\$ 575
Federal government	304	-	-	-	-	-	-
Fines penalties and violations	-	-	-	7	14	-	49
Rental:							
Concession	-	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-	-
Other rental	-	-	-	-	-	-	-
Sales:							
Merchandise	-	-	-	-	-	-	-
Product	-	-	-	-	-	-	-
Publication	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Other revenue	-	78	-	-	-	-	-
Total per Department records	304	492	115	271	163	59	624
Refunds	-	-	-	-	-	-	-
Deposits in transit to Comptroller:							
Add: Beginning of period	-	8	1	-	1	-	6
Less: End of period	-	5	2	1	1	9	11
Total per State Comptroller records	\$ 304	\$ 495	\$ 114	\$ 270	\$ 163	\$ 50	\$ 619

STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 (Expressed in Thousands)

	State Furbearer Fund 0293	State Pheasant Fund 0353	Illinois Habitat Fund 0391	Flood Control Land Lease Fund 0443	Land and Water Recreation Fund 0465	Off Highway Vehicle Trails Fund 0574
Licenses and fees	\$ 85	\$ 425	\$ 910	\$ -	\$ -	\$ 49
Federal government	-	-	-	701	1,760	-
Fines penalties and violations	-	-	-	-	-	6
Rental:						
Concession	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-
Other rental	-	-	-	-	-	-
Sales:						
Merchandise	-	-	-	-	-	-
Product	-	-	-	-	-	-
Publication	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Donations	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total per Department records	85	425	910	701	1,760	55
Refunds	-	1	7	-	-	-
Deposits in transit to Comptroller:						
Add: Beginning of period	1	4	8	-	-	4
Less: End of period	-	3	7	-	-	3
Total per State Comptroller records	\$ 86	\$ 427	\$ 918	\$ 701	\$ 1,760	\$ 56

STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES
**RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008**
 (Expressed in Thousands)

	Conservation 2000 Fund 0608	Conservation 2000 Projects Fund 0609	Federal Title IV Fire Protection Assistance Fund 0670	Federal Surface Mining Control and Reclamation Fund 0765	Restoration Trust Fund 0831	National Flood Insurance Program Fund 0855
Licenses and fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal government	-	-	116	2,380	-	233
Fines penalties and violations	-	-	-	-	-	-
Rental:						
Concession	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-
Other rental	-	-	-	-	-	-
Sales:						
Merchandise	-	-	-	-	-	-
Product	-	-	-	-	-	-
Publication	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Donations	-	-	-	-	-	-
Other revenue	-	-	-	-	35	-
Total per Department records	-	-	116	2,380	35	233
Refunds	103	89	-	20	-	-
Deposits in transit to Comptroller:						
Add: Beginning of period	-	-	-	-	-	-
Less: End of period	-	-	-	-	-	-
Total per State Comptroller records	\$ 103	\$ 89	\$ 116	\$ 2,400	\$ 35	\$ 233

STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(Expressed in Thousands)

	Land Reclamation Fund 0858	Snowmobile Trail Establishment Fund 0866	Drug Traffic Prevention Fund 0878	DNR Special Projects Fund 0884	DNR Federal Projects Fund 0894	Illinois Forestry Development Fund 0905
Licenses and fees	\$ 140	\$ 82	\$ -	\$ -	\$ -	\$ 1,078
Federal government	-	-	-	-	4,054	733
Fines penalties and violations	-	-	7	-	-	11
Rental:						
Concession	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-
Other rental	-	-	-	-	-	-
Sales:						
Merchandise	-	-	-	-	-	-
Product	-	-	-	-	-	213
Publication	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Donations	-	-	-	19	-	-
Other revenue	-	-	-	5,252	-	11
Total per Department records	140	82	7	5,271	4,054	2,046
Refunds	-	-	-	-	-	-
Deposits in transit to Comptroller:						
Add: Beginning of period	-	-	-	-	-	8
Less: End of period	-	2	-	1	-	2
Total per State Comptroller records	\$ 140	\$ 80	\$ 7	\$ 5,270	\$ 4,054	\$ 2,052

STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(Expressed in Thousands)

	Illinois Wildlife Preservation Fund 0909	J.J. Wolf Memorial for Conservation Investigation Fund 0931	State Migratory Waterfowl Stamp Fund 0953	Park and Conservation Fund 0962	Illinois Beach Marina Fund 0982	Abandoned Mined Lands Reclamation Council Federal Trust Fund 0991
Licenses and fees	\$ -	\$ -	718	\$ -	\$ -	\$ -
Federal government	46	-	-	-	-	9,914
Fines penalties and violations	-	-	-	-	-	-
Rental:						
Concession	-	-	-	-	258	-
Boat and dock fees	-	-	-	-	3,000	-
Other rental	-	-	-	-	131	-
Sales:						
Merchandise	-	-	-	-	-	-
Product	-	-	-	-	-	-
Publication	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Donations	11	-	-	-	-	-
Other revenue	-	25	-	1,032	19	-
Total per Department records	57	25	718	1,032	3,408	9,914
Refunds	-	-	-	1	-	-
Deposits in transit to Comptroller:						
Add: Beginning of period	-	-	3	-	93	-
Less: End of period	-	-	3	-	82	-
Total per State Comptroller records	\$ 57	\$ 25	\$ 718	\$ 1,033	\$ 3,419	\$ 9,914

STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2007
(Expressed in Thousands)

	Combined	General Revenue Fund 0001	State Boating Act Fund 0039	State Parks Fund 0040	Wildlife and Fish Fund 0041	Salmon Fund 0042	Mines and Minerals Underground Injection Control Fund 0077
Licenses and fees	\$ 50,147	\$ -	\$ 4,774	\$ 6,167	\$ 33,420	\$ 273	\$ -
Federal government	33,029	57	3,335	-	8,261	-	332
Fines penalties and violations	745	47	164	102	309	-	-
Rental:							
Concession	1,187	-	-	925	7	-	-
Boat and dock fees	3,061	-	-	5	4	-	-
Other rental	5,010	-	-	1,808	3,067	-	-
Sales:							
Merchandise	200	-	-	-	200	-	-
Product	1,003	-	-	-	742	-	-
Publication	277	-	-	-	277	-	-
Advertising	60	-	-	45	15	-	-
Donations	34	-	-	-	-	-	-
Other revenue	14,120	28	-	7	47	-	-
Total per Department records	108,873	132	8,273	9,059	46,349	273	332
Refunds	145	20	24	-	2	-	-
Deposits in transit to Comptroller:							
Add: Beginning of period	2,859	1	258	415	1,639	5	-
Less: End of period	2,150	3	297	210	1,497	6	-
Total per State Comptroller records	\$ 109,727	\$ 150	\$ 8,258	\$ 9,264	\$ 46,493	\$ 272	\$ 332

STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2007
(Expressed in Thousands)

	Forest Reserve Fund 0086	Plugging and Restoration Fund 0137	Explosives Regulatory Fund 0145	Aggregate Operations Regulatory Fund 0146	Coal Mining Regulatory Fund 0147	Abandoned Mined Land Reclamation Set-Aside Fund 0257	Fish and Wildlife Endowment Fund 0260
Licenses and fees	\$ -	\$ 435	\$ 118	\$ 217	\$ 125	\$ -	\$ 65
Federal government	304	-	-	-	-	733	-
Fines penalties and violations	-	-	-	9	10	-	-
Rental:							
Concession	-	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-	-
Other rental	-	-	-	-	-	-	-
Sales:							
Merchandise	-	-	-	-	-	-	-
Product	-	-	-	-	-	-	-
Publication	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Other revenue	-	22	-	-	-	-	-
Total per Department records	304	457	118	226	135	733	65
Refunds	-	-	-	-	-	-	-
Deposits in transit to Comptroller:							
Add: Beginning of period	-	5	2	-	-	-	3
Less: End of period	-	8	1	-	1	-	-
Total per State Comptroller records	304	454	119	226	134	733	68

STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2007
(Expressed in Thousands)

	Underground Resource Conservation Enforcement Trust Fund 0261	State Furbearer Fund 0293	Natural Areas Acquisition Fund 298	State Pheasant Fund 0353	Illinois Habitat Fund 0391	Flood Control Land Lease Fund 0443	Land and Water Recreation Fund 0465
Licenses and fees	\$ 590	\$ 88	\$ -	\$ 438	\$ 943	\$ -	\$ -
Federal government	-	-	-	-	-	627	2,321
Fines penalties and violations	47	-	-	-	-	-	-
Rental:							
Concession	-	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-	-
Other rental	-	-	-	-	-	-	-
Sales:							
Merchandise	-	-	-	-	-	-	-
Product	-	-	-	-	-	-	-
Publication	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Other revenue	-	-	22	-	-	-	-
Total per Department records	637	88	22	438	943	627	2,321
Refunds	-	-	-	11	2	-	-
Deposits in transit to Comptroller:							
Add: Beginning of period	7	1	-	4	7	-	-
Less: End of period	6	1	-	4	8	-	-
Total per State Comptroller records	\$ 638	\$ 88	\$ 22	\$ 449	\$ 944	\$ 627	\$ 2,321

STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007
 (Expressed in Thousands)

	Off Highway Vehicle Trails Fund 0574	Conservation 2000 Fund 0608	Conservation 2000 Projects Fund 0609	Federal Title IV Fire Protection Assistance Fund 0670	Federal Surface Mining Control and Reclamation Fund 0765	Restoration Trust Fund 0831
Licenses and fees	\$ 33	\$ -	\$ -	\$ -	\$ -	\$ -
Federal government	-	-	-	333	2,369	-
Fines penalties and violations	6	-	-	-	-	-
Rental:						
Concession	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-
Other rental	-	-	-	-	-	-
Sales:						
Merchandise	-	-	-	-	-	-
Product	-	-	-	-	-	-
Publication	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Donations	-	-	-	-	-	-
Other revenue	-	-	-	-	-	621
Total per Department records	39	-	-	333	2,369	621
Refunds		1	85	-	-	-
Deposits in transit to Comptroller:						
Add: Beginning of period	-	-	-	-	-	-
Less: End of period	4	-	-	-	-	-
Total per State Comptroller records	\$ 35	\$ 1	\$ 85	\$ 333	\$ 2,369	\$ 621

STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2007
 (Expressed in Thousands)

	National Flood Insurance Program Fund 0855	Land Reclamation Fund 0858	Showmobile Trail Establishment Fund 0866	Drug Traffic Prevention Fund 0878	DNR Special Projects Fund 0884	DNR Federal Projects Fund 0894	Illinois Forestry Development Fund 0905
Licenses and fees	\$ -	\$ 632	\$ 79	\$ -	\$ -	\$ -	\$ 1,046
Federal government	302	-	-	-	-	3,153	1,685
Fines penalties and violations	-	-	-	8	-	-	16
Rental:							
Concession	-	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-	-
Other rental	-	-	-	-	-	-	-
Sales:							
Merchandise	-	-	-	-	-	-	-
Product	-	-	-	-	-	-	261
Publication	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-
Donations	-	-	-	-	18	-	-
Other revenue	-	-	-	-	13,331	-	3
Total per Department records	302	632	79	8	13,349	3,153	3,011
Refunds	-	-	-	-	-	-	-
Deposits in transit to Comptroller:							
Add: Beginning of period	-	-	2	1	400	-	7
Less: End of period	-	-	-	-	-	-	8
Total per State Comptroller records	\$ 302	\$ 632	\$ 81	\$ 9	\$ 13,749	\$ 3,153	\$ 3,010

STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2007
(Expressed in Thousands)

	Illinois Wildlife Preservation Fund 0909	J.J. Wolf Memorial for Conservation Investigation Fund 0931	State Migratory Waterfowl Stamp Fund 0953	Park and Conservation Fund 0962	Illinois Beach Marina Fund 0982	Abandoned Mined Lands Reclamation Council Federal Trust Fund 0991
Licenses and fees	\$ -	\$ -	704	\$ -	\$ -	\$ -
Federal government	89	-	-	1,689	-	7,439
Fines penalties and violations	2	25	-	-	-	-
Rental:						
Concession	-	-	-	-	255	-
Boat and dock fees	-	-	-	-	3,052	-
Other rental	-	-	-	-	135	-
Sales:						
Merchandise	-	-	-	-	-	-
Product	-	-	-	-	-	-
Publication	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Donations	12	4	-	-	-	-
Other revenue	-	-	-	18	21	-
Total per Department records	103	29	704	1,707	3,463	7,439
Refunds	-	-	-	-	-	-
Deposits in transit to Comptroller:						
Add: Beginning of period	-	1	3	-	96	2
Less: End of period	-	-	3	-	93	-
Total per State Comptroller records	\$ 103	\$ 30	\$ 704	\$ 1,707	\$ 3,466	\$ 7,441

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES

Years Ended June 30, 2008 and 2007

The Department of Natural Resources' (Department) explanation for significant fluctuations in expenditures exceeding \$150,000 and 15% as presented in the "Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances Total -- Expenditures by Fund" is detailed below:

Fiscal Year 2008

State Parks Fund – 0040

Expenditures decreased \$3,214,692 or 27% from fiscal year 2007 to 2008. The decrease in expenditures is due primarily to the completion of the Sparta World Shooting and Recreation Complex (completed in 2007), which was over \$2 million as well as a decrease in contractual expenditures in the Land Management Division due to cash management of the fund.

Natural Areas Acquisition Fund – 0298

Expenditures decreased \$2,569,298 or 18% from fiscal year 2007 to 2008. The decrease in expenditures was due to a large land acquisition purchased in Northern Illinois in 2007.

Open Space Lands Acquisition and Development Fund – 0299

Expenditures increased \$3,101,592 or 19% from fiscal year 2007 to 2008. The increase in expenditures was due to an increase in land acquisition and development projects being awarded for fiscal year 2008.

State Pheasant Fund – 0353

Expenditures decreased \$393,820 or 44% from fiscal year 2007 to 2008. The decrease was due to the timing of reimbursement requests. These were grants to local governments that were reimbursed for up to 50% of approved eligible costs.

Land and Water Recreation Fund- 0465

Expenditures decreased \$560,316 or 24% from fiscal year 2007 to 2008. The decrease was due to the reduction in federal funding for the projects selected.

Petroleum Resources Revolving Fund – 0573

Expenditures decreased \$773,729 or 100% from fiscal year 2007 to 2008. The decrease was due to the fund no longer being utilized by the Department.

Off Highway Vehicle Trails Fund – 0574

Expenditures increased \$407,107 or 88% from fiscal year 2007 to 2008. The increase was due to the timing of reimbursement requests. These were grants to local governments who were reimbursed for up to 100% of approved eligible costs. These funds were designed to develop, maintain, and acquire land for off highway vehicle parks and trails. Due to the wide variety of eligible expenses, expenditures are very inconsistent from year to year.

Conservation 2000 Fund – 0608

Expenditures decreased \$847,653 or 23% from fiscal year 2007 to 2008. The decrease was due to a reduction in grant levels, which is variable. In 2007 there was one grant announcement for \$2.78 million, while in 2008 no grants were awarded.

Conservation 2000 Projects Fund – 0609

Expenditures decreased \$367,210 or 27% from fiscal year 2007 to 2008. Capital projects routinely run across several fiscal years and use re-appropriations, which were spent. There were no new appropriations for fiscal year 2008.

Federal Title IV Fire Protection Assistance Fund – 0670

Expenditures decreased \$201,991 or 62% from fiscal year 2007 to 2008. The decrease was due to a reduction of fire education classes being conducted.

DNR Special Projects Fund – 0884 (Appropriated)

Expenditures increased \$262,772 or 25% from fiscal year 2007 to 2008. The increase was due to an increase in the Water Quantity Initiative spending. The Environmental Protection Trust Fund (EPTF) began in fiscal year 2006 with non-appropriated funding. In fiscal year 2007, the project also received appropriated funding in order to provide more transparency for what became a long-term project. In fiscal year 2008, there were no non-appropriated funds available, so all expenditures were from appropriated funding, thus increasing the need for appropriations in order to maintain level expenditure levels.

DNR Special Projects Fund – 0884 (Non-Appropriated)

Expenditures decreased \$11,241,567 or 86% from fiscal year 2007 to 2008. The decrease was due primarily to spending related to two Water Resource projects – Rand Park and the Chicago Shoreline Stabilization. Four grants (Coal Mine Model, Gas Chromatograph, Rockdale and Chicago Shoreline), with expenditures of \$6.9 million in fiscal year 2007, ended in fiscal year 2008. Funding for Rand Lake Park flood control decreased \$3.4 million in fiscal year 2008 due to the lack of fiscal year 2008 funding from the Governor's office to the Illinois Department of Commerce and Economic Opportunity (DCEO) (the project received \$3.7 million in fiscal year 2007 from the Governor's office). There was also a decrease of \$1.7 million in other grant money the Governor's Office didn't appropriate to DCEO.

DNR Federal Projects Fund -- 0894 (Non-Appropriated)

Expenditures increased \$1,096,413 or 206% from fiscal year 2007 to 2008. The increase in expenditures was associated with an increase in specific Water Resource projects, such as flood disasters.

Build Illinois Bond Fund – 0971

Expenditures decreased \$1,024,908 or 42% from fiscal year 2007 to 2008. Capital projects routinely run across several fiscal years and use re-appropriations, which were spent. There were no new appropriations for fiscal year 2008.

Council Federal Trust Fund- 0991

Expenditures increased \$2,162,635 or 28% from fiscal year 2007 to 2008. The increase was due to an increase in more abandoned mined land reclamation projects being completed.

Fiscal Year 2007

State Boating Act Fund – 0039

Expenditures increased \$1,381,798 or 15% from fiscal year 2006 to 2007. The increase was due to a shift in personal services expenditures from the General Revenue Fund to the State Boating Act Fund, as well as, an addition of a Dredge Crew in 2007.

State Parks Fund – 0040

Expenditures increased \$2,746,137 or 30% from fiscal year 2006 to 2007. The increase was due primarily to the construction of the Sparta World Shooting and Recreation Complex.

Wildlife and Fish Fund – 0041

Expenditures increased \$19,982,173 or 51% from fiscal year 2006 to 2007. The increase was due to the one-time spending authority of \$13 million for the Hunter Heritage Program, increase in personal services expenditures, the purchase of an on-line Point of Sale System for permits and licenses, as well as, the shifting of Water Resources Stream Gauging off of the General Revenue Fund.

Capital Development Fund – 0141

Expenditures decreased \$5,818,178 or 32% from fiscal year 2006 to 2007. Capital projects routinely run across several fiscal years and use re-appropriations, which were spent. There were no new appropriations for fiscal year 2007.

Natural Areas Acquisition Fund – 0298

Expenditures increased \$4,814,205 or 52% from fiscal year 2006 to 2007. The increase in expenditures was due to a large land acquisition in 2007 for a purchase in Northern Illinois.

Open Space Lands Acquisition and Development Fund – 0299

Expenditures increased \$3,335,111 or 26% from fiscal year 2006 to 2007. The increase in expenditures was due to an increase in land acquisition and development projects being awarded for fiscal year 2007.

State Pheasant Fund – 0353

Expenditures increased by \$326,528 or 58% from fiscal year 2006 to 2007. The increase was due to several new projects. These were pheasant habitat improvement, pheasant research, and land acquisition.

Illinois Habitat Fund – 0391

Expenditures increased by \$229,687 or 25% from fiscal year 2006 to 2007. The increase was due to land acquisitions being finalized and the timing of grant payments.

Land and Water Recreation Fund – 0465

Expenditures decreased \$1,190,671 or 34% from fiscal year 2006 to 2007. The decrease was due to fewer projects being identified as eligible for use of the funds.

Petroleum Resources Revolving Fund – 0573

Expenditures increased \$283,729 or 58% from fiscal year 2006 to 2007. The increase was due to an increase in the appropriation authority. This fund realizes its revenue from a fee associated with barrels of petroleum. The cash available made it possible for the Petroleum Resources Board to provide additional educational projects throughout the State.

Off Highway Vehicle Trails Fund – 0574

Expenditures increased \$179,105 or 64% from fiscal year 2006 to 2007. The increase was due to an increase in the repair and maintenance of eligible Off Highway Trails.

Conservation 2000 Fund – 0608

Expenditures increased \$512,839 or 16% from fiscal year 2006 to 2007. The increase resulted from expenditures for the implementation of an ecosystem-based management program.

Conservation 2000 Projects Fund – 0609

Expenditures decreased \$929,484 or 40% from fiscal year 2006 to 2007. Capital projects routinely run across several fiscal years and use re-appropriations, which were spent. There were no new appropriations for fiscal year 2007.

DNR Special Projects Fund -- 0884 (Appropriated)

Expenditures increased \$1,035,885 or 100% from fiscal year 2006 to 2007. This expenditure did not exist previously. This was the first year of the Water Quantity Initiative Study.

DNR Special Projects Fund - 0884 (Non-Appropriated)

Expenditures increased \$2,275,688 or 21% from fiscal year 2006 to 2007. This increase was due to more special project funding available to the Department for projects such as the Rand Park, Chicago Shoreline and a water supply planning project. Rand Park and Chicago Shoreline were funded through Interagency Agreements with the Illinois Department of Commerce and Economic Opportunity (DCEO). The Regional Water Supply Plan initiative was a new program funded by the Environmental Protection Trust Fund. These funds were deposited into specific 884 non-appropriation accounts.

DNR Federal Projects Fund -- 0894 (Appropriated)

Expenditures increased \$2,333,488 or 100% from fiscal year 2006 to 2007. The increase was due to projects associated with the FEMA map modernization program expanding to capture more counties statewide.

DNR Federal Projects Fund - 0894 (Non-Appropriated)

Expenditures decreased \$1,722,058 or 76% from fiscal year 2006 to 2007. The FEMA map modernization program had previously been non-appropriated. The spending moved from the non-appropriated account to the appropriated account.

Park and Conservation Fund - 0962

Expenditures increased \$2,932,199 or 24% from fiscal year 2006 to 2007. The increase was due to more capital projects completed in 2007, as well as, an increase in personal services expenditures.

Build Illinois Bond Fund - 0971

Expenditures decreased \$10,863,538 or 82% from fiscal year 2006 to 2007. Capital projects routinely run across several fiscal years and use re-appropriations, which were spent. There were no new appropriations for fiscal year 2007.

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS

Years Ended June 30, 2008 and 2007

The Department of Natural Resources' (Department) analysis of significant fluctuations in cash receipts as presented in the "Comparative Schedule of Cash Receipts" is detailed below (amounts expressed in thousands):

Fiscal Year 2008

Other Revenue

Other revenue decreased \$7,561 or 54% from fiscal year 2007 to 2008. This decrease was due to the conclusion of a one-time receipt from the Department of Commerce and Economic Opportunity (DCEO) consisting primarily the Department/State of Illinois acting as the local sponsor (35% cost share) on the Corps of Engineers Lake Michigan Shoreline stabilization project in Chicago (nearly \$7 million). This expenditure ended in fiscal year 2007. In addition, the Rockdale (Des Plaines River) project was also completed in fiscal year 2007. Also, DCEO grant reestablishments from fiscal year 2007 did not receive appropriations in FY08, which eliminated DNR's ability to draw against those projects in fiscal year 2008.

Real Estate Transfer Tax

Real estate transfer tax decreased \$11,397 or 23% from fiscal year 2007 to 2008. This decrease was due to the decrease of the housing market during the fiscal year.

Oil and Gas Assessment

Oil and gas assessment decreased \$349 or 100% from fiscal year 2007 to 2008. This decrease was due to the decrease in oil production in the last few years.

Interest Income

Interest income decreased \$857 or 23% from fiscal year 2007 to 2008. This decrease was due to declining interest rates for several appropriated fund balances.

Fiscal Year 2007

Federal Government

Federal government increased \$6,750 or 26% from fiscal year 2006 to 2007. This increase was due to the increase in grant amounts awarded to the Department. New programs in 2007 were Urban and Community Forestry, Forest Legacy and Forest Stewardship.

Other Rental

Other rental increased \$1,764 or 54% from fiscal year 2006 to 2007. This increase was due to the first receipt of World Shooting Complex Exhibit Space rental fees, which opened in 2007.

Oil and Gas Assessment

Oil and Gas Assessment decreased \$207 or 37% from fiscal year 2006 to 2007. This decrease was due to the decrease in oil production in the last few years.

Non-game Check Off

Non-game Check Off increased \$176 or 704% from fiscal year 2006 to 2007. This increase was due to more people contributing money to the Illinois Wildlife Preservation Fund.

Interest Income

Interest income increased \$1,220 or 50% from fiscal year 2006 to 2007. This increase was due to rising interest rates for several appropriated fund balances.

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING

Years Ended June 30, 2008 and 2007

The Department of Natural Resources' (Department) explanation for significant lapse period spending exceeding \$15,000 and 15% as presented in the "Schedule of Appropriations, Expenditures and Lapsed Balances" for fiscal years 2008 and 2007 is detailed below:

Fiscal Year 2008

Restoration Trust Fund – 0831

Lapse period expenditures totaled \$28,068 or 15% of total expenditures for fiscal year 2008. The majority of these expenditures were for completion of invasive species control at Long Run Seep and development of contaminant review tool and provision support services incurred prior to June 30, but billed to the Department during lapse period.

Hazardous Waste Research Fund – 0840

Lapse period expenditures totaled \$68,338 or 15% of total expenditures for fiscal year 2008. Amounts expended represents research expenses incurred prior to June 30, but billed to the Department during lapse period.

DNR Special Projects Fund – 0884 (Non-Appropriated)

Lapse period expenditures totaled \$703,729 or 37% of total expenditures for fiscal year 2008. These expenditures were primarily for the construction of the Fish and Canoe Bypass Channel at Yorkville Dam at Fox River, and equipments purchased for the Mine Rescue Breathing Apparatus Systems and for the Soil and Water Analysis at the Benton Analytical Lab for which the work was performed prior to June 30.

DNR Federal Projects Fund – 0894 (Appropriated)

Lapse period expenditures totaled \$417,097 or 16% of total expenditures for fiscal year 2008. These expenditures were for professional services, which were performed prior to June 30 related to the development and modernization of digital floodplain maps for the Department's Office of Water Resources FEMA Map Modernization Program. Fiscal year 2007 was the first year of this program.

DNR Federal Projects Fund – 0894 (Non-Appropriated)

Lapse period expenditures totaled \$360,004 or 22% of total expenditures for fiscal year 2008. The majority of these expenditures were for professional services to perform digital mapping services to improve watershed studies, floodplain mapping, and storm water management and flood mitigation for which the services were performed prior to June 30, but billed to the Department during lapse period.

State Migratory Waterfowl Stamp Fund – 0953

Lapse period expenditures totaled \$320,000 or 43% of total expenditures for fiscal year 2008. These expenditures were grant payments to underwrite the Waterfowl Habitat Conservation Programs, which occurred prior to June 30.

Fiscal Year 2007

Natural Heritage Fund – 0375

Lapse period expenditures totaled \$29,138 or 75% of total expenditures for fiscal year 2007. Expenses were associated with herbicide treatments at several Department sites, which occurred prior to June 30, but billed to the Department during lapse period.

Restoration Trust Fund – 0831

Lapse period expenditures totaled \$53,147 or 22% of total expenditures for fiscal year 2007. The majority of these expenditures were to assess and recover damages caused by oil spills and hazardous substances, as well as, for expenses related to the Natural Resources Damages Assessment (NRDA) project made late in the fiscal year.

Hazardous Waste Research Fund – 0840

Lapse period expenditures totaled \$87,016 or 20% of total expenditures for fiscal year 2007. These expenditures were primarily for research expenses incurred prior to June 30, but billed to the Department during lapse period.

Land Reclamation Fund – 0858

Lapse period expenditures totaled \$94,571 or 100% of total expenditures for fiscal year 2007. Total amount expended was for final construction services rendered at Uco Zeigler Refuse Fire incurred prior to June 30.

DNR Special Projects Fund – 0884 (Appropriated)

Lapse period expenditures totaled \$206,719 or 20% of total expenditures for fiscal year 2007. These expenditures were for professional services performed prior to June 30 for the completion of the research proposal entitled "Improving Water Supply and Management in Illinois" Regional Water Supply Planning Committee Grants.

DNR Federal Projects Fund – 0894 (Appropriated)

Lapse period expenditures totaled \$533,488 or 23% of total expenditures for fiscal year 2007. These expenditures were for professional services performed prior to June 30 for the development and modernization of Digital Floodplain Maps in Illinois for the Department's Office of Water Resources FEMA Map Modernization Program.

Illinois Forestry Development Fund – 0905

Lapse period expenditures totaled \$337,691 or 19% of total expenditures for fiscal year 2007. Expenditures consisted primarily of professional services to provide outreach assistance to communities as mandated by USDA Forest Service Urban and Community Forestry Guidelines, as well as, other expenses related to the Forestry Program, which were performed prior to June 30, but billed to the Department during lapse period.

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

**ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
AND ACCOUNTS RECEIVABLE**

**June 30, 2008 and 2007
(Expressed in Thousands)**

INVENTORIES

Inventories of commodities, per Department records, were as follows:

	Fiscal Year 2008	Fiscal Year 2007
Fish Hatcheries	\$ 1,309	\$ 1,138
Farm Commodities	12	38
Game Farms	329	332
Law Uniforms	93	82
Havana Warehouse	224	226
Office and Paper Supplies	7	7
Office Postage and UPS	18	29
Merchandise	9	207
Targets	30	63
Museum Publications	174	177
Pawnee Warehouse	15	29
Clearinghouse	440	451
	<u>\$ 2,660</u>	<u>\$ 2,779</u>
Total per Department records	<u>\$ 2,660</u>	<u>\$ 2,779</u>

Inventories are valued at cost, on a first-in, first-out basis.

ACCOUNTS RECEIVABLE

Aging of accounts receivable, which reconciles to reports submitted to the Illinois Office of the Comptroller, were as follows:

	Fiscal Year 2008	Fiscal Year 2007
Current	\$ 2,894	\$ 2,426
1 - 30 days	297	304
31 - 90 days	89	52
91 - 180 days	206	331
181 days to one year	1,689	1,127
Over one year	455	558
	<u>\$ 5,630</u>	<u>\$ 4,798</u>
Total per Department records	<u>\$ 5,630</u>	<u>\$ 4,798</u>

The Department implemented the collection procedures listed in SAMS procedure 26.40.10, as well as, makes frequent collection attempts via letter and telephone calls.

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

SCHEDULE OF INDIRECT COST REIMBURSEMENTS

**FOR THE YEARS ENDED JUNE 30, 2008
(expressed in thousands)**

(Unaudited)

The indirect cost reimbursements are based on rates negotiated with the U.S. Department of the Interior, National Business Center. These indirect cost reimbursements provide funding for allowable program costs that are incurred for a common purpose and are not assignable to specific cost objectives. Indirect cost reimbursements are deposited into Federal Trust Funds: Abandoned Mined Lands Reclamation Council Federal Trust, Federal Surface Mining Control and Reclamation, Mines and Minerals Underground Injection Control, and National Flood Insurance Program. Following are reimbursements deposited during fiscal years 2008 and 2007.

<u>Federal Programs/Grants</u>	<u>2008</u>	<u>2007</u>
OFFICE OF MINES & MINERALS		
Abandoned Mined Lands Reclamation (AML)	\$ 694	\$ 607
Federal Surface Mining Control (LRD)	639	860
Mine Safety & Health (MS&T)	37	38
Underground Injection Control (O&G)	90	71
OFFICE OF WATER RESOURCES		
National Flood Insurance / CAP-SSSE	<u>125</u>	<u>87</u>
Total Indirect Cost Reimbursements	<u>\$ 1,585</u>	<u>\$ 1,663</u>

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

AGENCY FUNCTIONS AND PLANNING PROGRAM

Years Ended June 30, 2008 and 2007

Agency Functions

The Department of Natural Resources was established on July 1, 1995 when the functions of the former Department of Conservation, Department of Mines and Minerals, the Abandoned Mined Lands Reclamation Council, portions of the Department of Energy and Natural Resources and the Division of Water Resources from the Department of Transportation were merged by an Executive Order of the Governor. The Department is headquartered at the Department of Natural Resources building, located at the State Fairgrounds.

The Department currently manages over 300 sites totaling more than 400,000 acres of publicly owned and leased land. In addition, the Department manages a variety of other public sites such as museums, boat access areas, marinas and trails. The Department also maintains concessions that are leased to or operated by private concessionaires or local communities.

The mission of the Department is to manage, conserve, and protect Illinois' natural, recreational and cultural resources, further the public's understanding and appreciation of those resources, and promote the education, science and public safety of Illinois' natural resources for present and future generations.

In order to carry out this mission, the Department annually conducts an executive and selected technical staff conference to strategically plan for the ensuing fiscal year. However, the 2005 strategic plan was still in effect during fiscal years 2008 and 2007. The 2005 strategic plan identified the following priorities and initiatives:

Strategic Priorities

- Maintain and meet the outdoor educational and recreational demands of Illinois' citizens in a manner that preserves and protects fish, wildlife, natural areas and other natural resources of our State.
- Pursue direct acquisition of property to meet the Department's ecosystem based management and resource compatible recreation objectives.
- Improve the quality of life for Illinois citizens through the proper management of the water resources of the State, including water supply, flood damage reduction, watershed planning, and regulation of development within the floodplains.
- Collect data and information on natural and cultural resources to provide objective scientific and technological information for use to government, business and the public.

- Repair, reclaim, and restore land and water resources that were degraded by mining activity prior to the passage of the Surface Mining Control Reclamation Act in 1977.
- Encourage the public's safe use of recreational and natural resources.
- Utilize the Conservation Foundation, public/private partnerships and agency streamlining to achieve our priorities with limited fiscal resources.
- Maximize the economic and recreational benefits to distressed areas of Illinois by targeting grant dollars and focusing internal recreational objectives to create job opportunities in these communities.

Key Initiatives

- Increase park visitation by developing and maintaining facilities that provide meaningful outdoor recreational experiences. Provide Illinois specific natural resources education materials and training opportunities for Illinois educators, students and the public that will make Illinois citizens better stewards of the environment and will administer mandated safety education programs to youth and adults. Maintain constituency databases for effective outreach to targeted groups. Development and implementation of a web-based version of the ERTS (Environmental Review Tracking System) system in order to increase efficiency and response time of environmental reviews.
- Seek dedicated funding source for land acquisition..
- Develop a multi-county based regional pilot water quantity planning and management program in northeastern Illinois. Develop program in cooperation with NIPC, the States of Wisconsin and Indiana and local units of government and the water using public. Based on the pilot program, work with local and statewide interests to design a fair and equitable water use and development program targeted to meet regional management needs and resources protection goals.
- Collect and analyze data on various natural resource issues relevant to the state and region through monitoring research and data analyses. Make multiple years of data available through publications, the Internet, maps, and other materials. Communicate more effectively with public on IDNR programs, educational opportunities, services, and activities. Standardize criteria for offering land leases, legal agreements, utility rights-of-way, and special land use agreements.
- Implement electronic environmental data submitted by the mining industry to increase administrative efficiency.
- Develop law enforcement databases to track information on arrest/contacts, to assist in proactive law enforcement strategies and participate in Department-wide initiative to update and clarify conservation laws.

- Increase sales and improve customer service by developing a point of sale network to facilitate the purchase of licenses and permits.
- Complete planning and construction of the “state-of-the-art” World Shooting Complex in Southern Illinois working with our local community partners and other supporting state agencies (e.g. DCEO, CDB & IL National Guard) to use this major recreational project to create economic opportunities within this distressed area..

Organization

The Department is organized into the following offices:

- Office of Director
- Office of Administration
- Office of Architects, Engineers & Grants
- Office of Land Management
- Office of Law Enforcement
- Office of Legislation
- Office of Mines and Minerals
- Office of Public Service
- Office of Realty and Environmental Planning
- Office of Resource Conservation
- Office of Scientific Research and Analysis
- Office of Special Events, Programs, and Promotions
- Office of Water Resources

The Office of Director directs and manages the Department through the Director and two Deputy Directors. The Office is responsible for the overall performance of all other Offices. Activities under the Office of the Director include: Office of Compliance, Equal Employment Opportunities & Ethics, Human Resources, Legal Counsel, Fiscal Management, and State Purchasing Officer.

The Office of Administration provides internal support through two divisions. The Division of Administrative Support is responsible for maintaining central warehouse and shop facilities, messenger services, and vehicle fleet management, as well the documentation clearinghouse, mail room, and copy center. The Division of Systems and Licensing issues various licenses, stamps, or permits for regulated outdoor activities such as hunting, fishing, and registration/titles for boats or snowmobiles. It is also responsible for the Department’s information systems.

The Office of Architects, Engineers & Grants manages, coordinates, and executes the Department’s capital construction program and grants to local government entities. The Office staff generates and submits the annual capital budget requests and acts as the Department’s liaison with the Capital Development Board and the Governor’s Office of Management & Budget. Office staff also provides project reviews and management, ensuring public health, safety, and ADA accessibility requirements are met. The Office is comprised of two divisions.

The Division of Architecture & Engineering executes the Department's capital construction program, coordinates work with the Capital Development Board, coordinates the Park Road Program with IDOT and provides design review and construction management on these projects, provides design and construction management of the waterfowl development program and manages the Department's Heavy Equipment Construction and dredging programs. The Division insures public health and safety codes are met at Department facilities and provide technical expertise on emergency declarations as defined by the procurement code. It provides in-house design and technical assistance for all Department facilities, such as dams, bridges, water and sewer systems, bikeways, canals, roads, boat access areas, lodges, concessions, campgrounds and day use areas and hazardous material storage. It undertakes special studies and investigations to define scopes of work, and evaluate and propose alternative solutions for problematic occurrences and future planning needs. The Division of Grant Administration is responsible for managing and coordinating the various recreational grant programs to local government entities and other designated organizations. These programs provide federal and State funds to enhance and improve recreational facilities through a competitive selection process. Division staff also provides oversight for completed grant projects to ensure program compliance. Program activities include Open Space Land Acquisition and Development (OSLAD) purchases and development of public lands and waters, boat access area development and acquisition, bike path development and acquisition, snowmobile programs, off-highway vehicle trails, recreational trails, public museum, capital grants, development and acquisition, and various other programs.

The Office of Land Management has one division. The Division of Parks & Recreation is responsible for the management and maintenance of State owned or leased sites. Types of sites managed include State parks, fish and wildlife areas, recreation areas, forests, natural areas, marinas, boat accesses, and habitat areas. It functions to provide quality resource compatible recreation opportunities to site visitors, such as camping, day use, trail use, fishing, boating, and hunting. It provides interpretive programs at sites including visitor centers, wildlife viewing platforms, and amphitheatres. The Division is also responsible for maintaining a variety of facilities, equipment, and infrastructure so that sites are kept in a safe, clean, and attractive condition for visitor use. Management activities at sites include habitat plantings, controlled burnings, and control of exotic plant species.

The Office of Law Enforcement supports the Department's programs designed to protect Illinois' natural and recreational resources through enforcement of those portions of the Illinois Compiled Statutes enacted for that purpose. Conservation Police Officers are vested with full State-wide police authority and are trained to the highest standards for law enforcement professionals. In addition to these enforcement responsibilities, Conservation Police Officers serve as an important link between the Department and its various constituencies (civic groups, sportsmen's groups, sport shows, etc.). The Field Operations Section is responsible for planning, scheduling, and execution of enforcement and public service programs through Conservation Police Officers stationed statewide. Throughout the State, there are five regions further divided into districts. Each officer is assigned to a district. In addition, the Operations Section also includes an Investigation Unit, which conducts covert and overt investigation operations statewide.

The Support Services Section assists with the following responsibilities: forensic research and utilization; officer training and development; public inquiries, complaints; responses to the poacher hot-line; compilation of boating accident data; production of an annual report; purchase, issuance, and maintenance of all vehicles, equipment, and uniforms; collection and disposal of confiscated property, including firearms; and the fine monies imposed by the courts related to conservation citations.

The Office of Legislation acts as the Department's liaison to the General Assembly. They track both Senate and House Bills and coordinate the collection of information requested by the Legislature on these bills.

The Office of Mines and Minerals regulates mining and oil and gas operations throughout the State and enforces various acts that govern these industries. It is also responsible for ensuring the health and safety of workers in the mining industry. The Office delivers health and safety training programs and regulates the working conditions and atmospheres in the State's underground and surface coal and metal/non-metal mines. This includes inspection, maintenance of mine rescue stations, and operation of an analytical laboratory to conduct necessary testing. It also regulates possession, use, and storage of explosives. The Office is comprised of four divisions: The Abandoned Mined Land Reclamation Division, the Land Reclamation Division, the Division of Oil and Gas, and the Blasting and Explosives Division. The Abandoned Mined Land Reclamation Division reclaims lands and waters adversely affected by mining prior to 1977 and restore them to productive use. It maintains an emergency program to respond to life-threatening situations, such as gas leaks, mine subsidence, and refuse fires. This program is part of the Federal Surface Mining Control and Reclamation Act of 1977 (SMCRA). This Division is completely federally funded through a federal tax on mined coal.

The Division of Land Reclamation has the responsibility of ensuring that active surface mining operations are properly reclaimed and lands affected by mining are restored to productive use. It regulates the repair to land and structures damaged by mine subsidence as a result of underground coal mining. It also issues permits for all coal-mining operations in the State. The Division of Oil and Gas has three purposes: to prevent waste and environmental damage resulting from oil and gas operations, to foster the orderly development of oil and gas reservoirs, and to protect the correlative rights of mineral owners. It issues permits for the drilling of oil and gas wells, establishes standards for construction and operations of wells and production equipment, and ensures wells are properly spaced to prevent pollution of land and contamination of water. These tasks are achieved through permits, regulation, inspection, and development of recovery projects. The Blasting and Explosives Division is responsible for aggregate reclamation, aggregate blasting, coal blasting, and explosive handling and storage. These responsibilities are achieved through issuing permits and certificates; the regulation of these activities; and the inspection of mines, blasting sites, and explosive magazines.

The Office of Public Service addresses the coordination of public involvement with the day-to-day operations of the Department. The Office of Public Service achieves this through various sections including the Marketing, Publications, Resource Education, and the James R. Thompson Center Office of Public Services. The Office informs the public about the Department's programs and activities via publications, podcasts and marketing programs. Additionally, the Office produces a monthly magazine, *Outdoor Illinois*, which is available on a subscription basis. The Office serves as the headquarters for the Department's graphics, photography and coordinates printing.

The Division of Education is responsible for the development, training, and dissemination of educational programs and materials; providing environmental awareness through the promotion of Departmental programs and events; and for providing hands-on outdoor education. The Division works closely with educators, State agencies, and other groups to ensure environmental goals are being met. The Office Realty and Environmental Planning are responsible for the Department's land acquisition programs. It is also responsible for coordinating the analysis of the State's natural resources, reviews the environmental impact of Departmental activities, and evaluates environmental contaminant concerns on Department property and other natural resources. It is comprised of two divisions: Realty and Environmental Planning, and Ecosystems & Environment. The Division of Ecosystems & Environment provides quantitative and empirical analysis regarding the natural resources of the State and the conditions surrounding their use and management, including environmental and socioeconomic factors and trends. This information is integrated into the Illinois Natural Resource Information Network. The Division of also directs state-wide environmental analysis functions of the Department to ensure preservation and protection of natural resource values. This includes consultation processes required by the Endangered Species Act and Interagency Wetland Policy Act. The Division of Planning carries out a variety of outdoor recreation and natural resource planning, which includes program development and coordination initiatives for the Department, including a Greenways and Trails section and a Site Planning section. It expedites the Department's annual capital construction program to ensure stewardship of the State's natural resources while maximizing compatible recreational opportunities. The Division of Realty is responsible for the acquisition of all real estate for use in the Department's recreational, bikeway, natural areas, wildlife habitat, waterfowl, and greenways programs. It is also responsible for accepting land donations, performing legislative transfers, and jurisdictional transfers of Department property. It provides technical assistance to other Department offices, as well as other State agencies.

The Division administers all landowner incentive programs pertaining to real property. The Division of Concession and Lease Management handles general legal agreement negotiations, coordination, and maintenance; general land leasing; rights of way; special land permits; and State park lodges and concessions.

The Office of Resource Conservation is responsible for the following tasks: protecting and enhancing the State's fish, wildlife, forestry, and natural heritage resources; directing resource management activities on more than 400,000 acres of public land; and providing outdoor recreational opportunities compatible with these resources. It is comprised of four divisions: Wildlife Resources, Natural Heritage, Forestry, and Fisheries. The Division of Wildlife has the mission of restoring, maintaining, and enhancing wildlife habitat and populations, as well as to provide for optimum enjoyment and compatible use of these resources by the citizens and visitors of Illinois. Divisional biologists survey and manage wildlife populations and habitats, as well as develop state-wide and site specific management plans for both private and public lands. The Division also offers educational programs to improve public awareness and appreciation of wildlife. The Division of Natural Heritage has the mission of locating, preserving, protecting, and managing for future generations, lands which contain elements of Illinois' rich natural heritage, and native plant and bird conservation. District biologists work to preserve and restore forests, prairies, and wetlands and all Illinois habitats. The Division of Forestry has the mission of providing stewardship of Illinois forests for the long term sustainability of wood products, wildlife habitat, urban and community enhancement and recreational areas. District foresters provide forestry programs, services, and activities to assist private landowners, governmental agencies and other Departmental offices.

These activities include conservation and protection of forests, reforestation woodland management, fire management, and forest marketing utilization. The Division of Fisheries is responsible for utilizing education and scientifically-based management for the protection, restoration, and enhancement of fisheries and other aquatic resources, including Lake Michigan (976,640 acres), reservoirs (54,580 acres), impoundments (257,560 acres), and streams (325,000 acres). The fish hatchery system consists of three hatcheries that annually stock about 30 million fish of 19 species into waters state-wide.

The Office of Scientific Research and Analysis oversees the operations of the State Geological Survey, the Natural History Survey, the State Water Survey, the Waste Management and Research Center, and the Illinois State Museum. These units perform both basic and applied research; maintain extensive collections; publish scientific reports and articles; and provide extensive information to a wide variety of State agencies, private business, communities, and the general public. The State Geological Survey (SGS) studies the geology and mineral resources of the State, including coal, oil, gas, industrial minerals, and metals. It also conducts research on matters relating to environmental geology such as groundwater resources, waste disposal, geological hazards, and land use. SGS scientists map the resources of the State, develop clean coal technologies, and maintain data on water and oil wells, and report on all aspects of geological resources. The Natural History Survey (NHS) studies the plants and animals of Illinois and how they interact among the variety of ecosystems throughout the State. It strives to foster responsible management and appreciation of biological resources. The NHS's collections of plant and animal specimens are among the largest and oldest in North America. The NHS acquires and disseminates information, conducts scientific workshops, distributes information via publications, and provides curriculum materials for schools. The State Water Survey (SWS) conducts research and provides information on the availability, use, and quality of the State's surface and groundwater resources. It maintains state-wide and Midwest regional data on weather, severe storms, air quality, climate change, and meteorology. The SWS serves as the State's archive of basic information on its atmospheric and water resources, including long-term monitoring programs maintain the State's data on flooding, river flows, ground moisture, well levels, water contaminants, weather modification and trends in climate change, including global climate change. The Waste Management and Research Center (WMRC) develop solutions to Illinois' environmental waste, including hazardous and solid waste, problems through research and education. It provides technical assistance to business, government, and citizens on issues related to pollution prevention and improved waste management. It also develops strategies to reduce waste and improve waste treatment. The WMRC has five programs: research, pollution prevention, information services, clean manufacturing, and laboratory service. The hazardous materials laboratory is designed to develop and test new waste reduction and treatment technologies for Illinois industry. The State Museum (SM) collects and preserves objects of scientific and artistic value representing past and present fauna and flora, the life and works of humans, geological history, and natural resources, and interprets and educates the public concerning these items. These responsibilities are accomplished by utilizing the collections and staff resources to provide quality research, exhibitions, publications, and educational programs to enhance the experiences, aesthetic values, and quality of life for the people of Illinois. The SM conducts research and educational programming related to the Illinois landscape; its organisms, both living and extinct; and its art and cultural heritage, both past and present. The SM maintains extensive anthropology, art, botany, geology, and zoology collections, recognized both nationally and internationally. It operates a museum in Springfield, the Dickson Mounds Museum, and various galleries located throughout the state.

The Office of Special Events, Programs and Promotions manages both mandated safety programs and special educational safety programs, e.g. Hunter Safety and Wing-shooting clinics.

The Office of Water Resources administers regulatory programs over construction in the floodways of rivers, lakes, and streams. It is also responsible for construction in the shore waters of Lake Michigan, construction and operation of dams, construction in public bodies of water, and diversion of water from Lake Michigan, and withdrawal of water from three State lakes (Shelbyville, Carlyle, and Rend Lakes). The Office serves as the lead State agency for water resource planning, navigation, floodplain management, the National Flood Insurance Program, and interstate organizations on water resources. Duties also include the State Water Plan, drought response, flood emergency situation reports, and the comprehensive review of Illinois Water Use law. The Office gathers water resource data related to disasters and disseminates the information to other agencies. It also cooperates with the United States Geological Survey for summaries of river stage information. The Office consists of five divisions: Planning, Project Implementation, Resource Management, Program Development, and Administrative Services. The Division of Planning is responsible for hydraulic engineering activities; preparation of authorized flood control, drainage and other water resource projects; preparation of reports, charts, maps, and graphs; and response for local assistance and emergency flooding situations. The Division of Project Implementation is responsible for preparation of design plans and specifications for Office construction projects, supervision of these projects, and acquisition of all necessary rights-of-way or flood prone property, and the administration and maintenance of State-owned dams and facilities on waterways throughout the State. The Division of Resource Management is responsible for regulating construction activities within the floodways of Illinois' rivers, lakes, and streams; protecting public interest in public waters; allocating and monitoring the usage of Lake Michigan water; reviewing floodplain studies to ensure compliance with regulations; and assisting with the National Flood Insurance program. The Division of Program Development is responsible for compiling and analyzing physical and economic data to determine present and projected future water problems and formulating the most economical solutions to water problems. The Division of Administrative Services provides administrative functions for the office, such as fiscal management, property control, record retention, and coordination with other Department Offices.

Management

During the period, Mr. Sam Flood was the Acting Director. He was assisted by two Deputy Directors. These Department Directors were supported by an extensive staff of Office directors and Division managers. Acting Director Flood was involved in key personnel decisions and in the budget process. Upper management attended weekly staff meetings and, if needed, issued meetings to address a particular concern in the Department.

Compliance with Rules and Regulations

The Department uses several individuals to identify laws and regulations that are applicable to its activities. The Office of Legislation is responsible for implementing the passage of substantive legislative changes to existing statutes. Legislative Liaisons report directly to the Director and coordinate with executive staff and senior managers the preparation for maintaining a working relationship with members of the General Assembly, other departments of State government, private entities, and citizens of the State which are impacted by legislation of the Department.

All changes in legislation are immediately communicated to the appropriate personnel. The Office of Legal Counsel is also responsible for providing advice to the Director in establishing policies, as well as preparing and reviewing proposed legislation and administrative rules. These programs assist the Department to recognize the needs of the public and to provide a united voice for Illinois' natural resources.

Ellen King-Pietrzak, Chief Fiscal Officer, serves as Director of the Office of Fiscal Management. Her role in monitoring operations includes reviewing fiscal procedures to ensure compliance with all rules, regulations, and accounting standards.

The policy and procedure manual is the primary source used by management to communicate the goals and objectives of the Department. Changes and updates to the manual are made on a timely basis with policy memorandums mailed to each of the office directors who are responsible for informing their employees. Any administrative changes to the manual, such as a change in board members, would result in a replacement page being issued to all employees. In addition, a fiscal management handbook, which is located on the Department's intranet, provides guidance for many matters, such as procurement, vouchering, and petty cash procedures.

Strategic Planning

The Department first established a strategic planning function in fiscal year 1996, shortly after the Department's creation. The Department's most recent update of its strategic plan which identified eight priorities and associated initiatives occurred in 2005. The Department also has developed performance measures and goals, which are annually reported to the Comptroller for inclusion in the State's Service Effort and Accomplishment Report (SEA).

Strategic planning activities are coordinated by the Director's Office, while the Office of Fiscal Management coordinates the collection and reporting of SEA information to the Comptroller.

The Department has several formal, ongoing planning programs. One plan is the State-wide Comprehensive Outdoor Recreation Plan. This plan, fully revised every five years, identifies issues and Department programs and priorities in the area of outdoor recreation. The Office of Realty and Environmental Planning carries out a variety of outdoor recreation and natural resource planning activities, such as site plans and economic analysis of feasibility of improvements such as campgrounds, cabins, and marinas. The Department prepares an Annual Capital Improvement Plan, which is presented to the Governor's Office of Management and Budget (GOMB), Capital Development Board, and the General Assembly. The Office of Water Resources is the State's lead agency for water resource planning. It prepares the State Water Plan and is involved in other planning activities related to the Management of the State's water resources.

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

AVERAGE NUMBER OF EMPLOYEES

	Fiscal Year		
	2008	2007	2006
Regular:			
General Office	84	52	221
Resource Conservation	221	228	230
Law Enforcement	174	173	169
Land Management & Education	473	507	512
Mines & Minerals	103	106	109
Water Resources	63	67	66
Waste Management & Research Center	28	29	30
Geological Survey	96	99	96
Natural History Survey	56	55	57
Water Survey	53	53	53
Museums	68	69	72
Conservation 2000	11	15	12
Total Regular	<u>1,430</u>	<u>1,453</u>	<u>1,627</u>
Part-Time and Seasonal			
General Office	1	-	4
Resource Conservation	43	44	47
Law Enforcement	2	2	1
Land Management & Education	174	182	180
Mines & Minerals	4	2	3
Water Resources	1	2	2
Waste Management & Research Center	-	-	-
Natural History Survey	-	-	-
Museums	-	-	-
Conservation 2000	1	1	1
Total Part-Time and Seasonal	<u>226</u>	<u>233</u>	<u>238</u>
Total			
General Office	85	52	225
Resource Conservation	264	272	277
Law Enforcement	176	175	170
Land Management & Education	647	689	692
Mines & Minerals	107	108	112
Water Resources	64	69	68
Waste Management & Research Center	28	29	30
Geological Survey	96	99	96
Natural History Survey	56	55	57
Water Survey	53	53	53
Museums	68	69	72
Conservation 2000	12	16	13
Grand Total	<u><u>1,656</u></u>	<u><u>1,686</u></u>	<u><u>1,865</u></u>

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
MEMORANDUMS OF UNDERSTANDING**

Years Ended June 30, 2008 and 2007

(Not Examined)

The Department entered into five Memorandums of Understanding (MOU) during the engagement period as follows:

- 1) The MOU was with the Forest Preserve District of DuPage County (the District), effective March 7, 2007 to March 7, 2010, with an option to renew for an additional three years unless terminated. The MOU established the terms and conditions under which the Department and the District will perform the Endangered and Threatened Species Consultation Process concerning impacts on State endangered and threatened species, Illinois Natural Areas, Illinois Nature Preserves, Illinois Natural Heritage Landmarks, and Illinois Land and Water Resources. These include:
 - District submits proposed action that could have adverse impact to the Department for consultation through the EcoCAT website.
 - District conducts management, maintenance and restoration efforts and reports annually to the Department the total number of proposed actions reviewed by the District and not previously submitted.
 - District periodically surveys its properties for state-listed threatened or endangered species and provides documentation to the Department, and coordinates the wetlands review as required by the Act.
 - Department provides annually updated information from the Natural Heritage database regarding location of protected natural resources on District property, and notifies District of any proposed actions with adverse impact on its protected natural resources.
 - Department provides training on EcoCAT and consultation process and reviews the District's annual status report and provide recommendations as needed.

- 2) The MOU was with the Illinois Environmental Protection Agency (IEPA) and the United States Fish & Wildlife Service (USFWS), collectively referred to as the Trustees, effective March 28, 2007 until termination by agreement of the Trustees. The MOU is intended to guide the Trustees' coordination and implementation of natural resource damage assessment (NRDA) activities associated with the Sauget Areas 1 and 2 Superfund Sites (NRD Areas) as follows:
 - Trustees will coordinate their respective assessment and restoration activities and NRDA activities and other removal activities at NRD areas.
 - Trustees will make available any reports, plans or submittals prepared by any NRDA contractor to provide services related to NRDA developments.

- Trustees will strive to minimize costs and expenses through coordination of their activities which focus on mitigating release of hazardous substances injuring natural resources, restoration of biological, chemical and physical condition of natural
 - resources and coordination of NRDA activities with other environmental response or remedial activities.
 - Trustees and Council members agree to have coordinated communications with potentially responsible parties for matters related to NRDA activities or future damage claims.
- 3) The MOU was with Southern Illinois University Edwardsville (the Cooperator) effective July 1, 2007 through June 30, 2008 to support a project entitled Subsidence Service Agreement. The MOU provides that the Cooperator make certain facilities and services available to the Department in connection with its work, and may invoice the Department for use of such services and facilities monthly with total payments not exceeding \$2,000. The Cooperator shall make available all financial records for audit by the Department.
- 4) The MOU was with the Illinois Conservation Foundation (ICF), effective December 5, 2007 to December 5, 2012. This MOU terminates the existing MOU entered on December 15, 2005 and any other MOU between the two parties. The MOU provides a detailed description of the reasonable assistance the Department will/will not provide to the ICF as follows:
- The Department provides the ICF office space and use of meeting space at no charge, with no charge for utilities.
 - The Department provides the ICF standard office supplies. ICF is responsible for special office supplies. The Department provides the ICF office equipment and a cell phone (or will reimburse the cost of a cell phone) for the ICF Executive Director.
 - The ICF is responsible for salaries, fringe benefits, and other associated employment costs of ICF employees. Department employees may, from time to time, provide assistance to the ICF. This assistance may include: legal assistance, special events assistance, grant program assistance, and various other assistance.
 - Allows the Department to provide employee assistance to the ICF for special and fundraising events.
 - The ICF shall provide reporting of all activity concerning each custodial account that has been opened by the ICF for the deposit and payment of funds concerning the various special and fundraising events of the ICF and other activities.
 - Addresses grant funds or settlement contributions and payments to the ICF.
 - The Department provides the ICF Executive Director with a parking space at no charge and use of the Department fleet vehicle by ICF employees for no more than eight trips within Illinois during each calendar year.
 - Requires an ICF Annual Plan to be submitted and approved by the Director of the Department prior to submission and approval by the ICF Board of Directors.

- 5) The MOU, effective February 13, 2007, with the Lake County Wildland Fire Specialized Response Team (SRT). The MOU provides the SRT with the necessary training and personal protective equipment to assist the Department with firefighting and wildland fire suppression in a safe and effective manner to ensure proper habitat resource management under the State Wildlife Grant Program. The MOU provides for the following terms of agreement:
- The Department will utilize up to \$100,000 of funds apportioned to provide training to SRT volunteer firefighters leading to a wildland firefighter certification and purchase of equipment and supplies for SRT use.
 - SRT will provide the Department with a Segment Performance Report 90 days following completion of the agreement, an Annual Performance Report, and any data and information collected under this project prior to making available to the public.
 - SRT will provide \$50,000 through in-kind match by the firefighter's training and work of allowable costs incurred.
 - Allows that all equipment and supplies purchased for use by SRT for the project will be transferred to SRT at the end of the program, and all other equipment will be retained by the Lake County Wildland Fire Specialized Response Team.

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
EMERGENCY PURCHASES
Years Ended June 30, 2007 and 2008**

The Department reported the following emergency purchases to the Office of the Auditor General during fiscal years 2007 and 2008:

<u>DESCRIPTION OF EMERGENCY PURCHASE</u>	<u>ACTUAL AMOUNT</u>
FISCAL YEAR 2007	
William W. Powers State Recreation Area-repair shut-off valve	12,750 *
Horseshoe Lake Refuge-Increase in corn prices due to greater demand	14,261
Illinois Beach State Park-Removal of the remaining ACM sand	200,000
Union County Refuge-Increase in corn prices due to greater demand	26,770
Lee County-Fire suppression activity for controlled burn	70,258
Lawrence County-Plug oil well	33,488
	<hr/>
TOTAL FISCAL YEAR 2007 COST	<u>\$ 357,527</u>
 FISCAL YEAR 2008	
Repairs to Sewer line	\$ 59,969 *
Illinois Beach State Park-to nourish the shoreline	477,660
Purchasing of corn seeds in time for planting season	38,677
Illinois Beach State Park-to nourish the shoreline	224,988
Purchase of riding mowers in order to maintain State Parks	89,333
Purchase of a Caterpillar Bulldozer that can be deployed at wetland sites	124,648
Plugging and restoration of an oil well that is leaking	66,429
Emergency Procurement, No proposal received as of 3/23/07	40,002
Repair fire damage to the Department's office/maintenance building	47,463
Benton-Repair of Box culvert on reclaimed abandoned mine site	33,408
Lockbox service	300,000
World Shooting Complex-janitorial service	43,741
Development, maintenance and repairs of interpretive exhibits	100,772
Additional pheasant housing	20,638
Kickapoo State Park-Removal of the Johnson Hill Bridge	100,904
I & M Canal-Repair of a breach	34,361
Repair to the Mt. Vernon Game Propagation Center	189,000
Illinois State Water Survey, Peoria Station-70 ton chiller bundle repair	58,345
Repairs for 20 feet of bearing wall and 2 interior column support	21,233
	<hr/>
TOTAL FISCAL YEAR 2008 COST	<u>\$ 2,071,571</u>

* Denotes estimated cost

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SERVICE EFFORTS AND ACCOMPLISHMENTS**

Years Ended June 30, 2008 and 2007

(Not Examined)

The Department of Natural Resources' (Department) mission is to manage, conserve and protect the Illinois' natural, recreational and cultural resources, further the public's understanding and appreciation of those resources and promote the education, science and public safety of Illinois' natural resources for present and future generations.

The Department is organized into an Office of Administration and 11 main operating offices. These offices administer activities in four core program areas: Resource Compatible Recreation, Natural and Cultural Resource Protection, Resource-Related Public Safety, and Science, Education and Culture.

Resource Compatible Recreation

The mission of Resource Compatible Recreation program is to provide safe, accessible, high quality and resource compatible outdoor recreation opportunities to the public so they can enjoy the State's natural and cultural resources.

The Resource Compatible Recreation program goals are as follows: 1) meet the public's outdoor recreation needs in a resource-compatible manner, 2) develop and maintain Department facilities and infrastructure to provide meaningful outdoor recreation experiences for Illinois residents and visitors, and 3) establish and maintain partnerships to expand resource compatible recreation opportunities.

The Department owns or manages nearly 400,000 acres of land and water and offers a wide range of recreational opportunities, including camping, picnicking, sightseeing, fishing, hunting, boating, swimming and trail use. In fiscal year 2008, 41,580,000 people visited these sites.

A key objective of the Resource Compatible Recreation program is to maintain a high level of visitor satisfaction with the overall quality of Department sites. In fiscal year 2008, 85.4 percent of park visitors expressed high satisfaction (i.e., visitor survey scores of 4 or more on a 5 point scale, with 5 equaling excellent) with overall park facilities and operations.

The Department provides funding to local Illinois governments for outdoor recreation facilities and land for open space. In fiscal year 2008, the Department awarded 111 grants totaling nearly \$32 million. With financial assistance provided by the Department, local grant recipients acquired 3,309 acres and acquired and developed 345 miles of bike trails.

The following are the Resource Compatible Recreation program's Input, Output, and Outcome Indicators.

	FY 2006	FY 2007	FY 2008
<u>Input Indicators</u>			
Total expenditures (in thousands)	\$93,209	\$99,605	\$85,819
Average monthly full-time employee equivalents	765	735	663
<u>Output Indicators</u>			
Acreage owned and managed	499,515	371,793	373,857
Number of grants awarded	194	146	111
Total dollar amount of grants awarded (thousands)	\$26,718	\$38,481	\$31,537
Fishing licenses issued	1,073,937	627,483	601,687
Hunting licenses issued	193,931	201,764	194,458
Site attendance	42,456,815	45,190,627	41,580,000
<u>Outcome Indicators</u>			
Amount of grantee acquired acreage	552	1,782	3,309
Miles of bike trails acquired/developed through grants	16.0	41.2	345.0
Percentage of highly satisfied park visitors	91%	88.5%	85.4%
<u>Efficiency/Cost Effectiveness</u>			
Cost per acre managed (in dollars)	\$104.81	\$104.94	\$105.58
Cost per visitor (in dollars)	\$1.21	\$1.15	\$1.26

Natural and Cultural Resource Protection

The mission of the Natural and Cultural Resource Protection program is to protect, manage, enhance, and restore Illinois' natural and cultural resources to preserve these resources for present and future generations.

The Natural and Cultural Resource Protection program goals are as follows: 1) restore, enhance and sustain Illinois' natural and cultural resources for present and future generations, 2) acquire interest in land to meet the public's open space and resource protection needs, 3) maximize the effectiveness of laws, statutes and administrative rules to better protect resources, 4) balance resource consumption and use with resource protection, and 5) avoid, minimize and mitigate adverse impacts to Illinois' lands and waters that result from mining and mineral extraction activities.

As part of the Natural and Cultural Resource Protection program, the Department manages land and water resources, enforces resource laws, acquires resource-rich lands, reclaims mine sites, and manages the State's mineral resources.

The Department owns or manages less than five percent of the State's vast natural resources. As a result, a key goal of the Department's Natural and Cultural Resource Protection program is to protect, manage and enhance natural resources not under ownership or direct management of the Department. The Department offers a number of programs to assist landowners and local entities in the management of resources under their control. For example, in fiscal year 2008 the Department produced 1,600,000 seedlings and reforested 4,447 acres.

Improvement in air quality is an important outcome of the Department's reforestation efforts, as the photosynthetic process of planted trees removes carbon generated by fossil fuel consumption from the atmosphere. The Department's reforestation activities in fiscal year 2008 resulted in the annual absorption of an additional 3, 310 of carbon from the atmosphere.

The Ecosystem Program is a voluntary program that provides assessment and monitoring, financial and technical support and technical assistance to Local Partnership Councils (Ecosystem Partnerships) represented by groups of individuals including private organizations and public agencies which seek to maintain and enhance conditions in key watersheds in which they live, work and recreate. A key objective of this program has been to increase both the number of ecosystem partnerships and their coverage area throughout the State. In fiscal year 2008, 41 partnerships covered 86% of the State.

The Conservation Reserve Enhancement Program (CREP) is a unique State and Federal partnership to assist landowners in protecting lands along the Illinois River Watershed through the implementation of resource management practices such as the planting of trees and grasses and the development of wetlands. CREP is a voluntary program whose objective is to enhance water quality and habitats for threatened and endangered species through the restoration of 232,000 acres along the Illinois River and its tributaries. Enrollment in CREP began in fiscal year 1999, and at the end of fiscal year 2008, nearly 111,000 acres had been enrolled in the program. This acreage represents 47.8 percent of the program's ultimate enrollment goal.

The following are the Natural and Cultural Resource Protection program's Input, Output, and Outcome Indicators.

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>
<u>Input Indicators</u>			
Total expenditures (in thousands)	\$91,095	\$102,581	\$108,009
Average Monthly full-time employee equivalents	637	700.5	671
<u>Output Indicators</u>			
Number of acres reforested	6,388	8,149	4,447
Number of protected natural areas	603	618	627
Number of Ecosystem Partnerships designated	41	41	41
Number of acres annually enrolled in CREP	-	23,400	2,255
Amount of seedlings produced for reforestation	1,856,900	1,820,000	1,600,000

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>
<u>Outcome Indicators</u>			
Percent of the state covered by Ecosystem Partnerships	85%	86%	86%
Tons of carbon removed from the atmosphere by reforestation	5,749	4,526	3,310
Conservation Reserve and Enhancement Program (CREP) enrollment percentage	47.8%	53.9%	54.1%
Number of deer harvested	197,296	197,807	199,671
Protected natural area acreage	87,731	89,731	89,764
Acquired land (acres)	2,076	7,814	944

Resource-Related Public Safety

The mission of the Resource-Related Public Safety program is to ensure the safe and enjoyable use of the State's lands, water and resources, ensure safety in mining and blasting activities, and to protect the public's interests in public waters and floodways.

The Resource-Related Public Safety program goals are as follows: 1) ensure the safety of the public visiting state-managed sites or participating in state-regulated outdoor recreation, 2) protect workers in the extraction industry from mining and explosive accidents, and 3) manage dams and floodways to protect people and property in floodplains.

Through its Resource-Related Public Safety program, the Department offers safety education classes for hunters, boaters, trappers and snowmobilers, certifying 20,261 students in fiscal year 2008. The Department's conservation police offices enforce State laws pertaining to boating, hunting and snowmobile safety, and assist park staff in ensuring the safe use of facilities and resources at agency sites.

One measurement to determine if the Department is meeting the challenge of ensuring the safety of the public visiting state-managed sites is the percentage of visitor survey scores of 4 or more on a 5 point scale (5 = excellent). In fiscal year 2008, 89 percent of park visitors expressed high satisfaction with park safety.

The Department's Resource-Related Public Safety program includes programs to ensure the safety of the State's coal and aggregate miners and others involved in the use of blasting and explosives. Agency staff works to protect the public from mine subsidence and other abandoned mine emergencies and enforce safety standards for dam and floodplain construction.

The following are the Resource-Related Public Safety program's Input, Output, and Outcome Indicators.

	FY 2006	FY 2007	FY 2008
<u>Input Indicators</u>			
Total expenditures (in thousands)	\$11,134	\$14,862	\$16,372
Average monthly full-time employee equivalents	124	124	120.1
<u>Output Indicators</u>			
Number of safety education classes held	554	528	525
Number of mine safety certifications issued	454	1,119	716
Number of mine safety accident prevention contacts	12,544	14,827	16,766
Number of blasting and explosives licenses and certifications issued	1,832	1,487	1,595
Number of blasting and explosives inspections performed	1,489	1,573	1,551
Number of dams inspected	90	100	290
<u>Outcome Indicators</u>			
Percentage of visitors expressing high satisfaction with park safety	88%	87%	89%
Number of students certified by safety education classes	19,945	19,098	20,261

Science, Education and Culture

The mission of the Science, Education and Culture program is to collect and analyze data on our natural and cultural resources and to provide objectives, scientific information and education programs on these resources to government agencies, businesses, other scientists, education institutions, teachers, students and the general public to advance their understanding and appreciation of the State's natural and cultural resources.

The Science, Education and Culture program goals are as follows: 1) educate the public on the diversity and value of the State's natural, and cultural resources, 2) preserve and showcase the State's natural, cultural and artistic heritage, 3) acquire and provide geological information for use in making environmental, economic, public safety and human health related decisions, 4) acquire and provide natural history information that can be used to promote the common understanding of and the sustainable conservation of Illinois' living natural resources, 5) promote information on water and atmospheric resources for use in private and public decision-making, and 6) develop technologies and provide information and technical assistance on waste management and pollution prevention to businesses and the public.

The Department offers a wide range of interpretative and environmental education opportunities as part of the Science, Education and Culture Program.

Illinois ENTICE (Environment and Nature Training Institute for Conservation Education) is a teacher training program designed to incorporate long-term, standards-based natural resource education into Illinois classrooms. The Department has been certified by the Illinois State Board of Education as a certificate renewal credit provider as part of the Board's recertification requirements for teachers. In fiscal year 2008, 240 teachers completed ENTICE training and the Department awarded teachers 883 continuing professional education hours.

The Department's science institutions are the Illinois State Museum, Illinois Natural History Survey, Illinois State Water Survey, Illinois State Geological Survey, and the Illinois Waste Management and Research Center. Department scientists work on cutting-edge issues and apply the latest technologies available to them. The scientific knowledge that they provide is key to making up-to-date decisions on the appropriate use, effective management and protection of all of Illinois' resources.

In fiscal year 2008, 89 percent of park visitors expressed high satisfaction with interpretive programs as measured by the percentage of visitor survey scores of 4 or more on a 5-point scale (5 = excellent).

The Department's State Museum and its branch facilities, uses its collections and applied research findings in order to serve as an informal education resource and provide learning opportunities for people of all ages. In fiscal year 2008, the State Museum facilities had over 306,748 visitors.

The following are the Science, Education and Culture program's Input, Output, and Outcome Indicators.

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>
<u>Input Indicators</u>			
Total expenditures (in thousands)	\$37,516	\$39,184	\$35,107
Average monthly full-time employee equivalents	420	412.7	399.8
<u>Output Indicators</u>			
Number of user sessions on websites (in thousands)	12,703	16,395	6,337
Number of teachers completing ENTICE training	2,135	1,056	240
Number of active science research projects	733	825	73
<u>Outcome Indicators</u>			
Percentage of site visitors expressing high satisfaction with interpretive programs	92%	86%	89%
Number of continuing professional education (CPE) hours awarded to teachers via "ENTICE" and other programs	7,056	1,605	883
Attendance at Museum facilities	329,316	322,601	306,748