



STATE OF ILLINOIS  
**OFFICE OF THE  
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**ILLINOIS POWER AGENCY**

**Financial Audit  
 For the Year Ended June 30, 2023**

**Release Date: February 15, 2024**

FINDINGS THIS AUDIT: 1	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	1	1	2022	23-01		
Category 2:	0	0	0				
Category 3:	0	0	0				
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>1</b>				
FINDINGS LAST AUDIT: 1							

**INTRODUCTION**

The Illinois Power Agency’s (Agency) goals and objectives are (1) to oversee the electricity planning and procurement processes to ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest cost over time for the residential and small commercial customers of power utility companies; (2) to procure renewable energy using the resources of the Illinois Power Agency Renewable Energy Resources Fund; (3) to develop and implement a Zero Emission Standard Procurement Plan; and (4) to develop a Long-Term Renewable Resources Procurement Plan and implement the programs and procurements contained in the Plan, including the Adjustable Block Program and the Illinois Solar for All Program.

**SYNOPSIS**

**(23-01)** The Agency did not review for proper revenue cutoff for the year ending June 30, 2023.

- Category 1:** Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).
- Category 2:** Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.
- Category 3:** Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

**ILLINOIS POWER AGENCY  
FINANCIAL AUDIT  
For the Year Ended June 30, 2023**

NONSHARED GOVERNMENTAL FUNDS (in thousands)	FY 2023	FY 2022
<b>Illinois Power Agency Operations Fund</b>		
Revenues.....	\$ 29,139	\$ 5,519
Expenditures.....	26,967	11,441
Other sources(uses) of financial resources.....	4,000	5,439
Net change in fund balance.....	\$ 6,172	\$ (483)
Assets and deferred outflows of resources.....	\$ 19,900	\$ 5,903
Liabilities and deferred inflows of resources.....	10,699	2,875
Committed fund balance.....	\$ 9,201	\$ 3,028
<b>Illinois Power Agency Renewable Energy Resources Fund</b>		
Revenues.....	\$ 175	\$ 141
Expenditures.....	8,646	11,926
Other sources(uses) of financial resources.....	-	-
Net change in fund balance.....	\$ (8,471)	\$ (11,785)
Assets and deferred outflows of resources.....	\$ 122,729	\$ 130,056
Liabilities and deferred inflows of resources.....	4,599	3,455
Committed fund balance.....	\$ 118,130	\$ 126,601
<b>Illinois Power Agency Trust Fund</b>		
Revenues.....	\$ 2,406	\$ (2,913)
Expenditures.....	-	-
Other sources(uses) of financial resources.....	14	(3,439)
Net change in fund balance.....	\$ 2,420	\$ (6,352)
Assets and deferred outflows of resources.....	\$ 43,940	\$ 41,621
Liabilities and deferred inflows of resources.....	-	101
Nonspendable fund balance.....	43,940	41,520
Committed fund balance.....	-	-
Total fund balance.....	\$ 43,940	\$ 41,520
<b>AGENCY DIRECTOR</b>		
During Audit Period: Brian Granahan (Acting) (Since October 1, 2022); Anthony Star (Up to September 30, 2022)		
Currently: Brian Granahan (Acting)		

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**INADEQUATE CONTROLS OVER FINANCIAL  
STATEMENT CLOSE PROCESS**

The Agency did not review for proper revenue cutoff for the year ending June 30, 2023.

**Agency did not properly review billings for revenue cutoff resulting in \$2,970,489 adjustment to increase accounts receivable and revenue**

The Agency did not review subsequent billings past July 31, 2023 to evaluate any unrecorded revenue and accounts receivable earned that needed to be reflected as of June 30, 2023. General ledger account balance related to receivables and revenue were not appropriately stated on the trial balance. As a result, an adjustment was required for \$2,970,489 to increase accounts receivable and revenue. (Finding 1, page 21)

We recommended the Agency review all billings during the current fiscal year, as well as subsequent to year end, to verify appropriate revenue and accounts receivable cutoff.

**Agency agreed with finding**

Agency agreed with the finding.

**AUDITOR'S OPINION**

The auditors stated the financial statements of the Agency as of and for the year ended June 30, 2023, are fairly stated in all material respects.

This financial audit was conducted by Plante & Moran, PLLC

**SIGNED ORIGINAL ON FILE**

JANE CLARK  
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

**SIGNED ORIGINAL ON FILE**

FRANK J. MAUTINO  
Auditor General

FJM:EMO