

**STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR**

**COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2009**

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

**McGREAL & COMPANY, PC
CERTIFIED PUBLIC ACCOUNTANTS
OAK LAWN, ILLINOIS 60453**

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OFFICE OF THE LIEUTENANT GOVERNOR**

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STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

COMPLIANCE EXAMINATION
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STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

AGENCY OFFICIALS

Lieutenant Governor (1/29/09-Present)	Vacant
Lieutenant Governor (1/13/03-1/29/09)	Mr. Patrick Quinn
Director of Operations	Ms. Simone McNeil

Lieutenant Governor's Offices are located at:

James R. Thompson Center
100 West Randolph Street, Suite 15-200
Chicago, Illinois 60601

214 State House
Springfield, Illinois 62706

414 Stratton Building
Springfield, Illinois 62706



STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR
JAMES R. THOMPSON CENTER, SUITE 15-200
Chicago, Illinois 60601

May 10, 2010

McGreal & Company, PC
Certified Public Accountants
5740 West 95th Street
Oak Lawn, IL 60453

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 Office of the Lieutenant Governor (Office). 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 Office's compliance with the following assertions during the two-year period ended June 30, 2009. Based on this evaluation, we assert that during the years ended June 30, 2008 and June 30, 2009, the Office has materially complied with the assertions below.

- A. The Office 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 Office 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 Office 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 Office 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 Office 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,

Office of the Lieutenant Governor


Pat Quinn, Governor


Simone McNeil, Director of Operations

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

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' REPORT

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>	<u>Compliance</u>	<u>Prior Compliance</u>
<u>Findings</u>	<u>Report</u>	<u>Report</u>
	1	0
Repeated findings	0	0
Prior recommendations implemented or not repeated	0	4

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

SCHEDULE OF FINDINGS

<u>Item</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
		FINDINGS (STATE COMPLIANCE)	
09-1	9	Nonpayment of revolving fund invoices	Significant Deficiency and Noncompliance

PRIOR FINDINGS NOT REPEATED (STATE COMPLIANCE)

None Noted in Prior Compliance Report

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

COMPLIANCE REPORT

SUMMARY

EXIT CONFERENCE

The finding and recommendations appearing in this report were discussed with the Office of the Lieutenant Governor in an exit conference on May 3, 2010. Attending were Kevin Carhill, Office of the Auditor General, and Simone McNeil, Director of Operations Office of the Lieutenant Governor. Responses to the recommendations were provided by Ms. Simone McNeil in correspondence dated May 10, 2010.

INDEPENDENT ACCOUNTANTS' 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 Illinois Office of the Lieutenant Governor's 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 two years ended June 30, 2009. The management of the Illinois Office of the Lieutenant Governor is responsible for compliance with these requirements. Our responsibility is to express an opinion on the Illinois Office of the Lieutenant Governor's compliance based on our examination.

- A. The Illinois Office of the Lieutenant Governor 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 Illinois Office of the Lieutenant Governor 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 Illinois Office of the Lieutenant Governor 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 Illinois Office of the Lieutenant Governor 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 Illinois Office of the Lieutenant Governor on behalf of the State or held in trust by the Illinois Office of the Lieutenant Governor 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 Illinois Office of the Lieutenant Governor's 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 Illinois Office of the Lieutenant Governor's compliance with specified requirements.

In our opinion, the Illinois Office of the Lieutenant Governor complied, in all material respects, with the requirements listed in the first paragraph of this report during the two years ended June 30, 2009. However, the results of our procedures disclosed instances of noncompliance, 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 and questioned costs as findings (09-1).

Internal Control

The management of the Illinois Office of the Lieutenant Governor 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 Illinois Office of the Lieutenant Governor's 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 Illinois Office of the Lieutenant Governor's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Illinois Office of the Lieutenant Governor's internal control over compliance.

A *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 *material weakness* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify deficiencies in internal control over compliance that we consider to be material weaknesses, as described above. However, we identified certain deficiencies in internal control over compliance described in findings (09-1) in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over compliance. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

The Illinois Office of Lieutenant Governor's responses to the findings identified in our examination are described in the accompanying schedule of findings and questioned costs. We did not examine the Illinois Office of Lieutenant Governor's responses and, accordingly, we express no opinion on them.

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 2009 and the 2008 Supplementary Information for State Compliance Purposes, except for information on the 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 2007 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.

McGreal & Company PC

McGreal & Company, PC

May 10, 2010

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

CURRENT FINDINGS (STATE COMPLIANCE)
FOR THE TWO YEARS ENDED JUNE 30, 2009

09-1 FINDING NONPAYMENT OF REVOLVING FUND INVOICES

The Office of Lieutenant Governor (Office) did not timely approve and pay internal service invoices to the Department of Central Management Services (DCMS).

The Office utilizes various Electronic Data Processing (EDP) services that are provided by DCMS and billed through Statistical Services Revolving Fund (SSRF). The Office utilized / purchased EDP services from DCMS in excess of the amounts that were appropriated by the legislature for those types of expenditures. The Office owed the DCMS SSRF the following amounts at June 30 for the following fiscal years:

FY 08	\$ 52,868
FY 09	<u>29,939</u>
	<u>\$ 82,807</u>

For fiscal years 2008 and 2009, the Office received monthly invoices from DCMS for EDP services. During fiscal year 2008 only 3 of 12 invoices were processed by the Office for payment. During fiscal year 2009 only 6 of 12 invoices were processed by the Office for payment. None of the invoices received from DCMS for EDP services during fiscal year 2008 and 2009 were processed within the required timeframes.

We noted the Office expended their total electronic data processing appropriation of \$15,000 for FY 2008 and \$31,700 for FY 2009 for EDP services. However, these amounts were significantly short of actual DCMS services billed.

DCMS Administrative Rules (74 Ill. Adm. Code 1000.50) requires user agencies to process payments within 30 days after physical receipt of internal service fund bills and to make reasonable efforts to review, approve, and pay all internal service fund bills in the fiscal year in which the liability was incurred. User agencies are not to leave internal service bills unpaid in order to circumvent fiscal year budgetary controls.

In addition, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system of internal fiscal controls to provide assurance that 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.

DCMS initiated a new billing structure for EDP services effective July 1, 2007. Office management indicated they were not notified of the rate increase in time to build the increase into the Office's budget. Office management indicated, due to the timing of the rate increase in FY08, they did not request sufficient appropriation to meet the obligations for EDP services.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

CURRENT FINDINGS (STATE COMPLIANCE)
FOR THE TWO YEARS ENDED JUNE 30, 2009

Failure to pay for the EDP services provided by DCMS represents noncompliance with the Illinois Administrative Code and if not paid future users of DCMS's EDP services may have to make up for agency nonpayments through higher charges. (Finding Code No. 09-1)

RECOMMENDATION:

We recommend the Office work with the Governor's Office of Management and Budget to resolve its outstanding balance due to DCMS. In addition, the Office should seek adequate appropriations to cover its EDP needs.

OFFICE RESPONSE:

The Lieutenant Governor's Office agrees with the finding. Please note that the Lieutenant Governor's Office did indeed contact the Department of Central Management to discuss plans for payment. The Office did plan on requesting adequate funds to pay for revolving fund charges in FY2010 and the Department of Central Management Services knew of this plan.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

PRIOR FINDING NOT REPEATED (STATE COMPLIANCE)
FOR THE TWO YEARS ENDED JUNE 30, 2009

No Findings Noted in Prior Compliance Report

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

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
- Notes to the Schedule of Expenditures of Federal Awards
- Schedule of Appropriations, Expenditures and Lapsed Balances
- Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
- Schedule of Changes in State Property
- Comparative Schedule of Cash Receipts
- Reconciliation Schedule of Cash Receipts to Deposits Remitted to the State Comptroller
- Analysis of Significant Variations in Expenditures
- Analysis of Significant Variations in Receipts
- Analysis of Significant Lapse Period Spending

Analysis of Operations:

- Agency Functions and Planning Program
- Average Number of Employees
- Service Efforts and Accomplishments (Not examined)

The accountants' 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 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
OFFICE OF THE LIEUTENANT GOVERNOR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Federal Grantor / Program Title	Federal CFDA Number	Federal Expenditures
U.S. Department of Education:		
Learn and Serve America - School and Community Based Programs	94.004	\$ 29,401
Total U.S. Department of Education		\$ 29,401
U.S. Department of the Interior - Fish and Wildlife Services:		
Coastal Wetlands Planning, Protection and Restoration Act	15.614	\$ 398,756
Partners for Fish and Wildlife	15.631	11,000
Total U.S. Department of the Interior - Fish and Wildlife Services		\$ 409,756
Total Expenditures of Federal Awards		<u>\$ 439,157</u>

The accompanying notes are an integral part of this schedule.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Federal Grantor / Program Title	Federal CFDA Number	Federal Expenditures
U.S. Department of Education:		
Learn and Serve America - School and Community Based Programs	94.004	\$ <u>2,484</u>
Total U.S. Department of Education		\$ 2,484
U.S. Department of the Interior - Fish and Wildlife Services:		
Coastal Wetlands Planning, Protection and Restoration Act	15.614	\$ 273,613
Partners for Fish and Wildlife	15.631	<u>17,500</u>
Total U.S. Department of the Interior - Fish and Wildlife Services		<u>\$ 291,113</u>
Total Expenditures of Federal Awards		<u><u>\$ 293,597</u></u>

The accompanying notes are an integral part of this schedule.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Office of the Lieutenant Governor and is presented on the cash basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Note 2: Subrecipients

Of the federal expenditures presented in the schedule, the Office of the Lieutenant Governor provided federal awards to the subrecipients as follows:

Program Title	Federal CFDA Number	Amounts Provided to Subrecipients
Fiscal Year 2009		
Coastal Wetlands Planning, Protection and Restoration Act	15.614	\$ 398,756
Partners for Fish and Wildlife	15.631	11,000
Total Subrecipient Pass Through - Fiscal Year 2009		<u>\$ 409,756</u>
Fiscal Year 2008		
Coastal Wetlands Planning, Protection and Restoration Act	15.614	\$ 273,613
Partners for Fish and Wildlife	15.631	17,500
Total Subrecipient Pass Through - Fiscal Year 2008		<u>\$ 291,113</u>

Note 3: Description of Federal Programs

Coastal Wetlands Planning, Protection and Restoration Act

The Office of Lieutenant Governor received a \$400,000 National Coastal Wetlands Conservation Grant (NCWC) from the U.S. Fish and Wildlife Service in 2008. This money will be combined with a \$750,000 NCWC Grant from the U.S. Fish and Wildlife Service received in 2006 and approximately \$650,000 in state and local funds for the Hegewisch Marsh Restoration Project. This project will demonstrate the potential for industrial, residential and open spaces to coexist in the City of Chicago. The Hegewisch Marsh Restoration Project will restore the site to its natural design.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

Note 3: Description of Federal Programs (Continued)

Partners for Fish and Wildlife

The Office of the Lieutenant Governor entered into a \$20,000 grant with the U.S. Fish and Wildlife Service. The grant money is to be used to provide funding to schools, park districts, or municipalities within the State of Illinois so they may construct rain gardens to be used as on-site interactive educational tools.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2009

FOURTEEN MONTHS ENDED AUGUST 31, 2009

Public Act 95-0731 Fiscal Year 2009	Appropriations (Net after Transfers)	Expenditures Through 6/30/09	Lapse Period Expenditures 7/01 - 8/31/09	Total Expenditures	Balances Lapsed
<u>APPROPRIATED FUNDS</u>					
<u>General Revenue Fund - 001</u>					
Personal services	\$810,200	\$664,523	\$0	\$664,523	\$145,677
State contributions to State Employees Retirement System	144,200	139,904	0	139,904	4,296
State contributions to Social Security	72,550	71,578	292	71,870	680
Contractual services	348,600	332,581	7,161	339,742	8,858
Travel	37,900	29,700	6,401	36,101	1,799
Commodities	15,700	8,259	286	8,545	7,155
Printing	11,000	1,587	0	1,587	9,413
Equipment	700	453	0	453	247
Electronic data processing	31,700	12,264	19,436	31,700	0
Telecommunications services	57,800	32,591	6,102	38,693	19,107
Operational and grant expenses of the Rural Affairs Council	309,400	286,035	10,556	296,591	12,809
Ordinary and contingent expenses of the Illinois River Coordination Council	161,500	147,696	3,880	151,576	9,924
 Total Fiscal Year 2009	 <u>\$2,001,250</u>	 <u>\$1,727,171</u>	 <u>\$54,114</u>	 <u>\$1,781,285</u>	 <u>\$219,965</u>

Note: Appropriations, 14 month expenditures, and lapsed balances were taken directly from the records of the State Comptroller and reconciled to the Agency's records.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2009

FOURTEEN MONTHS ENDED AUGUST 31, 2009

Public Act 95-0731 Fiscal Year 2009	Appropriations (Net after Transfers)	Expenditures Through 6/30/09	Lapse Period Expenditures 7/01 - 8/31/09	Total Expenditures	Balances Lapsed
<u>Agricultural Premium Fund - 045</u>					
Ordinary and contingent expenses of the Rural Affairs Council	\$100,000	\$94,200	\$0	\$94,200	\$5,800
Total Fiscal Year 2009	<u>\$100,000</u>	<u>\$94,200</u>	<u>\$0</u>	<u>\$94,200</u>	<u>\$5,800</u>
<u>Lieutenant Governor's Grant Fund - 924</u>					
Exercise of the powers or performance of the duties of the Office of the Lieutenant Governor	\$50,000	\$25,421	\$0	\$25,421	\$24,579
Total Fiscal Year 2009	<u>\$50,000</u>	<u>\$25,421</u>	<u>\$0</u>	<u>\$25,421</u>	<u>\$24,579</u>
TOTAL - ALL APPROPRIATED FUNDS	<u>\$2,151,250</u>	<u>\$1,846,792</u>	<u>\$54,114</u>	<u>\$1,900,906</u>	<u>\$250,344</u>
<u>NON-APPROPRIATED FUNDS</u>					
<u>Lieutenant Governor's Federal Project Grant Fund - 811</u>					
ISBE Learn and Serve Grant	N/A	\$29,401	\$0	\$29,401	N/A
Hegewisch Marsh Restoration	N/A	398,756	26,030	424,786	N/A
US Fish & Wildlife Services Grant	N/A	11,000	0	11,000	N/A
TOTAL - ALL NON-APPROPRIATED FUNDS		<u>\$439,157</u>	<u>\$26,030</u>	<u>\$465,187</u>	
GRAND TOTAL - ALL FUNDS		<u>\$2,285,949</u>	<u>\$80,144</u>	<u>\$2,366,093</u>	

Note: Appropriations, 14 month expenditures, and lapsed balances were taken directly from the records of the State Comptroller and reconciled to the Agency's records.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

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

FOURTEEN MONTHS ENDED AUGUST 31, 2008

Public Act 95-0348 Fiscal Year 2008	Appropriations (Net after Transfers)	Expenditures Through 6/30/08	Lapse Period Expenditures 7/01 - 8/31/08	Total Expenditures	Balances Lapsed
<u>APPROPRIATED FUNDS</u>					
<u>General Revenue Fund - 001</u>					
Personal services	\$960,561	\$960,560	\$0	\$960,560	\$1
State contributions to State Employees Retirement System	159,107	159,106	0	159,106	1
State contributions to Social Security	91,500	90,959	538	91,497	3
Contractual services	397,232	370,082	16,349	386,431	10,801
Travel	65,500	59,079	4,952	64,031	1,469
Commodities	20,500	18,997	74	19,071	1,429
Printing	12,000	9,582	0	9,582	2,418
Equipment	2,400	1,868	0	1,868	532
Electronic data processing	15,000	0	15,000	15,000	0
Telecommunications services	65,500	42,317	13,617	55,934	9,566
Operational and grant expenses of the Rural Affairs Council	364,000	361,351	324	361,675	2,325
Ordinary and contingent expenses of the Illinois River Coordination Council	190,000	188,933	428	189,361	639
Total Fiscal Year 2008	\$2,343,300	\$2,262,834	\$51,282	\$2,314,116	\$29,184

Note: Appropriations, 14 month expenditures, and lapsed balances were taken directly from the records of the State Comptroller and reconciled to the Agency's records.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

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

FOURTEEN MONTHS ENDED AUGUST 31, 2008

Public Act 95-0348 Fiscal Year 2008	Appropriations (Net after Transfers)	Expenditures Through 6/30/08	Lapse Period Expenditures 7/01 - 8/31/08	Total Expenditures	Balances Lapsed
<u>Agricultural Premium Fund - 045</u>					
Ordinary and contingent expenses of the Rural Affairs Council	\$100,000	\$92,068	\$7,500	\$99,568	\$432
Total Fiscal Year 2008	<u>\$100,000</u>	<u>\$92,068</u>	<u>\$7,500</u>	<u>\$99,568</u>	<u>\$432</u>
<u>Lieutenant Governor's Grant Fund - 924</u>					
Exercise of the powers or performance of the duties of the Office of the Lieutenant Governor	\$50,000	\$12,401	\$0	\$12,401	\$37,599
Total Fiscal Year 2008	<u>\$50,000</u>	<u>\$12,401</u>	<u>\$0</u>	<u>\$12,401</u>	<u>\$37,599</u>
TOTAL - ALL APPROPRIATED FUNDS	<u>\$2,493,300</u>	<u>\$2,367,303</u>	<u>\$58,782</u>	<u>\$2,426,085</u>	<u>\$67,215</u>
<u>NON-APPROPRIATED FUNDS</u>					
<u>Lieutenant Governor's Federal Project Grant Fund - 811</u>					
ISBE Learn and Serve Grant	N/A	\$21,484	\$0	\$21,484	N/A
Hegewisch Marsh Restoration	N/A	273,613	0	273,613	N/A
US Fish & Wildlife Services Grant	N/A	17,000	500	17,500	N/A
TOTAL - ALL NON-APPROPRIATED FUNDS		<u>\$312,097</u>	<u>\$500</u>	<u>\$312,597</u>	
GRAND TOTAL - ALL FUNDS		<u>\$2,679,400</u>	<u>\$59,282</u>	<u>\$2,738,682</u>	

Note: Appropriations, 14 month expenditures, and lapsed balances were taken directly from the records of the State Comptroller and reconciled to the Agency's records.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOR THE FISCAL YEARS ENDED JUNE 30,

	Fiscal Year		
	2009 P.A. 95-0731	2008 P.A. 95-0348	2007 P.A. 94-798
<u>APPROPRIATED FUNDS</u>			
<u>General Revenue Fund - 001</u>			
Appropriations (Net After Transfers)	\$2,001,250	\$2,343,300	\$2,291,100
Expenditures			
Personal services	\$664,523	\$960,560	\$960,593
State contributions to State			
Employees Retirement System	139,904	159,106	110,721
State contributions to Social Security	71,870	91,497	89,649
Contractual services	339,742	386,431	363,243
Travel	36,101	64,031	57,377
Commodities	8,545	19,071	17,162
Printing	1,587	9,582	11,320
Equipment	453	1,868	983
Electronic data processing	31,700	15,000	18,881
Telecommunications services	38,693	55,934	61,479
Operational and grant expenses of the Rural Affairs Council	296,591	361,675	351,674
Ordinary and contingent expenses of the Illinois River Coordination Council	151,576	189,361	188,196
Total Expenditures	<u>\$1,781,285</u>	<u>\$2,314,116</u>	<u>\$2,231,278</u>
Lapsed Balances	<u>\$219,965</u>	<u>\$29,184</u>	<u>\$59,822</u>

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOR THE FISCAL YEARS ENDED JUNE 30,

	Fiscal Year		
	2009 P.A. 95-0731	2008 P.A. 95-0348	2007 P.A. 94-798
<u>APPROPRIATED FUNDS</u>			
<u>Agricultural Premium Fund - 045</u>			
Appropriations (Net After Transfers)	\$100,000	\$100,000	\$100,000
Expenditures	<u>94,200</u>	<u>99,568</u>	<u>100,000</u>
Lapsed Balances	<u>\$5,800</u>	<u>\$432</u>	<u>\$0</u>
 <u>Lieutenant Governor's Grant Fund - 924</u>			
Appropriations (Net After Transfers)	\$50,000	\$50,000	\$50,000
Expenditures	<u>25,421</u>	<u>12,401</u>	<u>0</u>
Lapsed Balances	<u>\$24,579</u>	<u>\$37,599</u>	<u>\$50,000</u>
 <u>TOTAL - ALL APPROPRIATED FUNDS</u>			
Appropriations (Net of Transfers)	\$2,151,250	\$2,493,300	\$2,441,100
Total Expenditures	<u>1,900,906</u>	<u>2,426,085</u>	<u>2,331,278</u>
Lapsed Balances	<u>\$250,344</u>	<u>\$67,215</u>	<u>\$109,822</u>
 <u>NON-APPROPRIATED FUNDS</u>			
<u>Lieutenant Governor's Federal Project Grant Fund - 811</u>			
Expenditures			
ISBE Learn and Serve Grant	\$29,401	\$21,484	\$23,252
Hegewisch Marsh Restoration	424,786	273,613	238,766
US Fish & Wildlife Services Grant	11,000	17,500	2,000
Green Energy Development Grant	<u>0</u>	<u>0</u>	<u>40,000</u>
Total Expenditures	<u>\$465,187</u>	<u>\$312,597</u>	<u>\$304,018</u>
 <u>GRAND TOTAL - ALL FUNDS</u>			
Total Expenditures	<u>\$2,366,093</u>	<u>\$2,738,682</u>	<u>\$2,635,296</u>

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOR THE FISCAL YEARS ENDED JUNE 30,

	Fiscal Year		
	2009	2008	2007
<u>General Revenue Fund - 001 State Comptroller</u>			
Appropriations (Net of Transfers)	<u>\$135,700</u>	<u>\$130,800</u>	<u>\$120,800</u>
Lieutenant Governor's Salary	<u>79,140</u>	<u>130,702</u>	<u>120,759</u>
Total Expenditures	<u>79,140</u>	<u>130,702</u>	<u>120,759</u>
Lapsed Balances	<u><u>\$56,560</u></u>	<u><u>\$98</u></u>	<u><u>\$41</u></u>

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

SCHEDULE OF CHANGES IN STATE PROPERTY
FOR THE TWO YEARS ENDED JUNE 30, 2009

	<u>Equipment</u>
Balance at July 1, 2007	\$399,696
Additions	1,868
Deletions	(928)
Net Transfers	(2,896)
Balance at June 30, 2008	\$397,740
Balance at July 1, 2008	\$397,740
Additions	1,717
Deletions	(4,515)
Net Transfers	(43,015)
Balance at June 30, 2009	\$351,927

Note: This schedule has been reconciled to property reports (C-15 Agency Report of State Property) submitted to the Office of the Comptroller.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR
COMPARATIVE SCHEDULE OF CASH RECEIPTS
FOR THE FISCAL YEARS ENDED JUNE 30,

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Main Street Contributions	\$17,929	\$27,000	\$5,252
Federal Grants	438,544	349,744	273,166
Miscellaneous	-	-	99
Telephone Reimbursement	714	947	632
Jury Duty	17	275	52
Prior Year Refunds	<u>0</u>	<u>-</u>	<u>586</u>
Total Receipts	<u>\$457,204</u>	<u>\$377,966</u>	<u>\$279,787</u>

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEARS ENDED JUNE 30,

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Cash Receipts per Office records	\$457,204	\$377,966	\$279,787
Deposits in transit:			
Beginning of year	0	0	0
End of year	<u>0</u>	<u>0</u>	<u>0</u>
Deposits Remitted to Comptroller	<u>\$457,204</u>	<u>\$377,966</u>	<u>\$279,787</u>

Note: Receipts are deposited into the General Revenue Fund, except for contributions made to the Lieutenant Governor's Federal Project Grant Fund and the Lieutenant Governor's Grant Fund. Prior year refunds are deposited into the fund from which the expenditures were made.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE TWO YEARS ENDED JUNE 30, 2009

FISCAL YEAR 2009

Significant variations in expenditures (\$10,000 and 20%) for the fiscal years ended June 30, 2009 and June 30, 2008 were as follows:

- A. Personal services expenditures decreased in fiscal year 2009 \$296,037 (31%) due to the transfer of staff to the Governor's Office.
- B. The \$19,627 (21%) decrease in fiscal year 2009 social security expenditures is due to the transfer of staff to the Governor's Office.
- C. Fiscal year 2009 travel expenditures decreased \$27,930 (44%) due to a budget decrease of 15%. Also, the resultant transfer of staff to the Governor's Office, and agencies under the direction of the Governor, caused a decreased travel expenditures.
- D. Commodities expenditures decreased \$10,526 (55%) in fiscal year 2009. The commodities budget was decreased by 15% from fiscal year 2008. The resultant transfer of staff to the Governor's Office, and agencies under the direction of the Governor, caused a decrease in commodities expenditures.
- E. The \$7,995 (83%) decrease in printing expenditures in fiscal year 2009 is the result of a decreased budget of 15%. The resultant transfer of staff to the Governor's Office, and agencies under the direction of the Governor, caused a decrease in printing expenditures.
- F. Fiscal year 2009 equipment expenditures decreased \$1,415 (76%). Equipment expenditures were held to a minimum in fiscal years 2007, 2008 and 2009. Any purchase or non-purchase would cause a variance.
- G. EDP expenditures increased \$16,700 (111%) in fiscal year 2009 due to the dramatic increase of EDP billing rate from Central Management Services.
- H. The \$17,241 (31%) decrease in telecommunications expenditures in fiscal year 2009 is the result of a decreased budget of 15%. Also, the resultant transfer of staff to the Governor's Office, and agencies under the direction of the Governor, caused a decrease in telecommunications expenditures.
- I. In fiscal year 2009, the Lieutenant Governor Federal Project Grant Fund expenditures increased \$152,590 (49%) as a result of the Office expending money relating to the Illinois State Board of Education Learn and Serve Grant (\$29,401), the Rain Garden Initiative (\$11,000), and the Hegewisch Marsh Restoration Project (\$424,786).

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE TWO YEARS ENDED JUNE 30, 2009

FISCAL YEAR 2008

Significant variations in expenditures (\$10,000 and 20%) for the fiscal years ended June 30, 2008 and June 30, 2007 were as follows:

- A. The \$48,385 (44%) increase in the fiscal year 2008 State retirement contribution was a result of the overall State retirement rate increasing from 11.5% in fiscal year 2007 to 17% in fiscal year 2008.
- B. Equipment expenditures increased \$885 (90%) from fiscal year 2007. Equipment purchases were held to a minimum in fiscal years 2007, 2008, and 2009, and therefore, any purchase or non-purchase would cause a variance in the line item.
- C. Fiscal year 2008 EDP expenditures decreased \$3,881 (21%). The Office of the Lieutenant Governor expended their entire appropriation for EDP.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
FOR THE TWO YEARS ENDED JUNE 30, 2009

FISCAL YEAR 2009

Significant lapse period expenditure (\$10,000 and 20%) for fiscal year ended June 30, 2009 was as follows:

- A. Electronic data processing expenditures incurred prior to June 30 totaling \$19,436 were paid during the lapse period. The Office exhausted their EDP appropriation and transferred funds during the lapse period to cover invoices to the Central Managements Service.

FISCAL YEAR 2008

Significant lapse period expenditures (\$10,000 and 20%) for fiscal year ended June 30, 2008 were as follows:

- A. Electronic data processing expenditures incurred prior to June 30 totaling \$15,000 were paid during the lapse period. EDP fees increased for fiscal year 2008 and the Office waited to pay the full line item appropriation during the lapse period.
- B. Telecommunications services expenditures incurred prior to June 30 totaling \$13,617 were paid during the lapse period due to the Office receiving vendor invoices late in the fiscal year.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
FOR THE TWO YEARS ENDED JUNE 30, 2009

FISCAL YEAR 2009

Significant variations in receipts (\$5,000 and 20%) for the fiscal years ended June 30, 2009 and June 30, 2008 were as follows:

- A. The \$9,071 (34%) decrease in contributions was due to the Office receiving less Main Street conference fees during fiscal year 2009.
- B. Federal grant receipts increased \$88,800 (25%) in fiscal year 2009 as a result of the Office receiving more federal funds relating to the Hegewisch Marsh Restoration Project .

FISCAL YEAR 2008

Significant variations in expenditures (\$5,000 and 20%) for the fiscal years ended June 30, 2008 and June 30, 2007 were as follows:

- A. The \$21,748 (414%) increase in contributions was a result of the Office receiving more Main Street conference fees during fiscal year 2008.
- B. The \$76,578 (28%) increase in federal grant contributions was a result of the Office receiving more federal funds in fiscal year 2008 relating to the Hegewisch Marsh Restoration Project, ISBE Learn and Serve Grant, and Rain Garden Initiative.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2009

AGENCY FUNCTIONS AND PLANNING PROGRAM

FUNCTIONS

The Office of the Lieutenant Governor is an elected position for a 4-year term (10 ILCS 5/2A-5). Patrick Quinn served as Lieutenant Governor since taking office January 13, 2003 until January 29, 2009, when he was sworn in as Governor of Illinois. Lieutenant Governor's offices are located at 100 W. Randolph, Chicago, Illinois and 214 State House and 414 Stratton, Springfield, Illinois. The Illinois Constitution provides the Lieutenant Governor certain powers in the Executive Branch, which are either delegated by the Governor or prescribed by law.

Program functions undertaken at the direction of the Governor or initiated by the Lieutenant Governor are:

- developing and implementing a policy for rural development,
- coordinating the efforts of governmental and private agencies in improving the Illinois River watershed,
- working with Illinois communities to help develop downtown areas with an emphasis on historic preservation,
- encouraging use of renewable energy,
- encouraging donations to the Military Family Relief Fund, and
- encouraging no development on Plum Island and Banner Marsh.

Responsibilities designated by statute are to serve as chairperson for the Illinois River Coordinating Council, Rural Affairs Council, Green Governments Coordinating Council, Illinois delegation to the Great Lakes Commission, Interagency Military Base Support and Economic Development Committee, Military Family Interstate Compact Implementation Statute Drafting Advisory Committee, Broadband Deployment Council and the Main Street Advisory Council.

PLANNING PROGRAM

The Office of the Lieutenant Governor's goals are its functions as defined by State statutes and those delegated by the Governor. Functional programs within the Office, as described by Office officials, are as follows:

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2009

Illinois River Coordinating Council

The Illinois River Coordinating Council (IRCC) was established by Public Act 90-120 and operates pursuant to the Illinois River Watershed Restoration Act (20 ILCS 3967/15). The Lieutenant Governor serves as chairperson and a voting member of the IRCC. The duties of the IRCC are to periodically review activities and programs administered by State and federal agencies that directly impact the Illinois River Watershed; work with local communities and organizations to encourage partnerships that enhance awareness and capabilities to address watershed and water resource concerns; work with State and federal agencies to optimize and advise on the expenditure of funds for the Illinois River Watershed; encourage local communities to develop watershed management plans; and help identify additional funding for watershed management projects.

Rural Affairs Council

The Governor's Rural Affairs Council (RAC), chaired by the Lieutenant Governor, facilitates delivery of programs and services to enhance the quality of life in rural Illinois. The RAC's mission is to develop and implement a comprehensive State policy for rural development and to serve as the liaison between State agencies, departments, boards, commissions and universities to improve the planning and delivery of services to rural Illinois. In addition, the RAC is required to organize an annual report on the state of the Rural Illinois Economy.

Illinois Main Street Council

Established by executive order in 2000, the Illinois Main Street Council, chaired by Lieutenant Governor Quinn, is responsible for reviewing and recommending new Main Street communities, approving and awarding the Lt. Governor's Awards of Excellence in Downtown Revitalization, and acting as a liaison and advocate for Main Street communities within State Government.

Originally created in 1993, the Illinois Main Street Program is a comprehensive program designed to promote the historic preservation and economic development of the State's traditional business districts. Based on a model developed by the National Main Street Center of the National Trust for Historic Preservation, Illinois Main Street provides training and technical assistance to participating communities through educational workshops and on-site consultation. Towns pay no participation fee, but are selected through an application process on a competitive basis, and are responsible for financially supporting their local program.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2009

Broadband Deployment Council

The Lieutenant Governor is chairman of the Broadband Deployment Council. The Council helps State agencies, local governments and community organizations find innovative ways to make competitive and affordable internet technology more universal.

Heartsaver Initiative

The Heartsaver AED Fund provides grants that help public schools, universities and park districts obtain life-saving defibrillators. The Fund provides up to fifty percent matching grants for AED purchases by public schools, universities and park districts. The Lieutenant Governor is leading the Heartsaver Campaign to make AEDs as common as fire extinguishers.

Project ChildSafe

Lieutenant Governor Pat Quinn has partnered with Project ChildSafe, a nationwide program whose purpose is to promote safe firearms handling and storage practices among all firearms owners through the distribution of key safety education messages and free gun locking.

Health Awareness

Health is one of Lieutenant Governor Quinn's top priorities. He has partnered with others for Healthy Smiles, Helping Illinoisans Breathe Easier, End Cervical Cancer in Our Lifetime and hunger prevention.

Environmental Health

In order to raise awareness of environmental health, Lieutenant Governor Quinn authored the Toxic Chemical Disclosure Act. This landmark legislation provides all Illinois citizens with the right to be individually notified of certain dangerous conditions within 2,500 feet of their property by the Illinois Environment Protection Agency.

STATE OF ILLINOIS
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ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2009

Cesar Chavez Service Learning

Cesar Chavez was a labor leader who dedicated his life to improving the standard of living, wages and working conditions of farm workers. Although he died in 1993, his spirit is celebrated through the Cesar Chavez Day of Service and Learning. This program is geared toward K-12 students who, through academic instruction and community service projects, will learn the importance of service to others and the difference they truly can make.

Operation Home Front

Lieutenant Governor Pat Quinn was instrumental in getting the Illinois Military Family Relief Act passed during February 2003. This act helps the families of National Guard members and reservists called to active duty in the fight against terrorism. The fund established a check-off box on the Illinois income tax return to enable taxpayers to voluntarily donate to a special trust fund to provide financial assistance to thousands of Illinois military men and women called to active duty.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2009

AVERAGE NUMBER OF EMPLOYEES

The following table, prepared from Lieutenant Governor’s records, presents the average number of employees by program, for the fiscal years ended June 30,

	Fiscal Year		
	2009	2008	2007
General Office	13	18	19
Rural Affairs Council	2	4	5
IL River Coordinating Council	2	2	3
Learn and Serve	1	1	0
Total	18	25	27

SERVICE EFFORTS AND ACCOMPLISHMENTS (NOT EXAMINED)

ILLINOIS RIVER COORDINATION COUNCIL (IRCC)

Since 1997, efforts have been underway to restore the Illinois River following the issuance of the “The Integrated Management Plan for the Illinois River Watershed,” by the Lieutenant Governor’s Office. A primary goal of the IRCC was to obtain federal funding to implement many of the Council’s goals. In 2000, the IRCC assisted in the development of Illinois Rivers 2020 with the full support of the Illinois Departments of Agriculture, Natural Resources, and Environmental Protection Agency. Illinois Rivers 2020 is a voluntary incentive-based initiative to restore, enhance and protect the Illinois River and its nine tributaries. This \$2.5 billion 20 year federal/state initiative, builds on existing agencies, programs and delivery mechanisms in Farm Bill programs, the Clean Water Act and the Water Resources Development Act. The initiative includes the popular Conservation Reserve Enhancement Program (CREP), which has so far restored 110,000 acres of private lands in the Illinois River and tributary floodplains into streamside forests and wetlands.

During fiscal years 2008 and 2009, the IRCC provided grants totaling \$28,500 to numerous organizations throughout the State.

STATE OF ILLINOIS
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ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2009

HEGEWISCH MARSH RESTORATION

In January 2006, the Office of the Lieutenant Governor received a \$750,000 National Coastal Wetlands Conservation Grant (NCWC) from the U.S. Fish and Wildlife Service. This money, combined with approximately \$500,000 from in state and local funds has been used for the Hegewisch Marsh Restoration Project. In January 2008, Lt. Governor Quinn was proud to announce a new \$400,000 federal grant for the Hegewisch Marsh Project along with a \$150,000 match from the City of Chicago. This project is led by the Lt. Governor, the Chicago Department of the Environment and a coalition of state agencies, environmental and community organizations. The project demonstrates the potential for industrial, residential and open spaces to coexist in the City of Chicago. When complete, the Hegewisch Marsh Restoration Project will remove invasive species and restore the site to its natural design with native trees and plants. The project will protect the habitats of numerous endangered and threatened species including the Bald Eagle and Whooping Crane. Dozens of fish and bird species use the project site.

During fiscal years 2008 and 2009, the Office of the Lieutenant Governor expended monies totaling \$698,399 for the Hegewisch Marsh Restoration Project.

RURAL AFFAIRS COUNCIL (RAC)

The RAC provides a link between rural community leaders and State government programs and services. There are 74 rural counties in the State of Illinois. By 1998, the RAC began to lack focus. Therefore, in 2000, the RAC did the following:

1. Reappointed the Lieutenant Governor as chair of the RAC, and
2. Expanded its membership from 18 to 20, which allowed those members to bring more issues to the table for the RAC to address.

Later in 2000, the RAC began to examine and explore ways to improve its relationship within the rural communities. The RAC hosted a series of statewide Rural Leadership Forums to understand today's issues that are facing rural residents. This information was used to build partnerships, economic development, childcare support, affordable housing and improve technology.

During 2006 and 2007, RAC rolled out public transportation services in Richland and Lawrence counties and aided citizens in eight Central Illinois counties with increased cellular service. In addition, a one-of-a-kind partnership between Rural Electric Convenience Cooperative and the Illinois Department of Natural Resources was formed to build an energy generated wind turbine which will serve customers in Christian, Macoupin, Montgomery, Morgan and Sangamon counties.

During 2008 and 2009, Lt. Governor Quinn and Lt. Governors around the nation joined together to unanimously pass The Resolution to Bridge the Digital Divide in America that urges immediate action to increase access to high-speed internet throughout the United States. When a funding crisis in Illinois threatened the release of allocated funds that support such programs as 4-H, Master Gardeners, and Soil and Water Conservation Districts, Lt. Governor Quinn joined with passionate volunteers, employees, and program beneficiaries in advocating for the release of the funds.

STATE OF ILLINOIS
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ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2009

During fiscal years 2008 and 2009, the RAC provided grants totaling \$99,568 and \$94,200, respectively, to numerous organizations throughout the State.

ILLINOIS MAIN STREET

Illinois Main Street is a preservation-based local economic development program administered by the Office of the Lieutenant Governor. Beginning in 1993 with 9 rural towns, it has since grown to 58 communities of every size across the State and an additional 20 towns in an “introductory Main Street” program. Since the programs inception 15 years ago, Illinois Main Street is now the fourth largest Main Street program in the United States and has created over 1,600 new downtown businesses and over 6,000 new jobs. Finally, Illinois Main Street projects have spurred the reinvestment of more than \$575 million in Main Street downtowns. During fiscal years 2008 and 2009, the Illinois Main Street received a Rural Community Development Initiative Grant from the United States Department of Agriculture. The three year grant of \$219,800, along with \$183,950 in matching funds from Illinois Main Street, will allow the Illinois program to expand its Rural Development Initiative. The Main Street Rural Development Initiative’s expanded program will serve 18 communities across the state.

BROADBAND DEPLOYMENT COUNCIL

In a widespread effort to bridge the digital divide by increasing high-speed internet access across Illinois, the Governor created the Broadband Deployment Council and named Lieutenant Governor Quinn as chairman. The Council helped the Illinois Rural HealthNet secure \$21 million from the FCC to create a statewide telehealth network. In addition, the Council is organizing the Deaf Broadband Access Task Force for citizens with disabilities seeking affordable broadband service.

STATE OF ILLINOIS
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ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2009

TAXPAYER AND CONSUMER ACTIONS

Lieutenant Governor Pat Quinn is working to aid taxpayers and consumers:

- Lt. Governor's Office offered grants to fund free one-day tax preparation sites. Lt. Governor Quinn joined with the Center for Economic Progress to ensure Illinois workers receive their stimulus payments and all the tax credits they deserve.
- The Lieutenant Governor and the Citizens Utility Board co-sponsored free phone clinics across the state in an effort to save Illinois residents hundreds of dollars on their phone bills.
- Lt. Governor Quinn fought to have the Illinois legislature pass a Recall Amendment that changed the Illinois Constitution, giving citizens the right to recall state executive branch officers and members of the General Assembly.
- The Lieutenant Governor launched a taxpayer campaign to demand a full Senate vote to reject pay hikes for legislators that would have kicked in if the Illinois Senate had not taken action and voted no. Thousands signed the online petition and the Illinois Senate overwhelmingly rejected the pay raises.
- Lt. Governor Quinn and Cook County Commissioner joined forces to launch a grassroots movement to reform the tax system in Illinois. The initiative process gives citizens the right to petition their government by placing taxpayer-initiated issues on the ballot, bypassing politicians and vested interest groups.

OPERATION HOME FRONT

The Illinois Military Family Relief Fund is now in its sixth year of operation and more than \$6.3 million has been distributed to Illinois National Guard and reservist families to help with such things as food, housing and other basic necessities. This fund served as the inspiration behind federal legislation that would create a National Military Family Relief Fund to help service-members across the nation.

ASSURED FUNDING FOR VETERANS HEALTH CARE

Lieutenant Governor Quinn teamed with U.S. Representative Phil Hare to help create mandatory federal funding for veterans health care. They urged Congress to heed the call of voters and pass the Assured Funding for Veterans Health Care Act – a bill to make VA health care a mandatory spending item within the federal budget.

STATE OF ILLINOIS
OFFICE OF THE LIEUTENANT GOVERNOR

ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2009

PROJECT CHILDSAFE

Lieutenant Governor Quinn has partnered with Project ChildSafe, to better inform Illinoisans about gun safety and support the distribution of free gunlocks to firearm owners across the State. To date, the Lieutenant Governor's Office has helped in the distribution of over 90,000 gunlocks.

LEARN AND SERVE AMERICA

In 2006, Lieutenant Governor Quinn assumed responsibility for the Learn and Serve America program in Illinois. This innovative federal / State partnership has allocated more than \$600,000 in grants to establish and expand service-learning projects. More than 52,000 Illinois students are engaging in service learning projects supported by these funds. Lieutenant Governor Quinn championed the Children's Low-Cost Laptop Act, a statewide program to provide elementary school students in up to 300 schools with laptop computers for academic use.