

State of Illinois
DEPARTMENT OF TRANSPORTATION
FINANCIAL AUDIT
For the Year Ended June 30, 2016

AND COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2016

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

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
FINANCIAL AUDIT
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STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION

AGENCY OFFICIALS

Secretary	Randall S. Blankenhorn (2/1/15 – present) Erica J. Borggren, Acting (7/11/14 – 1/31/15) Ann L. Schneider (through 7/10/14)
Assistant Secretary	Rich Brauer (2/25/15 – present) Vacant (through 2/24/15)
Deputy Secretary	Vacant (11/14/15 – present) Christine Reed (1/12/15 – 11/13/15) Vacant (through 1/11/15)
Chief of Staff	Matt Magalis (2/2/15 – present) Vacant (1/1/15 – 2/1/15) Jaime Martinez (through 12/31/14)
Chief Operating Officer	Lisa Laws (8/16/16 – present) Vacant (8/14/14 – 8/15/16) Marsha N. Campos (through 7/31/14)
Deputy Secretary for Program Development	Aaron Weatherholt (2/16/16 – present)
Deputy Secretary for Project Implementation	Omer Osman (2/16/16 – present)
Deputy Chief of Staff	Justine Reisinger (2/16/16 – present)
Director, Office of Planning and Programming	Erin Aleman (1/1/17 – present) Roger Driskell (2/16/16 – 12/31/16) Jeff South, interim (3/2/15 – 2/15/16) Vacant (1/1/15 – 3/1/15) Charles Ingersoll (through 12/31/14)
Director, Office of Program Development	Priscilla Tobias (2/16/16 – present)
Director, Office of Highways Project Implementation	Paul Loete (2/16/16 – present)
Director, Office of Intermodal Project Implementation	Beth McCluskey (2/16/16 – present)
Director, Office of Communications	Guy Tridgell (2/16/16 – present) Vacant (through – 2/15/16)

Director, Office of Legislative Affairs	Nicola Cortez-Hun (10/1/15 – present) Vacant (8/12/15 – 9/30/15) Scott Dworschak (2/10/15 – 8/11/15) Leigh Ann Vanausdoll (through 2/9/15)
Director, Office of Finance and Administration	Jeff Heck (7/16/15 – present) Vacant (1/1/15 – 7/15/15) Tony Small (through 12/31/14)
Director, Office of Business and Workforce Diversity	Pamela Simon (2/1/16 – present) Vacant (2/14/15 – 1/31/16) Frank McNeil (through 2/13/15)
Director, Office of Chief Counsel	William Barnes (2/17/2015 – present) Vacant (2/14/2015 – 2/16/2015) Michael Forti (through 2/13/2015)
Director, Office of Internal Audit	Stephen Kirk

Agency main offices are located at:

2300 S. Dirksen Parkway
Springfield, IL 62764

69 W. Washington Street
Chicago, IL 60602



Illinois Department of Transportation

Office of the Secretary
2300 South Dirksen Parkway / Springfield, Illinois / 62764
Telephone 217/782-5597

March 23, 2017

Sikich LLP
3201 West White Oaks Drive, Suite 102
Springfield, IL 62704

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 Illinois Department of Transportation (Department). 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 Department's compliance with the following assertions during the two-year period ended June 30, 2016. Based on this evaluation, we assert that during the years ended June 30, 2015 and June 30, 2016, the Department has materially complied with the assertions below.

- A. The Department 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 Department 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 Department 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 Department 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 Department on behalf of the State or held in trust by the Department

Sikich LLP
Page 2
March 23, 2017

have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours truly,

Illinois Department of Transportation

SIGNED ORIGINAL ON FILE

Randall S. Blankenhorn
Secretary

SIGNED ORIGINAL ON FILE

~~Jeff Hepp~~
Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

William M. Barnes
Chief Counsel

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
FINANCIAL AUDIT
For the Year Ended June 30, 2016
AND COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2016

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.

ACCOUNTANT'S REPORT

The Independent Accountant's Report on State Compliance and on Internal Control Over Compliance does not contain scope limitations or disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current Report</u>	<u>Prior Report</u>
Findings	9	19
Repeated findings	7	14
Prior recommendations implemented or not repeated*	10	6

*Finding No. 2014-004 and Finding No. 2014-005 from the financial and compliance engagement from the two year(s) ended June 30, 2014 were determined to be implemented during the financial audit of the Department for the year ended June 30, 2015 and are not included in this count.

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (<i>GOVERNMENT AUDITING STANDARDS</i>)			
2016-001	13	Weaknesses in calculating accounts payable	Significant Deficiency
FINDINGS (STATE COMPLIANCE)			
2016-002	15	Failure to timely perform bridge inspections	Significant Deficiency and Noncompliance
2016-003	20	Inadequate controls over employee overtime	Significant Deficiency and Noncompliance

2016-004	22	Inadequate controls over State property	Significant Deficiency and Noncompliance
2016-005	24	Inadequate controls over the administration of State vehicles	Significant Deficiency and Noncompliance
2016-006	28	Inadequate controls over accounts receivable	Significant Deficiency and Noncompliance
2016-007	30	Noncompliance with reporting requirements	Significant Deficiency and Noncompliance
2016-008	32	Failure to control outdoor advertising	Significant Deficiency and Noncompliance
2016-009	34	Statutory noncompliance noted in the Disadvantaged Business Revolving Loan and Grant Program	Significant Deficiency and Noncompliance

In addition, the following findings which are reported as current findings relating to *Government Auditing Standards* also meet the reporting requirements for State Compliance.

2016-001	13	Weaknesses in calculating accounts payable	Significant Deficiency and Noncompliance
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PRIOR FINDINGS NOT REPEATED

A	36	Inaccurate commodities inventory records
B	36	Weaknesses in reporting of capital assets
C	37	Inadequate process to monitor interagency agreements
D	37	Weaknesses in contract administration
E	37	Inadequate controls over computer equipment
F	38	Failure to maintain control over wireless communication devices
G	38	Inadequate controls to prevent inappropriate payments to vendors
H	38	Weaknesses related to the deposit, support, and approval of receipts
I	38	Failure to comply with the Identity Protection Act
J	39	Inadequate monitoring of motor fuel tax expenditures

EXIT CONFERENCE

The Department did not request an exit conference. Responses to the recommendations were provided by Cynthia A. Thomas, Office of Internal Audit, in correspondence dated March 15, 2017.

INDEPENDENT ACCOUNTANT'S REPORT ON STATE COMPLIANCE AND
ON INTERNAL CONTROL OVER COMPLIANCE

Honorable Frank J. Mautino
Auditor General
State of Illinois

Compliance

As Special Assistant Auditors for the Auditor General, we have examined the State of Illinois, Department of Transportation's (Department) 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, 2016. The management of the Department is responsible for compliance with these requirements. Our responsibility is to express an opinion on the Department's compliance based on our examination.

- A. The Department 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 Department 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 Department 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 Department 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 Department on behalf of the State or held in trust by the Department have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted 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 Department'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 Department's compliance with specified requirements.

In our opinion, the Department complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2016. However, the results of our procedures disclosed instances of noncompliance with the 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 items 2016-001 through 2016-011.

Internal Control

Management of the Department 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 Department's internal control over compliance with the requirements listed in the first paragraph of this report to determine the examination procedures that are appropriate in the circumstances 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 Department's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the requirements listed in the first paragraph of this report on a timely basis. *A material weakness in internal control over compliance* 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings as items 2016-001 through 2016-011 that we consider to be significant deficiencies.

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

The Department's responses to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the Department's responses and, accordingly, we express no opinion on the responses.

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

SIGNED ORIGINAL ON FILE

Springfield, Illinois
March 23, 2017

INDEPENDENT AUDITOR'S 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 Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the State of Illinois, Department of Transportation (Department), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements and have issued our report thereon dated January 4, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Department's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion(s) on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

A deficiency in internal control 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 and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings as item 2016-001, to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Department's Responses to Findings

The Department's responses to the findings identified in our audit are described in the accompanying schedule of findings. The Department's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Department's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Springfield, Illinois
January 4, 2017

SCHEDULE OF FINDINGS

CURRENT FINDINGS – Government Auditing Standards

2016-001. FINDING (Weaknesses in calculating accounts payable)

The Illinois Department of Transportation's (Department) calculation of its accounts payable balance at June 30, 2016 was incomplete.

The estimation model utilized by the Department to calculate accounts payable did not evaluate all conditions that were present subsequent to the financial statements being submitted to the Office of the Comptroller, but prior to the issuance of the financial statements, resulting in a material adjustment to the financial statements. During the course of testing, auditors discovered a significant amount of vouchers which should have been accrued at June 30, 2016 in the State Construction Fund (Fund 0902). The balance discovered exceeded the accrual calculated by the Department's accounts payable model and had the effect of understating accounts payable by \$14 million. The Department recorded an adjustment and revised its financial statements for the potential under accrual at June 30, 2016.

Additionally, for two funds for which accruals were made at fiscal year end without the use of the estimation model, the Department initially under accrued its accounts payable balance at June 30, 2016. In the Downstate Transit Improvement Fund (Fund 0559) and the Federal High Speed Rail Trust Fund (Fund 0433), the Department processed vouchers totaling \$1 million and \$14 million, respectively, subsequent to the lapse period, but prior to the issuance of the financial statements. Auditors identified these transactions during an analysis of subsequent disbursements. The Department recorded adjustments in Funds 0559 and 0433 and revised its financial statements for the potential under accruals at June 30, 2016.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system of internal fiscal control 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 reliable financial reports.

In response to this finding from the prior year, the Department stated Generally Accepted Accounting Principles (GAAP) staff would continue to improve the process to complete the several sets of Excel spreadsheets used to calculate payables reported at the end of the year. Additionally, the GAAP staff would include communication with district personnel on backlog of local payments. In the current year, mechanical errors in the calculation of the Department's accounts payable were not noted by the auditors.

The Department attributed the cause of the exceptions in the current audit to the non-identification of payable amounts for funds without estimation models. Fiscal Operations staff made inquiries of the appropriate program staff; however, the subsequent disbursements were not among the amounts provided back to Fiscal Operations. For Fund 0902, subsequent disbursements exceeded the accrual amount the model estimated due to a higher volume of prior period expenditures than anticipated in early fiscal year 2017.

Accounting estimates are an important part of the financial statements prepared by the Department and are based on the Department's knowledge and experience about past and current events. The estimates should also be based upon its assumptions about future events and free from material errors. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that events affecting them may differ considerably from those expected. The most sensitive estimate affecting the Department's financial statements at June 30, 2016 was its accounts payable balance. Accurate calculations are essential in order to support the estimate included within the Department's financial statements prepared in accordance with GAAP. (Finding Code No. 2016-001, 2015-003, 2014-003, 2013-004)

RECOMMENDATION

We recommend the Department perform an analysis of subsequent disbursements after it has submitted its GAAP reporting packages to the Illinois Office of the Comptroller, but prior to preparing its financial statements, to ensure no significant transactions occurred which were not considered in the accounts payable estimation. If such analysis signals a potential under accrual of accounts payable, the Department could then rerun the applicable accounts payable estimation model and determine what adjustments, if any, are necessary. In addition, we recommend the Department expand this analysis to review subsequent disbursement activity, for funds whose liabilities are not estimated through the accounts payable model, throughout the time it prepares its financial statements in order to capture any other significant spending in its funds which should be accrued at year-end.

DEPARTMENT RESPONSE

The Department agrees with the finding.

The Department will continue to enhance its accounts payable estimation models to ensure that the models provide reliable estimates of accounts payable at fiscal year-end. Also, for funds without estimation models, the Department will educate the appropriate personnel about the nature of payables to more readily identify outstanding payables after fiscal year-end and will improve the review process for invoices processed after the 60 day lapse period for any items relating to goods or services received prior to year-end.

CURRENT FINDINGS – State Compliance

2016-002. FINDING (Failure to timely perform bridge inspections)

The Illinois Department of Transportation (Department) did not timely perform inspections of bridges.

The National Bridge Inspection Standards (NBIS), laid out in Federal Regulations (23 CFR 650 Subpart C), are the Federal regulations establishing requirements for bridge inspections. NBIS requires that all bridges more than 20 feet in length located on public roads are inspected in accordance with the federal standards.

The Department is responsible for ensuring that all highway bridges on public roads in the State are inspected. We obtained a download of inspections of bridges more than 20 feet in length as of April 1, 2016. According to a Department official, in June 2014 the Federal Highway Administration (FHWA) requested that the Department remove all federal bridges from their inventory because Federal bridges are reported directly to the FHWA by their respective agencies. Therefore, those bridges are no longer a part of the Department bridge inventory. The inspection data included a total of 26,724 bridges, 26,566 of which are open to the public. Of these open bridges, 7,738 are State bridges and the responsibility of the Department to maintain. The remaining 18,828 are the responsibility of local or other entities, such as adjacent states.

Federal Regulation (23 CFR 650.315(b)) allows a period of time after an inspection is conducted for entry into the Illinois Structure Information System. Federal Regulation requires inspection data be entered within 90 days of the date of the inspection for State or Federal agency bridges and within 180 days of the date of inspection for all other bridges. According to the Department's Structural Services Manual, the 90 and 180 day rules only apply to entry of the inspection data and shall not be used to extend the inspection intervals.

Inspection timeliness

The Department conducts various types of bridge inspections. We examined the timeliness of routine, special, underwater, and fracture critical member inspections.

Many of the overdue inspections in all four types of inspections are noted as "Adjacent state." When a bridge is bordering another state (Adjacent state bridge), according to the Department, the "lead" state (or state with maintenance responsibility) is responsible for causing the bridge to be inspected within the appropriate timeframe and reporting the results to the Federal Highway Administration. While the non-lead state typically receives a copy of the inspection reports, it does not always follow in a timely fashion. Also, all maintenance and inspection activities are discussed between the states and all future maintenance and inspection costs are discussed and agreed upon once a year, at a Border Bridge Meeting with other states.

When the Department does not receive a report from the adjacent state with the inspection/maintenance responsibility, it is not known whether a report was simply never sent or the inspection is delinquent.

Routine inspections

A routine inspection is a regularly scheduled inspection consisting of observation and/or measurements needed to determine the physical and functional condition of the bridge, to identify any changes from initial or previously recorded conditions, and to ensure that the structure continues to satisfy present service requirements.

Using the intervals established by the Department and allowing for the data entry period, according to the Department's Illinois Structure Information System data, as of April 1, 2016, 36 local bridges were overdue for a routine inspection (down from 46 as of May 1, 2014). Of the 36 overdue inspections, 23 were listed as the maintenance responsibility of an adjacent state, two of which were rated as structurally deficient. An additional 4 of the 36 were rated as structurally deficient. The overdue local routine inspections ranged from 6 months overdue to nearly 5 years overdue. Twenty of the 36 overdue inspections were more than 2 years overdue for a routine inspection.

Not included in the 36 is one bridge which, upon inquiry, appears to have been timely inspected, but the inspection was not entered into the bridge system within timeframes required by Federal Regulations and, therefore, appeared overdue in the bridge data provided to auditors.

The Department showed that 6 of the overdue inspections have been inspected since the April 1, 2016 data download, including 1 of the structurally deficient bridges. According to Department officials, this occurred because paperwork was misplaced and the owning agencies were not aware the inspections had not been entered into the Illinois Structure Information System. Also, the Department reported it has experienced significant delays in the receipt of inspection paperwork which was not entered into the Illinois Structure Information System until after the data was supplied for audit.

Special inspections

A special inspection is performed to verify that deficiencies do not exist and to monitor a specific structural feature, deficiency or condition that must be monitored more often than inspection intervals for other inspection types require. Special inspections may be prompted by structural damage or deterioration, conditions affecting the stability of the structure, or for other reasons. Some examples of conditions that might warrant a special inspection are damage/deterioration to main load-carrying members, settlement/movement of substructure units or adjacent embankment, and structural details with histories of poor performance. The Department's Structural Services Manual lists 18 different special inspection code types. Some bridges have more than one type of special inspection conducted.

Of the total 26,566 open bridges that the Department is required to inspect or cause to be inspected (i.e. locals), 1,059 were slated for a special inspection totaling 1,109 special inspections. Using the intervals established by the Department and allowing for the data entry period, according to the Department's Illinois Structure Information System data, as of April 1, 2016, 26 bridges were overdue for a special inspection (down from 69 bridges as of May 1, 2014). These 26 bridges required 28 total inspections and were all local bridges (1 bridge required 3 inspections). Upon inquiry, the Department provided documentation to show that 5 (consisting of 7 inspections) of the 26 bridges had received timely special inspections and, therefore, were not overdue; however, the data we were provided showed these bridges as being delinquent for inspection. Of the remaining 21 bridges with overdue special inspections:

- 17 bridges were rated as structurally deficient.
- 4 bridges had special inspections which were overdue by more than 2 years. Many of the remaining inspections were overdue by approximately a year or less.

After discussion with the Department, we determined that, of the 21 bridges with overdue inspections, 4 have been inspected since the April 1, 2016 data download date (including 2 that were overdue by more than 2 years and structurally deficient) and 4 are no longer required (including 1 bridge which was overdue by more than 2 years and structurally deficient). According to the Department, due to prioritizing needs, the local agency could not perform the special inspections.

Underwater inspections

An underwater inspection is an inspection of the underwater portion of a bridge substructure and the surrounding channel that cannot be inspected visually at low water by wading or probing, generally requiring diving or other appropriate techniques. The Department's Structural Services Manual states that generally bridges in water deeper than four feet require underwater inspections.

Of the total 26,566 open bridges that the Department is required to inspect or cause to be inspected (i.e. locals), 482 were slated for an underwater inspection. Using the intervals established by the Department and allowing for the data entry period, according to the Department's Structure Information data, as of April 1, 2016, 11 bridges were overdue for an underwater inspection (down from 12 as of May 1, 2014), all of which were local and, specifically, the maintenance responsibility of an adjacent State. The bridges were between 1 and 17 years overdue. One of the bridges, which the data showed as 15 years overdue for an inspection, was noted as structurally deficient.

According to Department officials, the inspection reports have not been received from the adjoining state and, therefore, have not been entered into the Department's Illinois Structure Information System.

Fracture Critical inspections

A Fracture Critical inspection is a hands-on inspection of one fracture critical member or multiple member components that may include visual and other nondestructive evaluation. These inspections are performed on steel bridge tension members and tension components of members whose failure could be expected to result in the collapse of the bridge or a portion of the bridge.

Of the total 26,566 open bridges that the Department is required to inspect or cause to be inspected (i.e. locals), 518 were slated for a Fracture Critical inspection for a total of 1,217 inspections.

Using the intervals established by the Department and allowing for the data entry period, according to the Department's Illinois Structure Information System data, as of April 1, 2016, 9 bridges (2 State, 7 local) were overdue for a fracture critical inspection (down from 14 as of May 1, 2014), consisting of 28 total components. Two of the local bridges, consisting of 4 total components, were over 19 years overdue. One of these bridges was noted as being structurally deficient. Another local bridge, consisting of 8 components, was 5 years overdue. These 3

bridges were noted in the data as being an adjacent state's maintenance responsibility. According to Department officials, these inspection reports have not been received from the adjoining state and have not been entered into the Illinois Structure Information System.

The remaining 6 bridges ranged from a couple months overdue to about a year overdue. The Department showed that 3 of the overdue bridges (1 State, 2 local) have been inspected since the April 1, 2016 data download.

We could not make a determination about the timeliness of 26 Fracture Critical inspections for 11 bridges (decreased from 303 for 124 bridges in the previous examination). For these 26 inspections, the inspection date indicated that no Fracture Critical inspections had been completed yet. Ten of these 11 bridges are noted in the database as being the maintenance responsibility of an adjacent State. According to Department officials, these inspection reports have not been received from the adjoining state and have not been entered into the Illinois Structure Information System.

The Department's failure to comply with federal regulations regarding bridge inspections could result in a public safety risk. (Finding Code No. 2016-002, 2014-008)

RECOMMENDATION

We recommend the Department ensure bridge inspections are conducted within allowable intervals established by Federal regulations and Department policy.

DEPARTMENT RESPONSE

The Department agrees with the finding.

Routine Inspections

The Department will continue to stress the importance of timely inspections particularly to the local agencies. Monthly reports are sent to the owners of the structures to indicate when structures are coming due for inspection, or are currently delinquent for their last inspection. The web based Inspection Date Notification System is now available to allow the local agencies to enter the date of their last inspection in order for potential delinquencies to be better tracked. An on-call consultant has been retained by the Department to allow bridges to be inspected if a structure delinquency enters the third month after the inspection was due. Bridge inspection delinquencies are now at a historical low of 2.9%.

Additionally, conversations have occurred with the Federal Highway Administration about the possibility of having the inspecting agency identified in the border bridge agreements be the one to submit inventory and inspection information into the National Bridge Inventory. This would eliminate many problems with data inconsistencies between the two States. To date, the Department has not received approval to remove our reporting requirements for these "Border Bridges" that we do not inspect.

Special Inspections

The Department's web based Inspection Date Notification System is now available to allow the local agencies to enter the date of their last special inspection in order for potential delinquencies to be better tracked. An on-call consultant has been retained by the Department to allow bridges to be inspected if a structure delinquency enters the third month after the inspection was due.

The Department will continue to remind local agencies via email of the importance of the special inspections and will work to continue to reduce the delinquencies of these inspection types.

Underwater Inspections

The Department has had conversations with the Federal Highway Administration about the possibility of having the inspecting agency, for bridges that cross State lines, as the only one to submit inventory and inspection information into the National Bridge Inventory. This would eliminate many problems with data inconsistencies between the two States. To date, the Department has not received approval to remove our reporting requirements for these “Border Bridges” that we do not inspect.

The Department will continue to pursue obtaining a copy of the official bridge inspection reports performed by the adjoining State and to ensure that they are entered into the Illinois Structure Information System.

Fracture Critical Inspections

The Department will continue to stress the importance of fracture critical inspections to local agencies and remind them monthly, via e-mail, to ensure that inspections and data entry are accomplished within the required timeframes.

The web based Inspection Data Notification System is now available to allow the local agencies to enter the date of their last fracture critical inspection so that potential delinquencies can be better tracked. An on-call consultant has been retained by the Department to allow bridges to be inspected if a structure delinquency enters the third month after the inspection was due.

The Department has had conversations with the Federal Highway Administration about the possibility of having the inspecting agency, for bridges that cross State lines, as the only one to submit inventory and inspection information into the National Bridge Inventory. This would eliminate many problems with data inconsistencies between the two States. To date, the Department has not received approval to remove our reporting requirements for these “Border Bridges” that we do not inspect.

2016-003. FINDING (Inadequate controls over employee overtime)

The Illinois Department of Transportation (Department) did not maintain controls to ensure employees' overtime hours were appropriately documented.

According to Department records, the Department expended \$29,813,206 and \$38,705,662 on overtime during fiscal years 2016 and 2015, respectively.

	Fiscal Year 2016 Overtime Paid	Fiscal Year 2015 Overtime Paid
District 1	\$ 12,647,449	\$ 15,898,167
District 2	2,015,951	2,861,629
District 3	2,720,297	3,776,617
District 4	2,276,485	2,697,194
District 5	1,574,890	2,040,212
District 6	2,861,901	2,916,749
District 7	1,543,189	2,044,269
District 8	1,908,104	2,380,820
District 9	884,574	1,351,149
Central Office/Other	1,380,366	2,738,856
Total	<u>\$ 29,813,206</u>	<u>\$ 38,705,662</u>

We tested a sample of 15 employees who received between \$34,385 and \$63,259 in overtime pay during fiscal years 2016 and 2015 and reviewed six pay periods of their sign out sheets, overtime cards, when applicable, and the timekeeping system (TKS) balances. We noted the following during our review:

- Nine of 15 (60%) employees' overtime cards tested contained 19 instances where the overtime cards were signed by the supervisor in place of the employee attesting to the accuracy of the hours worked.
- One of 15 (7%) employees' overtime cards tested did not have a supervisor's signature approving the overtime card.

We also tested 35 employee overtime cards in November 2014 and October 2015. We noted 2 of 35 (6%) employees tested had discrepancies between their overtime records and TKS. Supporting documentation showed the employees logged 4 and 1.5 hours of overtime but the amounts were not recorded in TKS.

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

In response to this finding during the previous engagement, the Department stated it hired one Bridge Tender in fiscal year 2013 and five Bridge Tenders in fiscal year 2014; this additional staff would help reduce the need for overtime coverage of bridges. In addition, the Central Payroll Office would assist districts and offices in the efforts to recover any overpayments. The Department stated overpayments were referred to its Claims Office for offset when necessary. Exceptions related to those issues were not noted during the current engagement.

Related to the exceptions noted in the current engagement, Department management stated that in some instances, the employee and their supervisors failed to adequately review and record the overtime support. Additionally, the Department has certain operations which function 24 hours a day, seven days a week. The Department utilizes overtime for such operations until additional personnel can be hired through the State hiring process.

Failure to implement adequate controls over employee overtime increases the risk the Department will pay for services not rendered by the employees or will pay overtime when it is not necessary. (Finding Code No. 2016-003, 2014-009, 12-9, 10-7, 09-5, 08-24, 07-18)

RECOMMENDATION

We recommend the Department implement controls to ensure employee overtime is accurately documented and amounts paid are proper.

DEPARTMENT RESPONSE

The Department agrees with the finding.

The Department's Bureau of Personnel Management sent procedures to all Department timekeepers in February 2017 as a reminder to ensure overtime is appropriately documented in the timekeeping system and that overtime support includes the correct overtime hours worked, along with employee signature and supervisory approval. Additionally, the Department is in the process of filling positions of a critical nature in the hopes of reducing the Department's overall overtime totals.

2016-004. FINDING (Inadequate controls over State property)

The Illinois Department of Transportation (Department) did not maintain sufficient controls over its property and related records.

We physically examined 68 equipment items during our testing and noted the following:

- Three of 68 (4%) items tested, totaling \$129,946, were not able to be located by the Department during our observation. These items included a bookbinding machine, a radio control console and a retro reflectometer.
- Four of 68 (6%) items tested, totaling \$5,098, were deemed obsolete. These items included a lettering machine, telescope, time stamp machine and typewriter and were no longer utilized by the Department.
- One of 68 (1%) items tested, totaling \$100,000, was located during the inventory observation but could not be located on the property control listing. The item in question, a radio control console, was never added to the Department's property control records when purchased in 2005.
- Three of 68 (4%) items tested, totaling \$2,088, were observed in a different location than what was indicated on the inventory listing.
- One of 68 (1%) items tested, totaling \$509, had been sent to surplus but was not removed from the Department's property control records.

The Illinois Administrative Code (Code) (44 Ill. Adm. Code 5010.600 and 620) requires that State-owned equipment that is no longer needed be designated as transferrable and shall be reported to the Property Control Division of the Department of Central Management Services (DCMS). The State Property Control Act (Act) (30 ILCS 605/4) requires the Department to be accountable for the supervision, control and inventory of all property under its jurisdiction and control. In addition, the Act (30 ILCS 605/6.02) requires each responsible officer to maintain a permanent record of all items of property under his or her jurisdiction and control.

In response to this finding in the previous engagement, the Department stated it had enacted corrective measures addressing all the specific items identified in the previous audit. The Department stated it was also implementing several initiatives designed to strengthen controls and ensure accurate record keeping and accountability per the audit recommendation. The Department stated it was conducting a Department-wide "Special IT Inventory," designed to identify and remove obsolete IT equipment from its system and would plan to begin visiting all district locations to conduct property control training and perform equipment spot audits. Additionally, the Department stated it would continue to work with its partners at DCMS in an effort to improve communications involving vehicles/equipment sold at auction to local units. No exceptions were noted concerning vehicles/equipment sold at auction to local units during the current engagement.

Related to the exceptions noted during the current engagement, Department management stated, based on the acquisition dates of the items identified, these items were surplused many years ago without the input of the corresponding deletion entries into the inventory control system. For other items noted, including obsolete items, Department personnel failed to follow the property control rules. One item, purchased in 2005, was overlooked and not entered into the inventory control system. Other items were relocated without proper notification to property control staff, and one District item was involved in a trade that was never reported to property control staff for proper removal from inventory.

The failure to exercise adequate control over equipment increases the likelihood of inaccurate inventory records and the potential for fraud and possible loss or theft of State property. (Finding Code No. 2016-004, 2014-010, 12-11, 10-13, 09-14, 08-13, 07-16)

RECOMMENDATION

We recommend the Department implement procedures to strengthen controls over property and equipment and ensure accurate recordkeeping and accountability for all State assets.

DEPARTMENT RESPONSE

The Department agrees with the finding.

The Department has utilized BoBS Form 2277 to document the corrective action taken during property control reviews. The Property Control and Inventory Procedures Manual was updated and revised in 2016 to reflect all the redesigned processes. All Central Office and District property control staff have received training on the proper handling and disposal of state owned equipment. The Department will continue to remind applicable staff on the importance of documenting property control transactions correctly.

2016-005. FINDING (Inadequate controls over the administration of State vehicles)

The Illinois Department of Transportation (Department) did not have adequate controls concerning the proper completion of motor vehicle trip tickets, the reporting of vehicle accidents to the Department of Central Management Services (DCMS), the maintenance of State vehicles, calculating the fringe benefits of employees' personally assigned State vehicles, and ensuring all employees assigned a State-owned vehicle were duly licensed and insured.

We noted the following:

- During testing of vehicles and motor vehicle trip tickets, we noted the following exceptions:
 - Five of 25 (20%) vehicles tested had trip tickets that did not contain a supervisory approval signature.
 - One of 25 (4%) vehicles had trip tickets that did not include the vehicle inventory number or the license plate number.
 - Three of 25 (12%) vehicles had trip tickets that did not document beginning and ending vehicle mileage.
 - Two of 25 (8%) vehicles tested had trip tickets that did not show proof of the driver's acknowledgement of receipt or return of the vehicle.
 - Two of 25 (8%) vehicles tested had trip tickets that failed to include the purpose of the trip.
 - One of 25 (4%) vehicles tested had trip tickets that did not document the time the vehicle was checked in and out.
 - One of 25 (4%) vehicles tested did not have any vehicle trip tickets.

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

- Twenty-six of 40 (65%) vehicles tested did not have routine oil changes performed on a timely basis. These vehicles were driven from 336 to 15,979 miles after an oil change was required. One of the vehicles had no record of any oil changes being performed in one of the fiscal years tested.

We based the criteria for an oil change on schedules provided by DCMS as well as Department internal vehicle policies. The Illinois Administrative Code (44 Ill. Adm. Code 5040.410) requires agencies to have vehicles inspected by DCMS or an authorized vendor at least once per year or as required by law and to maintain vehicles in accordance with schedules provided by DCMS or with other schedules acceptable to DCMS that provide for proper care and

maintenance of special use vehicles. Failure to adequately maintain vehicles can cost the State significant amounts in future years through additional repair bills and shortened useful lives for vehicles.

- During testing of 40 reported accidents involving State-owned vehicles, we noted the following exceptions:

Exception Noted on Tested Accident	Quantity	Days Late
Accident not reported to DCMS on Form SR-1 on a timely basis	7	6 to 373
Form SR-1 not signed in a timely manner	2	22 to 379
Form SR-1 did not have a dated signature; thus we could not verify form was completed within 3 days as required	2	N/A
Form SR-1 not signed by driver	8	N/A
Accident occurred and no Form SR-1 was filed as required	6	N/A
Total	25	

The Illinois Administrative Code (44 Ill. Adm. Code 5040.520) requires the Motorist's Report of Illinois Motor Vehicle Accident Form (Form SR-1) to be completed as soon as possible and submitted to the office of the current insurance carrier. In no case is this report to be completed later than three days following an accident. The DCMS policy manual requires all accidents to be reported to the Division of Risk Management within seven days to ensure coverage under the State auto liability plan. The Department's Personnel Policies Manual requires a copy of the incident report to be forwarded to the Office of Chief Counsel, Bureau of Claims, within 24 hours of the occurrence of the mishap.

- During our testing of 25 employees assigned a State vehicle, we noted instances where the Department had incorrectly calculated employee fringe benefits for 4 (16%) employees tested. The Department overcharged a total of \$27 and undercharged \$27. In addition, the fringe benefits provided to 7 of 25 (28%) employees tested could not be verified because the employee personal vehicle usage logs provided contained inaccurate, unverifiable, or incomplete information. The Internal Revenue Service's (IRS) Employer's Tax Guide to Fringe Benefits (Publication 15-B) states that any commute that an individual makes with an assigned vehicle is considered a fringe benefit and is to be valued at \$1.50 per one-way commute, or \$3 per day. Fringe benefits are to be included in the employee's payroll.
- Four of 25 (16%) employees tested that were assigned a State-owned vehicle failed to submit the annual liability and licensure certification. The Illinois Vehicle Code (625 ILCS 5/7-601(c)) requires employees assigned a specific State-owned vehicle on an ongoing basis to provide annual certification to the Chief Executive Officer affirming the employee is duly licensed to drive the assigned vehicle and that the employee has liability insurance coverage extending to the employee when the assigned vehicle is used for other than official State business. The certification shall be provided during the period July

1 through July 31 of each calendar year or within 30 days of any new assignment of a vehicle, whichever is later.

In response to this finding from the previous engagement, the Department stated it had implemented the electronic Vehicle Trip Ticket (VTT) system to correct many of the issues cited. The Department also responded, related to the routine maintenance system, its new system would allow it the flexibility in data entry that would correct many of the issues addressed in the finding. In addition, a teleconference had been scheduled with the appropriate business areas that would include discussions regarding the importance of following the property maintenance schedule for Department fleet, approving all repair charges to Department vehicles, timeliness in filing accident reports and ensuring that each individually assigned vehicle driver was properly licensed and insured. The Department also stated it had recently changed the process for reporting commutes. It stated this would be addressed at the teleconference as well. As to the late reporting to DCMS, the Department stated they have been extremely aggressive in monitoring compliance by: utilization of tool box safety topics on accident reporting requirements; formal presentations on accident reporting; and developing, printing and placement of “VEHICLE ACCIDENT/INCIDENT REPORTING” posters at each work location. The Department stated these efforts would continue.

Related to the exceptions noted in the current engagement, Department management stated, for incomplete vehicle trip tickets, the Districts and some Bureaus outside of the Central Office use their vehicles primarily for short term situations. The paper hardcopy trip tickets were used in these instances, rather than the automated vehicle trip tickets, which led to the errors noted. The automated vehicle trip tickets contain controls which prevent the incompleteness of the form. Regarding the auto liability reporting to DCMS, the reporting delays were due to the employees and supervisors delivering the SR-1 forms late to District claims offices. For overdue service intervals, it is the responsibility of each Bureau/District Vehicle Coordinator to ensure that such services are performed timely. However, in the instances noted, employee on-site work demands, unavailability of the DCMS garage (due to DCMS staff and garage scheduling conflicts), and confusion over service interval thresholds (5,000 miles versus 4,000 miles for service) led to the overdue service. In the instances of incorrect fringe benefits, this was due to a lack of understanding by employees regarding the procedures used in the calculation of the employee fringe benefits. Related to the failure to submit the annual liability and licensure certification, Department management stated the exceptions were due to confusion over the required submission dates and oversight on completing the new forms.

Failure to adequately maintain controls over the administration of State vehicles represents noncompliance with State and Department vehicle requirements and could increase the State’s potential liability and risk of loss. (Finding Code No. 2016-005, 2014-013, 12-12, 10-11, 09-8, 08-8, 07-12)

RECOMMENDATION

We recommend the Department continue to develop and implement procedures which create stronger controls over its vehicles. We recommend the procedures encompass the responsibilities incumbent upon employees at both the District and Central Office levels if they utilize Department vehicles and address compliance, recordkeeping, maintenance, and accountability.

DEPARTMENT RESPONSE

The Department agrees with the finding.

The Department's Fleet Unit will begin the practice of sending monthly reminders to all vehicle contacts reminding them of the importance of adhering to the Department's preventive maintenance schedules. Additionally, the monthly notice will remind Department staff to review the accuracy and timeliness of mileage, repairs, and fuel receipt documentation entered into the Maintenance Information System (MMIS).

The Department's Bureau of Claims is in the process of updating the Claims Policies and Procedures Manual. This update will be completed July 1, 2017. As part of this update, the importance of timely submittal of documentation will be stressed to both District claims personnel and to all Department employees.

2016-006. FINDING (Inadequate controls over accounts receivable)

The Illinois Department of Transportation (Department) did not have adequate controls over the recording of accounts receivable and their collectability in its accounting records. We also noted weaknesses in the reporting of accounts receivable to the Illinois Office of the Comptroller (Comptroller).

During our testing of the Department's delinquent accounts receivable, we noted the following:

- The Department did not send demand letters for 3 of 40 (8%) delinquent invoices tested totaling \$1,084,753. The Department sent demand letters for 18 of 40 (45%) delinquent invoices tested totaling \$490,950 from 2 to 600 days late.
- The Department did not refer 2 of 40 (5%) receivables totaling \$1,005,150 to its Bureau of Claims. The Department referred 4 of 40 (10%) receivables tested totaling \$262,707 to its Bureau of Claims from 63 to 480 days late.
- Two of 40 (5%) receivables tested totaling \$1,005,150 lacked documentation they were being referred to the Comptroller's Offset System.

Department management stated the protocol of the Districts notifying the Bureau of Claims regarding the items noted did not occur and, therefore, the Department's Bureau of Claims could not process the delinquent accounts receivable. Additionally, if the Districts do not submit required information to the Bureau of Claims, then demand letters cannot be processed accordingly or referrals to the Comptroller's Offset System cannot occur.

During our testing of the Department's reporting of accounts receivable to the Comptroller's Office, we noted the following:

- At June 30, 2015, on the Quarterly Summary of Accounts Receivable - Accounts Receivable Activity (Form C-97), the Department improperly reported \$3,829 accounts receivable balance in the State Construction Account Fund as aged 91-180 days when it should have been reported as aged 31-90 days. Department management stated the process for compiling the data for these reports is manual, and the incorrect aging of the receivable was due to a transposition error.
- At June 30, 2015, we noted a difference of \$139,000 between the Quarterly Summary of Accounts Receivable Aging of Total Gross Receivables (Form C-98) and Quarterly Summary of Accounts Receivable Collections Activity for Accounts over 180 Days Past Due (Form C-99). Department management stated the difference was due to the Department's failure to include the Road Fund's reconciling items and the omission of the Air Transportation Revolving Fund's receivable when preparing the Form C-99.

The Comptroller's Statewide Accounting Management System (SAMS) Manual (Procedure 26.40.10) requires each agency to individually pursue all reasonable and appropriate procedures available to the agency to effectuate collection of past-due accounts. SAMS (Procedure 26.40.20) further requires agencies to place all debts over \$250 and more than 90 days past-due in the Comptroller's Offset System. The Department's Revenue Accounting Procedures (RAP) Manual, Chapter 4(3)(C) states that it is the responsibility of each District and Central Bureau

to develop and implement their own collection policies and procedures. The RAP manual also provides the example of sending 3 demand letters at 30 day intervals. SAMS (Procedures 26.30.10 through 26.30.50) requires the Department to file quarterly accounts receivable reports with the Comptroller's Office. These reports consist of agency reports to the Comptroller summarizing receivable activity, aging of receivables and estimating of uncollectible and collections activity on a quarterly basis.

In response to this finding from the previous engagement, Department management stated the Department was in the process of developing a revenue and receivables software program. The Department stated the program would improve communications between several different areas with shared responsibilities in the receivables process.

Failure to accurately record accounts receivable leads to incorrect financial records and noncompliance with SAMS. Failure to follow-up on delinquent accounts in a timely manner may result in the delay or loss of revenue to the State. (Finding Code No.2016-006, 2014-016, 12-16, 10-19, 09-16, 08-16)

RECOMMENDATION

We recommend the Department develop and implement procedures to accurately report accounts receivable to the Comptroller's Office. In addition, we recommend the Department develop and implement procedures to ensure delinquent accounts are monitored and collected uniformly throughout the Department and in accordance with SAMS.

DEPARTMENT RESPONSE

The Department agrees with the finding.

The Department's Bureau of Claims will remind its staff of the importance of maintaining the timing of demand letters through a tickler file. The Claims procedural manual is currently under review and should be completed by June 2017.

Additionally, the Department's Office of Finance & Administration has implemented a reconciliation between the C-98 and the C-99 forms in order to prevent any potential misstatements when reporting to the Illinois Office of the Comptroller. The C-97, C-98, and C-99 forms will be reviewed by appropriate staff independent of the preparation of the forms.

2016-007. FINDING (Noncompliance with reporting requirements)

The Illinois Department of Transportation (Department) did not adhere with various reporting requirements established by State law.

During our testing we noted the following:

- The Public Private Agreements for the Illiana Expressway Act (605 ILCS 130/60(d)) (Act) requires at least 30 days prior to the beginning of the Department's fiscal year the Department to prepare an annual written progress report on the Illiana Expressway project. The Act further states the report shall be delivered to the Procurement Policy Board and each county, municipality, and metropolitan planning organization whose territory includes or lies within five miles from a proposed or existing Illiana Expressway project site. The Department provided the reports due in fiscal years 2015 and 2016 but was unable to provide evidence of submission to the entities as outlined in the Act. Department management stated, due to staff turnover in the Department's Office of Legislative Affairs, the Illiana Expressway Report was not submitted to the Procurement Policy Board and related areas within the five mile radius of the expressway.
- The LaSalle County Transportation Study Act (20 ILCS 2725) (Act), as amended by Public Act 99-400, required the Department to conduct a transportation study on the effects of agricultural, manufacturing, mining and other industrial operations in LaSalle County and bordering counties and submit a report on the studies no later than January 1, 2016. The report was required to include various information regarding the study including recommendations as to whether further legislation or rulemaking is needed to regulate industrial transportation in the State of Illinois. The Department finalized a report on June 28, 2016; however, the report was not submitted to the General Assembly. Further, the report created failed to include recommendations as to whether further legislation was needed to regulate transportation. Department management stated the finalization of the report in June 2016 was due to the State of Illinois budget impasse. Funding was unavailable for payment to the consultant working with this study. Therefore, work had not progressed in order to meet the January 1, 2016 submission date. Once payment was available, work progressed and the report was completed. Failure to include recommendations about further legislation was due to the group working with the study being unaware of the requirement about the recommendations.
- The Civil Administrative Code of Illinois (20 ILCS 2705/2705-215(c)) requires the Department to prepare reports outlining the successes, failures, and progress in achieving implementing cooperative programs promoting efficient service and conservation of capital investment and energy. The reports are to be submitted to members of the General Assembly by March 1 of each year and include identifications of problems as well as the Department's recommendations. The Department failed to submit these reports in fiscal years 2015 and 2016. Department management stated, in prior years, the Office of Planning and Programming would submit a coordination report to the General Assembly by the March 1st due date. The Office of Planning and Programming would contact the Office of Intermodal Project Implementation to obtain the public

transportation needs information to be included in the coordination report. Due to an oversight, the calendar year coordination report, including information regarding public transportation needs, was not submitted for calendar year 2014 and calendar year 2015.

In response to this finding from the previous engagement, the Department stated it would ensure the appropriate business areas are aware of the reporting requirements, due dates and intended audience for mandatory reporting under State law. The Department stated it would ensure there was adequate support to document the submittal of these mandatory reports. A browser-based site had been developed to assist with these functions.

In the previous engagement, this finding cited the Department for noncompliance with the Civil Administrative Code of Illinois (Department of Transportation Law) (20 ILCS 2705/2705-605) which required the Department to develop and publish a policy for the notification of members of the public prior to the commencement of construction projects which impact their communities and further stated the policy was to be completed and published on the Department's website by January 1, 2013. That statute had no further applicable requirements in the current engagement period. In addition, this finding further cited the Department for failing to comply with the Civil Administrative Code of Illinois (Department of Transportation Law) (20 ILCS 2705/200) which requires the Department to publish and deliver to the Governor and General Assembly by December 31, 2012 and every 5 years thereafter a Master Plan for highway, waterway, aeronautic, mass transportation, and railroad systems. The Department published the Master Plan for highway, waterway, aeronautic, mass transportation and railroad systems late in the previous engagement period but could not provide evidence it was formally delivered to the Governor and General Assembly. Compliance with this statute could not be tested during the current engagement period as the report is not due again until December 31, 2017.

Failure to timely submit a statutory required report or study is noncompliance with a statutory mandate and lessens governmental oversight. (Finding Code No. 2016-007, 2014-017)

RECOMMENDATION

We recommend the Department implement a control structure which includes procedures to ensure compliance with statutory reporting requirements.

DEPARTMENT RESPONSE

The Department agrees with the finding.

The Department is currently working on an action plan in order to create a better tracking system for the assignment and filing of the Illiana Expressway annual report.

Even though the LaSalle County Transportation Study report was not completed timely nor submitted to the General Assembly during the audit period, the Department was notified that the LaSalle County Transportation Study Act (20 ILCS 2725) was repealed via Public Act 099-400 effective January 1, 2017.

The Department's Office of Intermodal Project Implementation has filed the 2016 public transportation cooperative report by the March 1, 2017 deadline. Department staff has instituted a calendar reminder to ensure the report will be filed timely in the future.

2016-008. FINDING (Failure to control outdoor advertising)

The Illinois Department of Transportation (Department) did not comply with its written procedures and laws that control the outdoor advertising adjacent to the primary and interstate highways during the engagement period.

We noted the Department could not provide evidence they notified illegal sign owners by certified mail for 23 of 40 (58%) signs tested. The Department's records noted these signs were illegal based upon its inventory along controlled routes.

The Highway Advertising Control Act of 1971 (Act) (225 ILCS 440/1 et seq.) requires the Department to regulate outdoor advertising, signs, displays, and devices in areas adjacent to highways. The Act (225 ILCS 440/10) requires signs declared to be unlawful and a public nuisance to be removed or brought into compliance by the owner within 30 days after receipt of notice by certified mail by the Department. It further requires the Department to remove and dispose of illegal signs. The Illinois Administrative Code (Code) (92 Ill. Adm. Code 522) establishes rules concerning the control of outdoor advertising adjacent to primary and interstate highways. The Code (92 Ill Adm. Code 522.140) requires the Department, when a sign has been found to be unlawful and not brought into compliance as required within 30 days, to sell, remove or paint all unlawful signs or seek a court order to force abatement by the sign owner. The sign owners are then required to reimburse the Department for all costs incurred.

Department management stated inefficient oversight and implementation of the Outdoor Advertising Control Program over the previous 20 plus years prior to program centralization has led to a proliferation of illegal advertising signs throughout the State. The more efficient processes enacted subsequent to the centralization of the program has led to the identification of a few thousand illegal signs Statewide. The quantity and breadth of diversity of the illegal signs has led to a delay of sending notices to their owners.

The failure to ensure highway signs are legal and obtain the proper ownership documentation is noncompliance with the Code. (Finding Code No. 2016-008)

RECOMMENDATION

We recommend the Department notify the sign owners of the signs determined to be illegal based upon current statutory and Code guidance as required or seek appropriate legislative or Code remedy.

DEPARTMENT RESPONSE

The Department agrees with the finding.

The Department failed to ensure signs along controlled highways are legal and to obtain the proper ownership documentation as statutorily mandated. Several years ago, the Department contracted with a consultant to inventory statewide the signs along controlled routes. Currently, there are 7,682 signs considered potentially illegal. Types of illegal signs inventoried range from very large billboards, as large as over 5,000 Sq. Ft., to small service club or religious signs, typically 8 Sq. Ft. or less.

The Department has been working the past year in response to a joint Federal Highway Administration and Department Process Review on the Department's outdoor advertising control program from 2015, where the Department outlined an action plan that we find also addresses this subject audit finding as well. The Department developed and has been working on a tiered approach, based in part on the action plan, and involves the following: 1) streamline Department policy and procedures, 2) update the Federal-State Agreement regarding control of outdoor advertising, 3) contact outdoor advertising stakeholders for comments, 4) start to remove illegal signs, 5) hire additional Department staff with primary focus on illegal sign compliance and ownership documentation, and finally to recommend updates to State legislation and administration rules that govern the Department's regulation to control outdoor advertising.

In regards to the removal of illegal signs, the Department is first focusing on the removal of the signs that will not be affected by proposed legislation and administration rule changes, with removal of some signs starting in 2017. In regards to signs that may be affected by legislation and administration rule changes (whereby a potentially illegal sign may be legal after regulation updates) the Department has decided not to pursue removal at this time, and to focus attention on the regulation updates first. In regards to proper ownership documentation, the Department will begin to review and work with sign owners on the documentation needed starting in 2017.

The Department is hiring two additional staff this spring of 2017, to assist in the Outdoor advertising section. Their primary focus will be to assist in further identifying and processing the illegal signs, by either bringing the signs into compliance or removing them.

The Department, through the Office of Program Development, Bureau of Land Acquisition, is striving to improve the Outdoor Advertising Control Program by streamlining processes, updating regulations and hiring additional staff to greatly reduce the number of illegal signs and obtain the proper ownership documentation as statutorily mandated. The Department's goal is to have the mechanisms, policies and regulations in place by 2018, pending legislative, administrative and Federal Highway Administration concurrence, to efficiently regulate outdoor advertising and expeditiously remove illegal signs as required by Federal and State Law.

2016-009. FINDING (Statutory noncompliance noted in the Disadvantaged Business Revolving Loan and Grant Program)

The Illinois Department of Transportation (Department) did not ensure compliance with the Civil Administrative Code of Illinois (Department of Transportation Law) (Code) concerning the Disadvantaged Business Revolving Loan and Grant Program during the engagement period.

Our testing noted the following noncompliance in the Disadvantage Business Revolving Loan and Grant Program:

- The Code (20 ILCS 2705/2705-610(c)) requires the Department to notify the prime contractors on a project when a subcontractor on the same project has been awarded a loan from the Working Capital Revolving Loan Fund. During the engagement period, there were three loans to subcontractors which were awarded from the Working Capital Revolving Loan Fund. In all three instances, the Department failed to notify the prime contractor on a project that the subcontractor on the same project was awarded a loan.
- The Code (20 ILCS 2705/2705-610(n)) requires the Department by January 2014 and January 1 of each succeeding year, to report to the Governor and General Assembly on the utilization and status of the revolving loan program. We noted the Department failed to provide evidence the reports for both fiscal years 2015 and 2016 were submitted to the Governor and General Assembly.

Department management stated, due to the vacancy of the Director of the Business Workforce Diversity position, no reports were prepared and prime contractors were not notified of the granting of subcontractor loans.

The failure to notify prime contractors on a project when the subcontractors on the same project had been awarded a loan from the Working Capital Revolving Loan Fund and the failure to ensure required reports were filed resulted in noncompliance with the Code. (Finding Code No. 2016-009)

RECOMMENDATION

We recommend the Department develop procedures to notify primary contractors on a project when the subcontractors on the same project have been awarded a loan from the Working Capital Revolving Loan Fund and ensure reports are filed, as required, on the status of the revolving loan program.

DEPARTMENT RESPONSE

The Department agrees with the finding.

However, the Department feels the program has not met the needs of the Disadvantaged Business Enterprise contractors and is currently pursuing the appropriate changes to the program. The last loan to date under the program was made in September 2014. In August 2016, the Department was notified by the program's lending institution that it would like the option of resigning as the DBE Loan Program escrow agent. Subsequently, in February 2017, the Department was informed by the lending institution that it was closing its trust

department and has undergone receivership. Because of these issues, there have been no loans for the committee to oversee and therefore the Department has not made any additional appointments to the committee. Additionally, per 20 ILCS 2705/2705-610(o), the Department's authority to execute additional loans expires on June 1, 2018.

In April 2016, the Department hired an individual to oversee the utilization and status of the revolving loan program. The individual will be responsible for providing the reports and documentation to the Governor's Office and General Assembly.

PRIOR FINDINGS NOT REPEATED

A. FINDING (Inaccurate commodities inventory records)

During the previous audit, the Department of Transportation (Department) did not maintain accurate commodities inventory records for the year ended June 30, 2015. Specifically, we noted discrepancies between the audited test counts and the Department's inventory quantities reported on its financial statements. In addition, we noted inaccurate costs in our inventory price testing. In total, the audit procedures applied to inventory as reported by the Department identified a likely understatement of inventory of approximately \$6 million at June 30, 2015. The Department did not adjust its financial statements for these errors as they were considered immaterial to its overall financial statements.

During the current audit, our sample testing noted discrepancies between audited test counts and the Department's inventory quantities reported on its financial statements and inaccurate costs in relation to inventory price testing. However, the discrepancies noted were less in quantity and magnitude, and the results of the testing performed indicated significant progress had been made in addressing the issues noted in the previous findings. As a result, this finding was moved to the Report of Immaterial Findings. (Finding Code No. 2015-001, 2014-001, 2013-002, 12-2, 11-2, 10-2, 09-2, 08-2, 07-3, 06-4, 05-12, 04-4, 03-5, 02-9, 00-4, 99-5, 98-4, 96-7, 94-6)

B. FINDING (Weaknesses in reporting of capital assets)

During the previous audit, the Department restated the governmental activities net position as of June 30, 2014 by \$55 million because it determined it failed to report a land purchase related to the South Suburban Airport that occurred during fiscal year 2014. The land totaled \$25 million and the building \$22 million, for a combined total of \$47 million. The Department determined it had also failed to report infrastructure additions relating to roadway work involving railways that had been completed in prior years. The total infrastructure additions amounted to \$8 million. In addition, the Department failed to accurately report infrastructure deletions and accumulated depreciation. Infrastructure deletions were understated by \$201 million, which caused capital assets to be overstated by \$201 million on the financial statements. Infrastructure accumulated depreciation was understated by \$15 million. The Department corrected the error by reducing its capital assets by \$186 million and revising its capital asset records and financial statements accordingly at June 30, 2015. Finally, while testing construction-in-progress, we noted the Department failed to accurately calculate current year additions to construction-in-progress resulting in a capital asset understatement of \$6 million. The Department corrected this error by revising their financial statements and increasing capital assets by \$6 million at June 30, 2015.

During the current audit, our sample testing of the Department's capital assets did not show any of the errors noted in the previous audit. In addition, none of the misstatements identified, as a result of the current audit testing of the Department's capital assets, were required to be posted to the passed effects schedule for possible analysis or consideration of any audit adjustment to the Department's financial statements. As a result, the prior finding was not repeated. (Finding Code No. 2015-002, 2014-002, 2013-003, 12-3, 11-3, 10-3, 09-3)

C. **FINDING** (Inadequate process to monitor interagency agreements)

In the previous engagement, the Department's process to monitor interagency agreements was inadequate. We noted 3 of 17 (18%) agreements tested were not signed by all parties prior to the effective date. For 8 of 12 (67%) tested agreements entered into with other agencies for the sharing of employee services ("liaisons"), neither performance evaluations nor timesheets were available for review. The Department was unable to provide a complete listing of interagency agreements to the auditors. Finally, the Department did not comply with certain requirements of an interagency agreement with the Illinois Commerce Commission when disbursing payments for a Grade Crossing Protection Fund project.

During the current engagement, we did not note any exceptions concerning agreements entered into with other agencies for the sharing of liaisons. In addition, we noted the Department complied with the requirements of the interagency agreement related to the Illinois Commerce Commission and the Grade Crossing Protection Fund project. As a result, this finding was not repeated. (Finding Code No. 2014-006, 12-7, 10-6, 10-14, 09-7, 08-20, 07-13)

D. **FINDING** (Weaknesses in contract administration)

In the previous engagement, the Department failed to ensure proper controls were established in the administration of its contracts. Our testing revealed weaknesses concerning the improper execution of contracts; the Department being unable to provide evidence the vendor performed the services under contract; and the Department failing to publish the award notice on the Illinois Procurement Bulletin.

During the current engagement, our sample testing did not result in any exceptions concerning the Department's contract administration. The Department was able to provide evidence for all items requested; contracts tested were properly executed; and awards were published in the Illinois Procurement Bulletin as required. As a result, this finding was not repeated. (Finding No. 2014-007, 12-8)

E. **FINDING** (Inadequate controls over computer equipment)

In the previous engagement, the Department was unable to locate computer equipment. In its Annual Certification of Inventory Reports submitted to the Illinois Department of Central Management Services, the Department reported 629 pieces of missing computer equipment in calendar year 2012 and 152 pieces in calendar year 2013.

During the current engagement, the Department reported significantly fewer items of missing computer equipment in calendar years 2015 and 2014. As a result of this significant decrease, this finding was not repeated. (Finding Code No. 2014-011)

F. **FINDING** (Failure to maintain control over wireless communication devices)

In the previous engagement, the Department did not provide evidence of the alignment of wireless communication devices with employee job duties, did not maintain an accurate listing of employees who had wireless communication devices, and failed to cancel such devices in a timely manner.

During the current engagement, the Department implemented corrective action concerning documenting the alignment of wireless communication devices with employee job duties and maintaining an accurate listing of employees who had wireless communication devices. Exceptions were noted concerning the failure to cancel such devices in a timely manner; however, the number of exceptions were less than those in the previous engagement. As a result, this finding was moved to the Report of Immaterial Findings. (Finding Code No. 2014-012)

G. **FINDING** (Inadequate controls to prevent inappropriate payments to vendors)

During the previous engagement, the Department did not have adequate controls to prevent inappropriate payments to vendors.

During the current engagement, exceptions were noted; however, the number was reduced and the Department had implemented corrective action to more effectively identify duplicate payments. As a result, the finding was moved to the Report of Immaterial Findings. (Finding Code No. 2014-014, 12-15, 10-12, 09-13, 08-12, 07-5)

H. **FINDING** (Weaknesses related to the deposit, support, and approval of receipts)

During the previous engagement, the Department did not timely deposit, maintain adequate documentation, or have adequate controls over the approval of receipt remittance statements.

During the current engagement, we did not note exceptions concerning adequate documentation or the approval of receipt remittance statements. Exceptions were noted concerning the timely deposit of receipts, but the number of exceptions were less than those previously noted. As a result, the finding was moved to the Report of Immaterial Findings. (Finding Code No. 2014-015, 12-17, 10-17, 09-15, 08-15, 07-17)

I. **FINDING** (Failure to comply with the Identity Protection Act)

During the previous engagement, the Department failed to implement the provisions of the Identity Protection Act (5 ILCS 179/37) (Act). The Department was continuing to finalize, approve, and implement the required policy. At the time of our testing, the Department stated it had taken longer than anticipated to draft the policy and implement the requirements of the Act.

During the current engagement, the Department drafted and approved an identity protection policy which included the items required by the Act. As a result, this finding was not repeated. (Finding Code No. 2014-018, 12-13)

J. **FINDING** (Inadequate monitoring of motor fuel tax expenditures)

During the previous engagement, the Department failed to adequately monitor motor fuel tax expenditures. During our testing of motor fuel tax expenditures, we noted the Department had not fully implemented a comprehensive monitoring process that considered all counties in the population to be monitored and had not documented the entire monitoring process.

During the current engagement, the results of our testing indicated the Department had implemented a comprehensive monitoring process that considered all counties in the population to be monitored and had documented this process. As a result, this finding was not repeated. (Finding Code No. 2014-019)

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
STATUS OF MANAGEMENT AUDITS
For the Two Years Ended June 30, 2015 and 2016

As part of the fiscal year 2015 and 2016 compliance examination of the Illinois Department of Transportation (Department), we followed up on the status of the following management audits initially performed by the Office of the Auditor General:

- Management audit of the Department's Aeronautics Operations (Released January 2007);
- Management audit of the State's Business Enterprise Program and the Department's certification of businesses as Disadvantaged Business Enterprise (DBE) program through the Illinois Unified Certification Program (ILUCP) (Released June 2006);
- Management and Program audit of the Department's Traffic Safety Programs (Released March 2006); and,
- Management audit of the Department's Life-Cycle Cost Analysis for road construction contracts pursuant to Legislative Audit Resolution Number 140 (Released May 2012).

This is the seventh time follow-up has been conducted for the management audits of the Department's Aeronautics Operations and DBE program. This is the eighth time follow-up has been conducted for the recommendations contained in the management and program audit of Traffic Safety. This is the second time a follow-up has been conducted for the management audit of the Department's Life-Cycle Cost Analysis for road construction contracts. The follow-up we conducted was only for those recommendations that have not been fully implemented by the Department in prior years. The exhibit on the following page summarizes the recommendations from these audits that have not been fully implemented and the status of those recommendations. A more detailed summary of each recommendation and its status is also included on the following pages.

STATUS OF PAST MANAGEMENT AUDIT RECOMMENDATIONS

Fiscal Year 2016 and 2015 Compliance Examination

Audit	#	Recommendation Description	Status		
			Implemented	Partially Implemented	Not Implemented
Aeronautics	2	Review Rates Charged to Users	X		
Aeronautics	4	Flight Requests Made in Writing	X		
DBEs	18	Certification and Timeliness	X		
DBEs	21	Tracking and Decertification	X		
Traffic Safety	2	DTS Staffing and Organization	X		
Traffic Safety	9	Maximizing Federal Reimbursements		X	
Traffic Safety	10	Efficiency and Effectiveness Reviews	X		
Life-Cycle Cost Analysis	1	Compliance with Statutory Requirements		X	
Life-Cycle Cost Analysis	3	Unit Cost Documentation	X		
Life-Cycle Cost Analysis	5	Review of LCCA's	X		
Life-Cycle Cost Analysis	6	Pavement Selection Committee	X		
TOTAL			9	2	

Source: Summary of follow-up of past performance audits on the following pages.

Illinois Department of Transportation’s Aeronautics Operations

The Illinois Office of the Auditor General (OAG) conducted a management audit of the Illinois Department of Transportation’s (Department) Aeronautics Operations pursuant to Legislative Audit Commission Resolution Number 135. The audit was released in January 2007 and contained 6 recommendations to the Department. Four of the recommendations (#1, #3, #5 and #6) had been implemented prior to this follow-up. The remaining recommendations are listed below.

Summary of Recommendation Status As of June 30, 2016			
Recommendations	Implemented?		
	Yes	Partially	No
Review Rates Charged to Users	X		
Flight Requests Made in Writing	X		
Total	2	0	0

Recommendation 2 – Review Rates Charged to Users

The Department should develop a written policy that requires a periodic review of its rates charged to users of the State’s aircraft. The Department should also develop a methodology to set the rates charged to users and determine the costs that should be recovered. If the Department develops a rate that does not recover the full cost of operating the State’s aircraft, the full cost information should be made available so that it will make transparent the amount of subsidy involved in providing aircraft services.

Status – Implemented

The Department has developed an aircraft cost analysis worksheet which was completed annually during fiscal years 2015 and 2016. Department policy during fiscal years 2015 and 2016 required that the aircraft cost analysis be completed by September 15 of each year and that information on costs and a recommendation regarding rates charged to users be forwarded to the Secretary of Transportation by October 1 of each year. During fiscal years 2015 and 2016, aircraft costs analyses were completed and communicated to the Director of Aeronautics September 1, 2016 and September 19th, 2016, respectively. The Department updated the policy that requires the aircraft cost analysis be completed by October 1 of each year and information on costs and recommendations regarding rates charged to users be forwarded to the Secretary of Transportation by November 1 of each year, and the policy was effective October 1, 2016. The information is available upon request from the Department’s Division of Aeronautics.

Recommendation 4 – Flight Requests Made in Writing

The Department should ensure that all flight requests are made in writing as required by statute or seek legislative change to alter the requirement.

Status – Implemented

Flight requests are documented using the I.D.O.T. Passenger Manifest (Manifest), which lists the passenger name, itinerary, code, and signature. On the face of the Manifest is a statement which reads, “Your signature serves as the official written request for the above referenced flight(s). Unless otherwise noted, your signature also attests to travel on “Official State Business” (reference 20 ILCS 2705/2705-225).” All passengers utilizing the State aircraft, when the State aircraft is in use, must sign the Manifest.

Disadvantaged Business Enterprise Program

The Illinois Office of the Auditor General (OAG) conducted a management audit of the Illinois Department of Transportation's (Department) Disadvantaged Business Enterprise (DBE) program pursuant to Senate Resolution Number 102. The audit was released in June 2006 and contained 6 recommendations to the

Summary of Recommendation Status As of June 30, 2016			
Recommendations	Implemented?		
	Yes	Partially	No
Certification and Timeliness	X		
Tracking and Decertification	X		
Total	2	0	0

Department. Four of the recommendations in the original audit (#16, #17, #19, and #20) had been implemented prior to this follow-up. The remaining recommendations are listed below.

Recommendation 18 – DBE Certification Timeliness

The Department should take the steps necessary to complete certifications within required timeframes. Furthermore, controls should be implemented so that officials can effectively monitor the timeliness of certifications and the certification analyst assigned.

Status – Implemented

The Department improved the timeliness of processing certifications. In our testing of the 10 sampled DBE certification files (firms certified for the first time during fiscal year 2015 or fiscal year 2016), the time period between the date of the completed application, meaning all of the required information had been received as noted in the file, and the decision date had been reduced to be within the 90 day time frame. The time period between the date the initial application was received and the decision date was also under the 90 day time frame. Of the 10 firms sampled, all of the firms were within the 90 day time frame from the date the completed application was received and were also within the 90 day time frame, from the date the initial application was received. For these firms, the time to complete the certification ranged from 13 to 62 days.

Recommendation 21 – DBE Tracking and Decertification

The Department should more closely track when No Change Affidavits (NCAs) and Continuing Eligibility Affidavits (CEAs) are due and decertify vendors that do not file the required applications and affidavits in a timely manner.

Status – Implemented

CEAs were phased out by the Federal Government on January 1, 2015. The Department's tracking of NCAs and CEAs improved. DBEs are required to submit NCAs annually for four years after certification. We reviewed 10 DBE files for the appropriate NCAs or CEAs as required in fiscal year 2015 and only NCAs in fiscal year 2016. All of the sampled NCA's were filed timely (between 1 and 10 days).

Illinois Department of Transportation’s Traffic Safety Programs

The Illinois Office of the Auditor General (OAG) conducted a management and program audit of the Illinois Department of Transportation’s (Department) Traffic Safety Programs pursuant to Legislative Audit Commission Resolution Number 129. The audit was released in March 2006 and contained a total of 11 recommendations to the Department. Follow-up conducted in prior years for these recommendations concluded that 3 of the 11 original recommendations had not been fully implemented (recommendations #2, #9, and #10). These recommendations are listed below.

Summary of Recommendation Status As of June 30, 2016			
Recommendations	Implemented?		
	Yes	Partially	No
DTS Staffing and Organization	X		
Maximizing Federal Reimbursements		X	
Efficiency and Effectiveness Reviews	X		
Total	2	1	0

Recommendation 2 – Department of Traffic Safety (DTS) Staffing and Organization

The Department should:

- *Clarify the lines of authority and responsibility in the organization and update the organizational charts and program descriptions; and*
- *Determine what qualifications and educational experience are required for positions within DTS.*

Status – Implemented

The DTS was eliminated in February 2016 during a Department-wide reorganization. The staff in the legacy DTS were moved to five other functional areas of the Department to increase the effectiveness and emphasis of safety programs at a Department-wide level. As a result, this recommendation is no longer germane to the Department’s organizational structure.

Recommendation 9 – Maximizing Federal Reimbursements

The Department should maximize federal reimbursement by:

- *Seeking reimbursement for all eligible staff from NHTSA; and*
- *Capturing and billing for all allowable direct and indirect costs for eligible DTS personnel.*

Status – Partially Implemented

The Department has decided to reduce the amount of employee salary reimbursement in order to fund more local and other State agency projects. It still seeks salary reimbursements of salaries for federal programs in which larger balances exist. Currently, no indirect costs are sought for reimbursement for Department employees. Starting in fiscal year 2015 and going forward, the division made a concerted effort to significantly reduce the amount of federal reimbursement for the Department staff in an effort to provide more federal dollars to other State and local safety projects. According to information provided by the Department, the NHTSA rollover from federal fiscal years 2015 and 2016 was \$14.5 million and \$21.8 million, respectively. Funding liquidation

rates were 53.14% and 34.66%, respectively. The status of this recommendation remains unchanged from the previous year.

Recommendation 10 – Efficiency and Effectiveness Reviews

The Department should begin a program of assessing the effectiveness and efficiency of Motor Carrier Safety Assistance programs. The Department should also conduct a review of the DTS to assess the efficiency of traffic safety operations.

Status – Implemented

The Department has begun a process of assessing the effectiveness and efficiency of the Motor Carrier Safety Assistance program (MCSAP) through the practices of reducing the number of electronic systems Illinois uses to track MCSAP enforcement activity from four to one, analyzing the daily and monthly activities of its compliance officers, and ensuring the timely completion, upload and closeout of cases.

As stated above, the DTS was eliminated in February 2016 during a Department-wide reorganization. As a result, it is no longer relevant for the Department to review the DTS to assess the efficiency of traffic safety operations.

Life-Cycle Cost Analysis for Road Construction Contracts

The Illinois Office of the Auditor General (OAG) conducted a management audit of the Illinois Department of Transportation's (Department) Life-Cycle Cost Analysis (LCCA) for road construction contracts pursuant to Legislative Audit Commission Resolution Number 140. The audit was released in May 2012 and contained six recommendations to the Department. Two of the recommendations (#2 and #4) had been implemented prior to this follow-up.

The exhibit on this page summarizes the remaining recommendations from the management audit and the status of each recommendation as of June 30, 2016. A more detailed summary of each recommendation and its status is also included below.

Summary of Recommendation Status As of June 30, 2016			
Recommendations	Implemented?		
	Yes	Partially	No
Compliance with Statutory Requirements		X	
Unit Cost Documentation	X		
Review of LCCAs	X		
Pavement Selection Committee	X		
Total	3	1	0

Recommendation 1 – Compliance with Statutory Requirements

The Department of Transportation should conduct life-cycle cost analysis on all projects that meet the requirements of Public Act 96-715. Should IDOT conclude that statutory changes are needed to include additional criteria as to when a LCCA is not feasible, then it should work with the General Assembly to revise the statutory requirements. Furthermore, the Department should more clearly define in the LCCA section of Chapter 53 in its BDE Manual regarding the circumstances when LCCA is required for rehabilitation projects.

Status – Partially Implemented

In prior follow-up, the Department said it had agreed to begin using the LCCA process for thicker structural overlay projects in which a concrete overlay was a viable option. Additionally, according to Department officials, once the maintenance models for thin concrete overlays have been developed, the Department will have the tools in place to begin using LCCAs on rehabilitation projects and Chapter 53 of its Bureau of Design and Environment (BDE) Manual will be updated.

We followed up with the Department on the status of the maintenance models which are needed to perform a life-cycle cost analysis. According to Department officials, as part of a roadway project, the Department constructed an overlay that is being monitored to determine performance compared to control sections. Data from this effort will be used to develop maintenance models for Portland Cement Concrete (PCC) Overlays and Structural Hot Mix Asphalt (HMA) Overlays.

We reviewed 10 of 67 projects that had \$500,000 in pavement costs but did not receive a LCCA. From our review and sampling, it appears all projects that required a LCCA received a LCCA, with the exception of those projects for which the Department noted it is still collecting data to develop maintenance models (PCC overlays and structural HMA overlays) to be used in the life-cycle cost calculation.

Recommendation 3 – Unit Cost Documentation

The Department of Transportation should ensure unit cost documentation accompanies the life-cycle cost analysis submittals as required by Department policy.

Status – Implemented

We reviewed 5 of 14 LCCAs approved in fiscal year 2016. The Department provided unit cost documentation or proof of Central Office approval (or both) of the unit costs used in the calculation of all 5 LCCAs reviewed.

Recommendation 5 – Review of LCCAs

The Department of Transportation should establish a process to ensure a complete and thorough review of life-cycle cost analyses to prevent errors and to ensure the integrity of the life-cycle cost analysis results. In addition, IDOT should improve its tracking and controls to ensure that LCCAs are being done on all projects required by State law and IDOT policy.

Status – Implemented

On June 1, 2012, the Department implemented a new LCCA spreadsheet. The spreadsheet reduces the opportunity for data entry and manual calculation errors. We reviewed 5 of 14 LCCAs approved in fiscal year 2016 to determine if there were errors in the life-cycle cost analyses. All LCCAs were calculated using the LCCA spreadsheet and no errors were found on the LCCAs.

To improve tracking and controls related to LCCAs being conducted on all required projects, the Department had previously made revisions/clarifications to Chapter 54 of the BDE Manual, revised a BDE Project Status form, and began posting approved designs and LCCAs on the Department website to increase transparency.

We reviewed 10 of 67 projects that had \$500,000 in pavement costs but did not receive a LCCA. From our review and sampling, it appears all projects that required a LCCA received a LCCA, with the exception of those projects for which the Department noted it is still collecting data to develop maintenance models (PCC overlays and structural HMA overlays) to be used in the life-cycle cost calculation.

Recommendation 6 – Pavement Selection Committee

The Department of Transportation should ensure the Pavement Selection Committee meets and documents its pavement selection recommendation as required by IDOT's BDE Manual.

Status – Implemented

If the difference in life-cycle costs is 10 percent or less, the pavement selection is to be based upon the alternate pavement bidding process, instead of being referred to the Pavement Selection Committee. According to Chapter 54 (Pavement Design) of IDOT's BDE Manual, if the project does not fit the criteria for alternate pavement bidding, or if one pavement type is preferable, the project will be referred to the Pavement Selection Committee.

We reviewed 5 of 14 LCCAs approved in fiscal year 2016. Only 1 of the 5 sampled had a difference in life-cycle costs of less than 10 percent. That project met the criteria and was approved for alternate pavement bidding. We also reviewed additional LCCA projects approved in FY15 and FY16 for evidence that projects were being referred to the Pavement Selection Committee. Our review showed that projects with life-cycle cost differences of less than 10 percent are being referred to the Pavement Selection Committee as required by the Department's BDE Manual.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
FINANCIAL AUDIT
For the Year Ended June 30, 2016
AND COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2016

FINANCIAL STATEMENT REPORT

SUMMARY

The audit of the accompanying financial statements of the State of Illinois, Department of Transportation (Department) was performed by Sikich LLP.

Based on their audit, the auditors expressed an unmodified opinion on the Department's basic financial statements.

SUMMARY OF FINDING

The auditors identified matters involving the Department's internal control over financial reporting that they considered to be significant deficiencies. The significant deficiencies are described in the accompanying Schedule of Findings on pages 13-14 of this report as item:

2016-001 Weaknesses in calculating accounts payable

EXIT CONFERENCE

The finding and recommendation appearing in this report were discussed with Department personnel at an exit conference on December 19, 2016. Attending were:

Department of Transportation

Randall S. Blankenhorn, Secretary
Rich Brauer, Assistant Secretary
Matt Magalis, Chief of Staff
Lisa Laws, Chief Operating Officer
Jeff Heck, Director, Office of Finance and Administration
Nikki Lanier, Deputy Chief Internal Auditor
Karen Shoup, Bureau Chief, Bureau of Business Services (BOBS)
Jim Kelly, GAAP Coordinator, BOBS
Amy Eller, Acting Bureau Chief, Bureau of Operations

Office of the Auditor General

Peggy Hartson, Audit Manager

Sikich LLP – Special Assistant Auditors

Amy L. Sherwood, Partner
Phillip Deal, Staff Accountant

The response to the recommendation was provided by Cynthia A. Thomas, Office of Internal Audit, in correspondence dated December 13, 2016.

INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Financial Statements

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the State of Illinois, Department of Transportation (Department), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements 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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Department, as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2, the financial statements of the Department are intended to present the financial position and the changes in financial position and, where applicable, cash flows, of only that portion of the governmental activities, each major fund, and the aggregate remaining fund information of the State that is attributable to the transactions of the Department. They do not purport to, and do not, present fairly the financial position of the State of Illinois as of June 30, 2016, and the changes in its financial position, or, where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis and budgetary comparison information for any of its funds and related pension information for its Department-wide financial statements that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit for the year ended June 30, 2016 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Department's basic financial statements. The accompanying supplementary information, such as the combining General Fund, Road Fund, and Motor Fuel Tax Fund schedules and nonmajor fund financial statements, the State Compliance Schedules 1 through 9, and the Analysis of Operations Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information for the year ended June 30, 2016, in the combining General Fund, Road Fund, and Motor Fuel Tax Fund schedules and nonmajor fund financial statements, and the State Compliance Schedules 1 and 3 through 9, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The accompanying supplementary information for the year ended June 30, 2016, in the combining General Fund, Road Fund, and Motor Fuel Tax Fund schedules and nonmajor fund financial statements, and the State Compliance Schedules 1 and 3 through 9 has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing

and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information for the year ended June 30, 2016, in the combining General Fund, Road Fund, and Motor Fuel Tax Fund schedules and nonmajor fund financial statements, and the State Compliance Schedules 1 and 3 through 9, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the Department's basic financial statements as of and for the years ended June 30, 2015 and June 30, 2014 (not presented herein), and have issued our reports thereon dated December 18, 2015 and December 18, 2014, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The accompanying supplementary information for the years ended June 30, 2015 and June 30, 2014 in Schedules 2 through 9 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the June 30, 2015 and June 30, 2014 financial statements. The accompanying supplementary information for the years ended June 30, 2015 and June 30, 2014 in Schedules 2 through 9 has been subjected to the auditing procedures applied in the audits of the June 30, 2015 and June 30, 2014 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to those basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information for the years ended June 30, 2015 and June 30, 2014 in Schedules 2 through 9 is fairly stated, in all material respects, in relation to the basic financial statements as a whole from which it has been derived.

The accompanying supplementary information in the Analysis of Operations Section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 4, 2017 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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* in considering the Department's internal control over financial reporting and compliance.

Restricted Use of this Audit Report

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 Department management, and is not intended to be and should not be used by anyone other than these specified parties.

SIGNED ORIGINAL ON FILE

Springfield, Illinois
January 4, 2017, except for State Compliance
Schedules 1 and 3 through 9 for which
the date is March 23, 2017

BASIC FINANCIAL STATEMENTS

State of Illinois
Department of Transportation

Statement of Net Position

June 30, 2016 (Expressed in Thousands)

	Governmental Activities
	<u> </u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Unexpended appropriations	\$ 926,660
Cash equity with State Treasurer	100,978
Cash and cash equivalents	2,784
Securities lending collateral equity with State Treasurer	2,474
Receivables, net:	
Intergovernmental	330,225
Other	4,524
Due from other State funds	469,683
Due from State of Illinois component units, current	2,169
Inventories	57,906
Prepaid expenses	3,079
Loans receivable	13,236
Due from State of Illinois component units, long-term	81,374
Capital assets not being depreciated	3,022,917
Capital assets being depreciated, net	16,211,459
Total assets	<u>21,229,468</u>
Deferred outflows of resources - Pension	539,525
Total assets and deferred outflows of resources	<u>21,768,993</u>
LIABILITIES	
Accounts payable and accrued liabilities	566,877
Intergovernmental payables	591,344
Due to other State funds	60,336
Due to State of Illinois component units	156,555
Obligations under securities lending of State Treasurer	2,474
Unearned revenue	3,647
Long term obligations:	
Due within one year	10,298
Due subsequent year	53,036
Net pension liability	2,910,023
Total liabilities	<u>4,354,590</u>
Deferred inflows of resources - Pension	257,270
Total liabilities and deferred inflows of resources	<u>4,611,860</u>
NET POSITION	
Net investment in capital assets	19,223,308
Restricted for:	
Transportation programs	2,501
Debt service	9,001
Unrestricted	(2,077,677)
Total net position	<u>\$ 17,157,133</u>

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois
Department of Transportation

Statement of Activities

For the Year Ended June 30, 2016 (Expressed in Thousands)

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Governmental activities					
Transportation	\$ 4,459,808	\$ 51,759	\$ 508,885	\$ 1,497,273	\$ (2,401,891)
Intergovernmental	583,462	-	-	-	(583,462)
Interest	1,266	-	-	-	(1,266)
Total governmental activities	<u>\$ 5,044,536</u>	<u>\$ 51,759</u>	<u>\$ 508,885</u>	<u>\$ 1,497,273</u>	<u>(2,986,619)</u>
General revenues and transfers					
Sales tax					200,289
Appropriations from State Resources					11,293,171
Reappropriation to future year(s)					(6,781,254)
Lapsed appropriations					(588,699)
Receipts collected and transmitted to State Treasury					(1,728,343)
Net change in liabilities for reappropriated accounts					(77,453)
Other revenues					406
Interest and investment income					426
Amount of SAMS transfers-in					(519,871)
Amount of SAMS transfers-out					1,148,748
Transfers-in					516,173
Transfers-out					(9,415)
Total general revenues and transfers					<u>3,454,178</u>
Change in net position					467,559
Net position, July 1, 2015					16,689,574
Net position, June 30, 2016					<u>\$ 17,157,133</u>

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois
Department of Transportation

Balance Sheet-Governmental Funds

June 30, 2016 (Expressed in Thousands)

	General Fund	Road Fund	State Construction Account 0902	Nonmajor Funds	Total Governmental Funds
ASSETS					
Unexpended appropriations	\$ -	\$ 594,534	\$ 87,667	\$ 244,459	\$ 926,660
Cash equity with State Treasurer	3,332	1,869	-	94,635	99,836
Cash and cash equivalents	-	88	-	2,696	2,784
Securities lending collateral equity with State Treasurer	-	77	-	2,397	2,474
Intergovernmental receivables, net	3,480	187,394	-	139,351	330,225
Other receivables, net	-	4,479	21	24	4,524
Due from other Department funds	-	17,864	21,342	5,191	44,397
Due from other State funds	331,552	1,324	-	136,794	469,670
Due from State of Illinois component units, current	-	2,169	-	-	2,169
Inventories	-	56,389	-	-	56,389
Loans receivable	49	131	-	13,056	13,236
Due from State of Illinois component units, long-term	-	81,374	-	-	81,374
Total assets	\$ 338,413	\$ 947,692	\$ 109,030	\$ 638,603	\$ 2,033,738
LIABILITIES					
Accounts payable and accrued liabilities	\$ 87	\$ 290,649	\$ 86,459	\$ 189,672	\$ 566,867
Intergovernmental payables	334,707	85,388	1,208	170,041	591,344
Due to other Department funds	-	1,687	-	42,710	44,397
Due to other State funds	45	59,825	-	466	60,336
Due to State of Illinois component units	-	155,985	-	570	156,555
Obligations under securities lending of State Treasurer	-	77	-	2,397	2,474
Unearned revenue	-	1,418	-	2,229	3,647
Total liabilities	334,839	595,029	87,667	408,085	1,425,620
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - DIR	-	27,850	-	69,588	97,438
Total deferred inflows of resources	-	27,850	-	69,588	97,438
Total liabilities and deferred inflows of resources	334,839	622,879	87,667	477,673	1,523,058
FUND BALANCES					
Nonspendable portion of:					
Loans and notes receivable	49	-	-	-	49
Inventories	-	56,389	-	-	56,389
Restricted	-	-	-	11,502	11,502
Unrestricted					
Committed	45	268,424	-	211,538	480,007
Assigned	-	-	21,363	-	21,363
Unassigned	3,480	-	-	(62,110)	(58,630)
Total fund balances	3,574	324,813	21,363	160,930	510,680
Total liabilities, deferred inflows and fund balances	\$ 338,413	\$ 947,692	\$ 109,030	\$ 638,603	\$ 2,033,738

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois
Department of Transportation
Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position
June 30, 2016
(Expressed in Thousands)

Total fund balances-governmental funds \$ 510,680

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 19,234,376

Prepaid expenses for governmental activities are current uses of financial resources for funds. 3,079

Internal service funds are used to charge costs of air transportation activities to individual funds. The assets and liabilities of the Air Transportation Revolving Fund are reported as governmental activities in the Statement of Net Position. 2,662

Revenues in the Statement of Activities that do not provide current financial resources are deferred in the funds. 97,438

Deferred outflows of resources - Pension required for Statement of Activities that are not in modified accrual statements. 539,525

Net Pension liability required for Statement of Activities that are not in modified accrual statements. (2,910,023)

Deferred inflows of resources - Pension required for Statement of Activities that are not in modified accrual statements. (257,270)

Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of:

Compensated absences	\$ (42,129)	
Capital lease obligations	(968)	
Auto liability claims	(9,337)	
Pollution remediation obligations	(800)	
Certificates of participation	(10,100)	
		(63,334)

Net position of governmental activities \$ 17,157,133

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois
Department of Transportation

Statement of Revenues, Expenditures, and
Changes in Fund Balances-Governmental Funds

For the Year Ended June 30, 2016 (Expressed in Thousands)

	General Fund	Road Fund	State Construction Account 0902	Nonmajor Funds	Total Governmental Funds
REVENUES					
Sales taxes	\$ -	\$ -	\$ -	\$ 200,289	\$ 200,289
Motor fuel taxes	-	308,119	219,328	(527,447)	-
Operating grants - Federal	-	48,518	-	352,480	400,998
Capital grants - Federal	-	1,487,106	-	-	1,487,106
Other operating grants	-	106,188	-	4,476	110,664
Other capital grants	-	10,099	-	-	10,099
Licenses and fees	-	22,805	-	655	23,460
Other charges for services	-	36,928	-	1,315	38,243
Other	-	-	-	406	406
Interest and other investment income	-	7	-	419	426
Total revenues	-	2,019,770	219,328	32,593	2,271,691
EXPENDITURES					
Transportation	512,593	1,591,735	153,717	944,365	3,202,410
Intergovernmental	-	-	-	583,462	583,462
Debt service - principal	-	540	-	2,185	2,725
Debt service - interest	-	72	-	654	726
Capital outlays	-	728,168	640,876	376,679	1,745,723
Total expenditures	512,593	2,320,515	794,593	1,907,345	5,535,046
Excess (deficiency) of revenues over (under) expenditures	(512,593)	(300,745)	(575,265)	(1,874,752)	(3,263,355)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Appropriations from State resources	-	5,192,849	1,944,012	4,156,310	11,293,171
Reappropriation to future year(s)	-	(2,418,298)	(1,165,658)	(3,197,298)	(6,781,254)
Lapsed appropriations	-	(366,037)	-	(222,662)	(588,699)
Receipts collected and transmitted to State Treasury	(174)	(1,726,365)	-	(1,804)	(1,728,343)
Net change in liabilities for reappropriated accounts	(10)	(88,368)	16,233	(5,308)	(77,453)
Amount of SAMS Transfers-in	-	(307,261)	(212,610)	-	(519,871)
Amount of SAMS Transfers-out	-	-	-	1,148,748	1,148,748
Transfers-in	516,173	-	-	66,205	582,378
Transfers-out	-	(4,937)	-	(70,683)	(75,620)
Capital lease financing	-	788	-	-	788
Net other sources (uses) of financial resources	515,989	282,371	581,977	1,873,508	3,253,845
Net change in fund balances	3,396	(18,374)	6,712	(1,244)	(9,510)
Fund balances, July 1, 2015	178	344,433	14,651	162,174	521,436
Decrease for change in inventories	-	(1,246)	-	-	(1,246)
FUND BALANCES, JUNE 30, 2016	\$ 3,574	\$ 324,813	\$ 21,363	\$ 160,930	\$ 510,680

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois
Department of Transportation
Reconciliation of Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to Statement of Activities
For the Year Ended June 30, 2016
(Expressed in Thousands)

Net change in fund balances	\$ (9,510)
Change in inventories	(1,246)
	(10,756)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlays exceeded depreciation in the current period.	611,789
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Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	2,185
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Some capital assets were transferred in/out from/to other State agencies and, therefore, no payments were made for the capital asset's value. This is the net amount transferred in from other State agencies.	(4,770)
--	---------

Internal service funds are used to charge costs of certain activities to individual funds. The net income of the internal service funds is reported as governmental activities in the Statement of Activities.	(71)
--	------

Prepaid expenses in the Statement of Activities are reported as expenses in governmental funds. This amount represents the increase in prepaid expenses over the prior year.	3,079
--	-------

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the decrease in unavailable revenue over the prior year.	(12,669)
--	----------

Pension expenses required for Statement of Activities that are not in modified accrual statements.	(122,149)
--	-----------

Proceeds from sales of capital assets are reported in the governmental funds. However, in the Statement of Activities, losses from the sale of capital assets are reported. This is the net book value of the capital assets disposed.	(2,099)
--	---------

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. Below are such activities.	
Decrease in compensated absences	3,077
Increase in capital leases	(248)
Decrease in auto liability claims	591
Increase in pollution remediation obligations	(400)
	(400)

Change in net position of governmental activities	\$ 467,559
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The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

Department of Transportation

Statement of Net Position - Proprietary Fund

Air Transportation Revolving Fund (0309)

June 30, 2016 (Expressed in Thousands)

	Governmental Activities - Internal Service Fund
<hr/>	
ASSETS	
Cash equity with State Treasurer	\$ 1,142
Due from other State funds	13
Inventories	1,517
Total current assets	<u>2,672</u>
 LIABILITIES	
Accounts payable and accrued liabilities	<u>10</u>
 NET POSITION	
Unrestricted	2,662
Total net position	<u><u>\$ 2,662</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

Department of Transportation

**Statement of Revenues, Expenses, and Changes in
Fund Net Position - Proprietary Fund**

Air Transportation Revolving Fund (0309)

For the Year Ended June 30, 2016 (Expressed in Thousands)

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Charges for sales and services	\$ 16
OPERATING EXPENSES	
Cost of sales and services	<u>87</u>
Operating loss and change in net position	(71)
NET POSITION, JULY 1, 2015	<u>2,733</u>
NET POSITION, JUNE 30, 2016	<u><u>\$ 2,662</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

Department of Transportation

Statement of Cash Flows - Proprietary Fund

Air Transportation Revolving Fund (0309)

For the Year Ended June 30, 2016 (Expressed in Thousands)

	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from transactions with other funds	\$ 337
Cash payments to suppliers for goods and services	(3)
Net cash used by operating activities	<u>334</u>
Net increase in cash equity with State Treasurer	334
Cash equity with State Treasurer, July 1, 2015	<u>808</u>
CASH EQUITY WITH STATE TREASURER, JUNE 30, 2016	<u><u>\$ 1,142</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
OPERATING INCOME	\$ (71)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
Decrease in due from other funds	321
Decrease in inventory	77
Increase in accounts payable and accrued liabilities	7
NET CASH USED BY OPERATING ACTIVITIES	<u><u>\$ 334</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

**STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION**

Notes to Financial Statements

June 30, 2016

(1) Organization

The Department of Transportation (the Department) is a part of the executive branch of government of the State of Illinois (State) and operates under the authority of and review of the Illinois General Assembly. The Department operates under a budget approved by the General Assembly in which resources primarily from the Road Fund and the State Construction Account are appropriated for the use of the Department. Activities of the Department are subject to the authority of the Office of the Governor, the State's chief executive officer, and other departments of the executive and legislative branches of government (such as the Department of Central Management Services, the Governor's Office of Management and Budget, the State Treasurer's Office, and the State Comptroller's Office) as defined by the Illinois General Assembly. All funds appropriated to the Department and all other cash received are under the custody and control of the State Treasurer, with the exception of locally-held accounts authorized by State law.

The Department is organized to provide safe, cost-effective transportation for Illinois in ways that enhance quality of life, promote economic prosperity, and demonstrate respect for our environment.

(2) Summary of Significant Accounting Policies

The financial statements of the Department have been prepared in accordance with general accepted accounting principles 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 financial statements, summarized below are the more significant accounting policies.

(a) Financial 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 the 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 and financial benefit or burden on the primary government.

Based upon the required criteria, the Department has no component units and is not a component unit of any other entity. However, because the Department is not legally separate from the State of Illinois, the financial statements of the Department are included in the financial statements of the State of Illinois. The State of Illinois' Comprehensive Annual Financial Report may be obtained by writing to the State Comptroller's Office, Division of Financial Reporting, 325 West Adams Street, Springfield, Illinois, 62704-1871.

**STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION**

Notes to Financial Statements

June 30, 2016

(b) Basis of Presentation

The financial statements of the State of Illinois, Department of Transportation, are intended to present the financial position, the changes in financial position, and the cash flows, when applicable, of only that portion of the governmental activities, each major fund of the State of Illinois, and the aggregate remaining fund information of the State of Illinois that is attributable to the transactions of the Department. They do not purport to, and do not, present fairly the financial position of the State of Illinois as of June 30, 2016, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the Department, which consist only of governmental activities, are reported under the transportation function in the State of Illinois' Comprehensive Annual Financial Report. A brief description of the Department's government-wide and fund financial statements is as follows:

Government-wide Statements. The government-wide statement of net position and statement of activities report the overall financial activity of the Department. Eliminations have been made to minimize the double-counting of internal activities of the Department. The financial activities of the Department consist only of governmental activities, which are primarily supported by taxes, charges for services, and intergovernmental revenues.

The statement of net position presents the assets and liabilities of the Department's governmental activities with the difference being reported as net position. The assets and liabilities are presented in order of their relative liquidity by class of asset or liability with liabilities whose average maturities are greater than one year reported in two components - the amount due within one year and the amount due in more than one year.

The statement of activities presents a comparison between direct expenses and program revenues for the transportation function of the Department's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements. The fund financial statements provide information about the Department's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Department administers the following major governmental funds (or portions thereof in the case of shared funds) – see the State of Illinois Comprehensive Annual Financial Report:

General – This is the State's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The services which are administered by the Department and accounted for in the General Fund include, among others, public transportation and air transportation for the Governor and State Legislature on official business. Certain resources obtained from federal grants and used to support general

**STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION**

Notes to Financial Statements

June 30, 2016

governmental activities are accounted for in the General Fund consistent with applicable legal requirements.

Road – This special revenue fund accounts for the activities of the State highway programs including highway maintenance and construction, traffic control and safety, and administering motor vehicle laws and regulations. Funding sources include federal aid, State motor fuel taxes and various license and fee charges.

State Construction Account – This capital projects fund accounts for the construction, reconstruction, and maintenance of the State maintained highway system. Funding sources include a portion of motor vehicle registration fees, weight taxes, and transfers from the Motor Fuel Tax Fund.

Additionally, the Department reports the following fund types:

Governmental Fund Types:

Special Revenue – These funds account for resources obtained from specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Special revenue funds account for, among other things, federal grant programs, taxes levied with statutorily defined distributions, and other resources restricted as to purpose.

Debt Service – These funds account for governmental resources obtained and accumulated to pay interest and principal on general long-term debt issues.

Capital Projects – These funds account for resources obtained and used for the acquisition or construction of major capital facilities and other capital assets. Such resources are derived principally from proceeds of general and special obligation bond issues and certificates of participation.

Proprietary Fund Types:

Internal Service – This fund accounts for air travel provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

(c) *Measurement Focus and Basis of Accounting*

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Non-exchange transactions, in which the Department gives (or receives) value without directly receiving (or giving) equal value in exchange, include intergovernmental grants. Revenue from grants, entitlements, and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For

**STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION**

Notes to Financial Statements

June 30, 2016

this purpose, the State considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, principal and interest on formal debt issues, claims and judgments, and compensated absences are recorded only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues from non operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Air Transportation Revolving Fund are charges for sales and services. Operating expenses for internal services funds include the cost of sales and services. All revenues and expenses not meeting this definition are reported as non operating revenues and expenses.

Significant revenue sources which are susceptible to accrual include federal aid and motor fuel tax revenue. All other revenue sources including fines, penalties, licenses and other miscellaneous revenue are considered to be measurable and available only when cash is received.

(d) Shared Fund Presentation

The financial statement presentation for the General Fund, Road Fund, State Construction Account Fund, Motor Fuel Tax Fund, Cycle Rider Safety Training Fund, Transportation Bond Series A Fund, Transportation Bond Series B Fund, Transportation Bond Series D Fund, General Obligation Bond Retirement and Interest Fund, and nonmajor governmental funds represents only the portion of shared funds that can be directly attributed to the operations of the Department. Financial statements for total fund operations of the shared State funds are presented in the State of Illinois' Comprehensive Annual Financial Report.

In presenting these financial statements, certain unique accounts are used for the presentation of shared funds. The following accounts are used in these financial statements to present the Department's portion of shared funds:

Unexpended Appropriations

This "asset" account represents lapse period warrants processed by the State Comptroller's Office after June 30, annually, in accordance with the Statewide Accounting Management System (SAMS) records plus any liabilities relating to obligations re-appropriated to the subsequent fiscal year.

Appropriations from State Resources

This "other financing source" account represents the final legally adopted appropriation according to SAMS records.

Reappropriation to Future Year(s)

This contra revenue account reduces current year's appropriations by the amount of the reappropriation to reflect the State's realignment of the budgetary needs to the subsequent year and avoid double counting of a portion of the appropriation in more than one fiscal year.

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Lapsed Appropriations

Lapsed appropriations are the legally adopted appropriations less net warrants issued for the 14 month period from July to August of the following year and re-appropriations to subsequent years according to SAMS records.

Net Change in Liabilities for Reappropriated Accounts

This account reflects the amount which should be added to or subtracted from the current year appropriation for shared funds to reflect the increase or decrease from prior year to current year for amounts included in obligations for reappropriated accounts which are liabilities at June 30 of the prior year and June 30 of the current year.

Receipts Collected and Transmitted to State Treasury

This “other financing use” account represents all cash receipts received during the fiscal year from SAMS records.

Amount of SAMS Transfers-In

This “other financing use” account represents cash transfers made by the Office of the Comptroller in accordance with statutory provisions to the corresponding fund during the fiscal year per SAMS records in which the Department did not make a deposit into the State Treasury.

Amount of SAMS Transfers-Out

This “other financing source” account represents cash transfers made by the Office of the Comptroller in accordance with statutory provision from the corresponding fund during the fiscal year per SAMS records in which a legally adopted appropriation was not charged.

(e) Eliminations

Eliminations have been made in the government-wide statement of net position to minimize the “grossing-up” effect on assets and liabilities within the governmental activities column of the Department. As a result, amounts reported in the governmental funds balance sheet and proprietary funds statement of net position as interdepartmental interfund receivables and payables have been eliminated in the government-wide statement of net position. Amounts reported in the governmental funds balance sheet and proprietary funds statement of net position as receivable from or payable to fiduciary funds have been included in the government-wide statement of net position as receivable from and payable to external parties, rather than as internal balances. Also, eliminations have been made in the statement of activities to remove the “doubling-up” effect of interdepartmental internal service fund activity.

(f) Cash and Cash Equivalents

Cash equivalents are defined as short-term, highly liquid investments readily convertible to cash with maturities of less than 90 days at time of purchase. Cash and cash equivalents include cash on hand, cash held in local bank accounts, money markets, and cash equity with the State Treasurer.

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(g) Inventories

For governmental funds and proprietary funds, the Department recognizes the costs of inventories as expenditures when purchased. At year-end, physical counts are taken of significant inventories, consisting primarily of road salt and sand, airplane parts, traffic signs, and traffic sign materials, in governmental funds and proprietary funds, and are reported at cost on the average cost method. Inventories reported in governmental funds do not reflect current appropriable resources, and therefore, the Department reports an equivalent portion of nonspendable fund balance.

(h) Interfund Transactions

The Department has the following types of interfund transactions between Department funds and funds of other State agencies:

Services provided and used—sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as interfund receivables and payables in the governmental funds balance sheets or the government-wide and proprietary statements of net position.

Reimbursements—repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers—flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after non-operating revenues and expenses.

The Department also has activity with the State of Illinois component units primarily related to research grants and purchases of services.

(i) Capital Assets

Capital assets, which include property, plant, equipment and infrastructure, are reported at cost or estimated historical cost. Contributed assets are reported at acquisition value at the time received. Capital assets are depreciated using the straight-line method.

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Capitalization thresholds and the estimated useful lives are as follows:

Capital Asset Category	Capitalization Threshold	Estimated Useful Life (in Years)
Infrastructure	\$250,000	20-40
Land	100,000	N/A
Land Improvements	25,000	N/A
Site Improvements	25,000	3-50
Buildings	100,000	10-60
Building Improvements	25,000	10-45
Easements	25,000	5
Equipment	5,000	3-25
Internally-Generated Intangible Assets	1,000,000	3-25
Non-Internally Generated Intangible Assets	25,000	3-25

(j) *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Unavailable revenues in governmental funds include receivables not “available” to finance the current period.

(k) *Compensated Absences*

The liability for compensated absences reported in the government-wide statement of net position consists of unpaid, accumulated vacation and sick leave balances for Department employees. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The liability has been calculated based on the employees’ current salary level and includes salary related costs (e.g., Social Security and Medicare taxes).

Legislation that became effective January 1, 1998 capped the paid sick leave for all State Employees’ Retirement System members at December 31, 1997. Employees continue to accrue twelve sick days per year, but will not receive monetary compensation for any additional time earned after December 31, 1997. Sick days earned between 1984 and December 31, 1997 (with a 50% cash value) would only be used after all days with no cash value are depleted. Any sick days earned and unused after December 31, 1997 will be converted to service time for purposes of calculating employee pension benefits.

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(l) Pollution Remediation Obligations

In the government-wide statement of net position, pollution remediation obligations are reported at the current value of expected outlays to fund remediation costs using the expected cash flow technique. This technique measures the sum of probability-weighted amounts in a range of possible estimated amounts and uses all expectations about possible cash flows on a site-specific basis. Such ranges are weighted within 'most likely', 'worst case' and/or 'best case' scenarios and are based on actual remediation cost experience, remediation cost estimates and/or discrete cost remediation treatment possibilities. All reported obligation amounts are estimates and are subject to change resulting from price increases or reductions, technology, or changes in applicable laws or regulations. In cases where remediation activities beyond site investigation/assessment or feasibility studies have not begun, remaining remediation costs are not reasonably estimable and liabilities for such cases are not reported.

(m) Fund Balances

In the fund financial statements, governmental funds report fund balances as a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. This hierarchy is made up of resources which are nonspendable, restricted, or unrestricted (committed, assigned and unassigned).

Nonspendable fund balance represents resources which relate to inventory or long-term receivables not expected to be converted to cash in the near term.

Restricted fund balance represents resources that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Committed fund balance represents resources that are constrained on use for a specific purpose imposed generally by the Governor and the State legislature. This constraint can only be removed or changed by the same action which established it. The action to constrain funds should occur prior to the end of the fiscal year.

Assigned fund balance represents resources that are intended by the Department to be used for a specific purpose. In all governmental funds, other than the General Fund, residual amounts are classified as assigned.

Unassigned fund balance represents resources that are available for any purpose. This classification is only reported in the General Fund, except in cases of negative fund balance reported in other governmental funds which are reported as unassigned.

When both restricted and unrestricted resources are available for use, generally it is the State's policy to use restricted resources first, then unrestricted resources when they are needed. Unrestricted resources which are committed are generally used before assigned resources and unassigned resources.

(n) Net Position

In the government-wide and proprietary fund statements of net position, equity is displayed in three components as follows:

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Net Investment in Capital Assets – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the State’s policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted – This consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

(o) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(p) ***Pensions***

In accordance with the Department’s adoption of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, the net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense have been recognized in the government-wide financial statements.

The net pension liability is calculated as the difference between the actuarially calculated value of the projected benefit payments attributed to past periods of service and the plans’ fiduciary net position. The total pension expense is comprised of the service cost or actuarial present value of projected benefit payments attributed to the valuation year, interest on the total pension liability, plan administrative expenses, current year benefit changes, and other changes in plan fiduciary net position less employee contributions and projected earnings on plan investments. Additionally, the total pension expense includes the annual recognition of outflows and inflows of resources due to pension assets and liabilities.

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, pension expense and expenditures associated with the Department’s contribution requirements, information about the fiduciary net position of the plans and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported within the separately issued plan financial statements. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with terms of the plan. Investments are reported at fair value.

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(q) Adoption of New Accounting Pronouncements

Effective for the year ending June 30, 2016, the Department adopted GASB Statement No. 72, *Fair Value Measurement and Application*, which addresses accounting and financial reporting issues related to fair value measurements. The Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The implementation of this Statement had no impact on the Department's financial statements.

Effective for the year ending June 30, 2016, the Department adopted GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, which is established to identify-in the context of the current governmental financial reporting environment-the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of this Statement had no impact on the Department's financial statements.

Effective for the year ending June 30, 2016, the Department adopted GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, which established the criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes.

If an external investment pool does not meet the criteria established by this Statement, that pool should apply the provisions in paragraph 16 of Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as amended. If an external investment pool meets the criteria in this Statement and measures all of its investments at amortized cost, the pool's participants also should measure their investments in that external investment pool at amortized cost for financial reporting purposes. If an external investment pool does not meet the criteria in this Statement, the pool's participants should measure their investments in that pool at fair value, as provided in paragraph 11 of Statement 31, as amended. The implementation of this Statement had no impact on the Department's financial statements.

(r) Future Adoption of GASB Statements

Effective for the year ending June 30, 2017, the Department will adopt GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, which establishes standards to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all

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postemployment benefits with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The Department has not yet determined the impact on its financial statements as a result of adopting this Statement.

Effective for the year ending June 30, 2017, the Department will adopt GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which establishes standards to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The Department has not yet determined the impact on its financial statements as a result of adopting this Statement.

Effective for the year ending June 30, 2017, the Department will adopt GASB Statement No. 77, *Tax Abatement Disclosures*, which requires governments that enter into tax abatement agreements to disclose information about the agreements. This statement improves financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. The Department has not yet determined the impact on its financial statements as a result of adopting this Statement.

Effective for the year ending June 30, 2017, the Department will adopt GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, this Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. The Department has not yet determined the impact on its financial statements as a result of adopting this Statement.

Effective for the year ending June 30, 2017, the Department will adopt GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*, this Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The Department has not yet determined the impact on its financial statements as a result of adopting this Statement.

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Effective for the year ending June 30, 2017, the Department will adopt GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

Prior to the issuance of this Statement, Statements 67 and 68 required presentation of covered-employee payroll, which is the payroll of employees that are provided with pensions through the pension plan, and ratios that use that measure, in schedules of required supplementary information. This Statement amends Statements 67 and 68 to instead require the presentation of covered payroll, defined as the payroll on which contributions to a pension plan are based, and ratios that use that measure.

This Statement clarifies that a deviation, as the term is used in Actuarial Standards of Practice issued by the Actuarial Standards Board, from the guidance in an Actuarial Standard of Practice is not considered to be in conformity with the requirements of Statement 67, Statement 68, or Statement 73 for the selection of assumptions used in determining the total pension liability and related measures.

This Statement clarifies payments that are made by an employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements should be classified as plan member contributions for purposes of Statement 67 and as employee contributions for purposes of Statement 68. It also requires that an employer's expense and expenditures for those amounts be recognized in the period for which the contribution is assessed and classified in the same manner as the employer classifies similar compensation other than pensions (for example, as salaries and wages or as fringe benefits). The Department has not yet determined the impact on its financial statements as a result of adopting this Statement.

Effective for the year ending June 30, 2018, the Department will adopt GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which establishes standards to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). This statement also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The Department has not yet determined the impact on its financial statements as a result of adopting this Statement.

Effective for the year ending June 30, 2018, the Department will adopt GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, provides recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. Split-interest agreements can be created through trusts—or other legally enforceable agreements with characteristics that are equivalent to split-interest agreements—in which a donor transfers resources to an intermediary to hold and administer for the benefit of a

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government and at least one other beneficiary. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts, and life-interests in real estate.

This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The Department has not yet determined the impact on its financial statements as a result of adopting this Statement.

(3) Deposits

(a) Deposits

The State Treasurer is the custodian of the State's cash and cash equivalents for funds maintained in the State Treasury. Deposits in the custody of the State Treasurer are pooled and invested with other State funds in accordance with the Deposit of State Moneys Act of the Illinois Compiled Statutes (15 ILCS 520/11). Funds held by the State Treasurer have not been categorized as to credit risk because the Department does not own individual securities. Detail on the nature of these deposits and investments are available within the State of Illinois' Comprehensive Annual Financial Report.

Cash and cash equivalents, which includes money market accounts and locally held funds, had a balance of \$2.784 million at June 30, 2016.

(b) Securities Lending Transactions

The State Treasurer lends securities to broker-dealers and other entities for collateral that will be returned for the same securities in the future. The State Treasurer has, through a Securities Lending Agreement, authorized Deutsche Bank AG to lend the State Treasurer's securities to broker-dealers and banks pursuant to a form of loan agreement.

During fiscal years 2016 and 2015, Deutsche Bank AG lent U.S. Agency securities and U.S. Treasury securities and received as collateral U.S. dollar denominated cash. Borrowers were required to deliver collateral for each loan equal to at least 100% of the aggregate fair value of the loaned securities. Loans are marked to market daily. If the fair value of collateral falls below 100%, the borrower must provide additional collateral to raise the fair value to 100%.

The State Treasurer did not impose any restrictions on loan amounts of available and eligible securities during fiscal years 2016 and 2015, respectively. In the event of borrower default, Deutsche Bank AG provides the State Treasurer with counterparty default indemnification. In addition, Deutsche Bank AG is obligated to indemnify the State Treasurer if Deutsche Bank AG loses any securities, collateral or investments of the State Treasurer in Deutsche Bank AG's custody. Moreover, there were no losses during fiscal years 2016 and 2015 resulting from a default of the borrowers or Deutsche Bank AG.

During fiscal years 2016 and 2015, the State Treasurer and the borrowers maintained the right to terminate all securities lending transactions on demand. The cash collateral received on each loan

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was invested in repurchase agreements with approved counterparties collateralized with securities approved by Deutsche Bank AG and marked to market daily at no less than 102%. Because the loans are terminable at will, their duration did not generally match the duration of the investments made with cash collateral. The State Treasurer had no credit risk as a result of its securities lending program as the collateral held exceeded the fair value of the securities lent. The securities lending collateral invested in repurchase agreements and the fair value of securities on loan for the State Treasurer as of June 30, 2016 were \$2,603,015,000 and \$2,587,869,617, respectively. The securities lending collateral invested in repurchase agreements and the fair value of securities on loan for the State Treasurer as of June 30, 2015 were \$4,007,450,623 and \$3,980,606,070, respectively.

In accordance with GASB Statement No. 28, paragraph 9, the Office of the State Treasurer has allocated the assets and obligations at June 30, 2016 arising from securities lending agreements to the various funds of the State. The total allocated to the Department was \$2.474 million at June 30, 2016.

(4) Accounts Receivable

Accounts Receivable and related allowance for doubtful accounts at June 30, 2016, are as follows
(in thousands):

Receivable Type	General Fund	Road Fund	State Construction Account 902	Non-major funds
Intergovernmental Receivables	\$ 3,480	\$187,429	\$ -	\$139,351
Allowance for doubtful accounts	-	(35)	-	-
Intergovernmental, Net	<u>\$ 3,480</u>	<u>\$187,394</u>	<u>\$ -</u>	<u>\$139,351</u>
Other Receivables	\$ -	\$ 7,642	\$ 37	\$ 34
Allowance for doubtful accounts	-	(3,163)	(16)	(10)
Other Receivables, Net	<u>\$ -</u>	<u>\$ 4,479</u>	<u>\$ 21</u>	<u>\$ 24</u>

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(5) Interfund Balances and Activity

(a) Balances Due to/from Other Funds

The following balances (amounts expressed in thousands) at June 30, 2016 represent amounts due from other Department and State of Illinois funds.

<u>Fund</u>	<u>Due from</u>		<u>Description/Purpose</u>
	<u>Other Department Funds</u>	<u>Other State Funds</u>	
General	\$ -	\$ 331,552	Due from other State funds for June 2016 sales tax allocations, debt service payments and interfund borrowings.
Road	17,864	1,324	Due from Motor Fuel Tax Fund for motor fuel tax allocation from June 2016 and from other State funds for services and reimbursements of expenditures incurred.
State Construction Account	21,342	-	Due from Motor Fuel Tax Fund for motor fuel tax allocation from June 2016.
Non-major governmental funds	5,191	136,794	Due from Motor Fuel Tax Fund for motor fuel tax allocation from June 2016, from other Department funds for reimbursement of expenditures incurred and debt service payments and from other State funds for reimbursement of expenditures and interfund borrowings.
Internal service funds	-	13	Due from other Department funds and other State funds for air transportation services provided.
	<u>\$ 44,397</u>	<u>\$ 469,683</u>	

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The following balances (amounts expressed in thousands) at June 30, 2016 represent amounts due to other Department and State of Illinois funds.

<u>Fund</u>	<u>Due to</u>		<u>Description/Purpose</u>
	<u>Other Department Funds</u>	<u>Other State Funds</u>	
General	\$ -	\$ 45	Due to Department and to other State internal service funds for services received.
Road	1,687	59,825	Due to other Department funds for reimbursement of expenditures incurred and to other State funds for reimbursement of expenditures incurred and for services received.
Non-major governmental funds	42,710	466	Due to other Department Funds for motor fuel tax allocation for June 2016 and to other State funds for services received and retirement costs.
	<u>\$ 44,397</u>	<u>\$ 60,336</u>	

(b) Transfers to/from Other Funds

Interfund transfers in (amounts expressed in thousands) for the year ended June 30, 2016, were as follows:

<u>Fund</u>	<u>Transfers in from</u>		<u>Description/Purpose</u>
	<u>Other Department Funds</u>	<u>Other State Funds</u>	
General	\$ -	\$ 516,173	Transfers from other State funds for sales tax allocation, debt service, and for other purposes.
Non-major governmental funds	66,205	-	Transfers from Motor Fuel Tax Fund for allocation pursuant to State statute and other Department non-major governmental funds for debt service and downstate public transportation purposes.
	<u>\$ 66,205</u>	<u>\$ 516,173</u>	

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Interfund transfers out (amounts expressed in thousands) for the year ended June 30, 2016, were as follows:

<u>Fund</u>	<u>Transfers out to</u>		<u>Description/Purpose</u>
	<u>Other Department Funds</u>	<u>Other State Funds</u>	
Road	\$ 4,937	\$ -	Transfers to Department non-major governmental funds for debt service payments.
Non-major governmental funds	61,268	9,415	Transfers to other State funds for motor fuel tax allocation for June, administration of Railroad Safety program, and for other purposes.
	<u>\$ 66,205</u>	<u>\$ 9,415</u>	

(c) Balances Due to/from State of Illinois Component Units

The following balances (amounts expressed in thousands) at June 30, 2016 represent amounts due from State of Illinois Component Units for reimbursements for expenditures incurred and services received.

<u>Component Unit</u>	<u>Due from</u>
	<u>Road Fund</u>
Illinois Toll Highway Authority	
Current	\$ 2,169
Long-term	81,374
	<u>\$ 83,543</u>

The following balances (amounts expressed in thousands) at June 30, 2016 represent amounts due to State of Illinois Component Units for reimbursements for expenditures incurred for grant programs.

<u>Component Unit</u>	<u>Due to</u>	
	<u>Road Fund</u>	<u>Nonmajor Governmental Funds</u>
Illinois Toll Highway Authority	\$ 144,850	\$ -
Western Illinois University	-	138
Northern Illinois University	194	183
Southern Illinois University	243	84
University of Illinois	10,698	165
	<u>\$ 155,985</u>	<u>\$ 570</u>

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(6) Capital Assets

Capital asset activity (amounts expressed in thousands) for the year ended June 30, 2016 was as follows:

	Balance July 1, 2015	Additions	Deletions	Net Transfers	Balance June 30, 2016
Governmental activities:					
Capital assets not being depreciated:					
Land and land improvements	\$ 2,874,068	\$ 42,785	\$ 1,764	\$ -	\$ 2,915,089
Easements	10,499	216	-	-	10,715
Internally Generated Intangible					
Assets in Development	1,659	6,329	-	-	7,988
Construction in progress	76,534	20,309	-	(7,718)	89,125
Total capital assets not being depreciated	<u>2,962,760</u>	<u>69,639</u>	<u>1,764</u>	<u>(7,718)</u>	<u>3,022,917</u>
Capital assets being depreciated:					
Infrastructure	27,367,364	1,662,602	810,330	-	28,219,636
Site improvements	2,497	15,559	-	-	18,056
Buildings and building improvements	157,808	(7,057)	604	7,718	157,865
Easements	6,784	736	1,636	-	5,884
Equipment	454,880	3,456	24,268	620	434,688
Non-Internally generated software	4,966	-	-	(4,895)	71
Internally generated software	4,465	-	-	-	4,465
Capital leases - equipment	1,971	788	1,349	-	1,410
Total capital assets being depreciated	<u>28,000,735</u>	<u>1,676,084</u>	<u>838,187</u>	<u>3,443</u>	<u>28,842,075</u>
Less accumulated depreciation:					
Infrastructure	11,885,824	1,101,387	810,330	-	12,176,881
Site improvements	2,474	1,626	-	-	4,100
Buildings and building improvements	96,997	3,752	604	-	100,145
Easements	3,664	1,322	1,636	-	3,350
Equipment	342,612	24,936	23,933	495	344,110
Non-Internally generated software	13	7	-	-	20
Internally generated software	1,112	447	-	-	1,559
Capital leases - equipment	1,343	457	1,349	-	451
Total accumulated depreciation	<u>12,334,039</u>	<u>1,133,934</u>	<u>837,852</u>	<u>495</u>	<u>12,630,616</u>
Total capital assets being depreciated, net	<u>15,666,696</u>	<u>542,150</u>	<u>335</u>	<u>2,948</u>	<u>16,211,459</u>
Governmental activity capital assets, net	<u>\$ 18,629,456</u>	<u>\$ 611,789</u>	<u>\$ 2,099</u>	<u>\$ (4,770)</u>	<u>\$ 19,234,376</u>

**STATE OF ILLINOIS
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Depreciation expense for governmental activities (amounts expressed in thousands) for the year ended June 30, 2016 was charged to the following function:

Transportation	\$ 1,133,934
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(7) Long-Term Obligations

(a) Changes in Long-Term Obligations

Changes in long-term obligations (amounts expressed in thousands) for the year ended June 30, 2016 were as follows:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Amounts Due Within One Year
Governmental activities:					
Compensated absences	\$ 45,206	\$ 27,888	\$ 30,965	\$ 42,129	\$ 4,361
Capital lease obligations	720	788	540	968	248
Auto liability claims	9,928	1,762	2,353	9,337	3,274
Pollution remediation obligations	400	400	-	800	100
Certificates of participation	12,285	-	2,185	10,100	2,315
Pension Liability	3,054,377	-	144,354	2,910,023	-
Total	\$ 3,122,916	\$ 30,838	\$ 180,397	\$ 2,973,357	\$ 10,298

Compensated absences will be liquidated by the applicable governmental funds that account for the salaries and wages of the related employees. Claims and judgments typically have been liquidated from the Road Fund. Pollution remediation obligations have been liquidated by the applicable governmental fund that accounts for the related construction project.

(b) Capital lease obligations

The Department leases land, office facilities, office and computer equipment, and other assets with a historical cost and accumulated depreciation of \$1.410 million and \$0.451 million, respectively, under capital lease arrangements. Although lease terms vary, certain leases are renewable subject to appropriation by the General Assembly. If renewal is reasonably assured leases requiring appropriation by the General Assembly are considered non-cancelable leases for financial reporting. Future minimum lease payments (amounts expressed in thousands) at June 30, 2016 are as follows:

**STATE OF ILLINOIS
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Year Ending June 30	Principal	Interest	Total
2017	\$ 248	\$ 239	\$ 487
2018	187	194	381
2019	150	146	296
2020	171	98	269
2021	212	35	247
	\$ 968	\$ 712	\$ 1,680

(c) Pollution remediation obligations

The Department has recorded pollution remediation obligations for investigations and remediation of contaminated soils generally consisting of soil sampling, disposal of impact soil, and installation of groundwater monitoring wells.

(d) Certificates of Participation

The Department financed the purchase of certain Department-owned real and personal property (District 1 headquarters) through a third party (non-State issued) certificate. This non-State issued certificate is sold by a private concern and is repaid by Department appropriations pursuant to an installment purchase agreement. Interest varies from 3.9% - 5.5%. Future debt service requirements under certificates of participation (amounts expressed in thousands) at June 30, 2016, are as follows:

Year Ending June 30	Principal	Interest	Total
2017	\$ 2,315	\$ 523	\$ 2,838
2018	2,450	384	2,834
2019	2,590	236	2,826
2020	2,745	80	2,825
	\$ 10,100	\$ 1,223	\$ 11,323

(8) Defined Benefit Pension Plan

Plan Description. Substantially all of the Department's full-time employees who are not eligible for participation in another state-sponsored retirement plan participate in the State Employees' Retirement System (SERS), which is a single-employer defined benefit pension trust fund in the State of Illinois reporting entity. SERS is governed by article 14 of the Illinois Pension Code (40 ILCS 5/1, et al.). The plan consists of two tiers of contribution requirements and benefit levels based on when an employee was hired. Members who first become an employee and participate under any of the State's retirement plans on or after January 1, 2011 are members of Tier 2, while Tier 1 consists of employees hired before January 1, 2011 or those who have service credit prior to January 1, 2011. The provisions below apply to both Tier 1 and 2 members, except where noted. The SERS issues a separate CAFR available at www.srs.illinois.gov or that may be obtained by writing to the SERS, 2101 South Veterans Parkway, Springfield, Illinois, 62794-9255.

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Benefit Provisions. SERS provides retirement benefits based on the member's final average compensation and the number of years of credited service that have been established. The retirement benefit formula available to general State employees is 1.67% for each year of covered service and 2.2% for each year of noncovered service. The maximum retirement annuity payable is 75% of final average compensation as calculated under the regular formula. The minimum monthly retirement annuity payable is \$15.00 for each year of covered employment and \$25.00 for each year of noncovered employment.

Participants in SERS under the regular formula Tier 1 and Tier 2 receive the following levels of benefits based on the respective age and years of service credits.

Regular Formula Tier 1	Regular Formula Tier 2
<p>A member must have a minimum of eight years of service credit and may retire at:</p> <ul style="list-style-type: none"> • Age 60, with 8 years of service credit. • Any age, when the member's age (years & whole months) plus years of service credit (years & whole months) equal 85 years (1,020 months) (Rule of 85) with eight years of credited service. • Between ages 55-60 with 25-30 years of service credit (reduced 1/2 of 1% for each month under age 60). <p>The retirement benefit is based on final average compensation and credited service. Final average compensation is the 48 highest consecutive months of service within the last 120 months of service.</p> <p>Under the Rule of 85, a member is eligible for the first 3% increase on January 1 following the first full year of retirement, even if the member is not age 60. If the member retires at age 60 or older, he/she will receive a 3% pension increase every year on January 1, following the first full year of retirement.</p> <p>If the member retires before age 60 with a reduced retirement benefit, he/she will receive a 3% pension increase every January 1 after the member turns age 60 and has been retired at least one full year. These pension increases are not limited by the 75% maximum.</p>	<p>A member must have a minimum of 10 years of credited service and may retire at:</p> <ul style="list-style-type: none"> • Age 67, with 10 years of credited service. • Between ages 62-67 with 10 years of credited service (reduced 1/2 of 1% for each month under age 67). <p>The retirement benefit is based on final average compensation and credited service. For regular formula employees, final average compensation is the average of the 96 highest consecutive months of service within the last 120 months of service. The retirement benefit is calculated on a maximum salary of \$106,800. This amount increases annually by 3% or one-half of the Consumer Price Index, whichever is less.</p> <p>If the member retires at age 67 or older, he/she will receive a pension increase of 3% or one-half of the Consumer Price Index for the preceding calendar year, whichever is less, every year on January 1, following the first full year of retirement. The calendar year 2015 rate is \$111,572.</p> <p>If the member retires before age 67 with a reduced retirement benefit, he/she will receive a pension increase of 3% or one-half of the Consumer Price Index for the preceding calendar year, whichever is less, every January 1 after the member turns age 67 and has been retired at least one full year. These pension increases are not limited by the 75% maximum.</p>

Additionally, the Plan provides an alternative retirement formula for State employees in high-risk jobs, such as State policemen, fire fighters, and security employees. Employees qualifying for benefits under the alternative formula may retire at an earlier age depending on membership in Tier 1 or Tier 2. The retirement formula is 2.5% for each year of covered service and 3.0% for each year of non-covered service. The maximum retirement annuity payable is 80% of final average compensation as calculated under the alternative formula.

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SERS also provides occupational and nonoccupational (including temporary) disability benefits. To be eligible for nonoccupational (including temporary) disability benefits, an employee must have at least eighteen months of credited service to the System. The nonoccupational (including temporary) disability benefit is equal to 50% of the monthly rate of compensation of the employee on the date of removal from the payroll. Occupational disability benefits are provided when the member becomes disabled as a direct result of injuries or diseases arising out of and in the course of State employment. The monthly benefit is equal to 75% of the monthly rate of compensation on the date of removal from the payroll. This benefit amount is reduced by Workers' Compensation or payments under the Occupational Diseases Act.

Occupational and nonoccupational death benefits are also available through the System. Certain nonoccupational death benefits vest after eighteen months of credited service. Occupational death benefits are provided from the date of employment.

Contributions. Contribution requirements of active employees and the State are established in accordance with Chapter 40, section 5/14-133 of the Illinois Compiled Statutes. Member contributions are based on fixed percentages of covered payroll ranging between 4.00% and 12.50%. Employee contributions are fully refundable, without interest, upon withdrawal from State employment. Tier 1 members contribute based on total annual compensation. Tier 2 members contribute based on an annual compensation rate not to exceed \$106,800 with limitations for future years increased by the lesser of 3% or one-half of the annual percentage increase in the Consumer Price Index. For 2016, this amount was \$111,572.

The State is required to make payment for the required departmental employer contributions, all allowances, annuities, any benefits granted under Chapter 40, Article 5/14 of the ILCS and all administrative expenses of the System to the extent specified in the ILCS. State law provides that the employer contribution rate be determined based upon the results of each annual actuarial valuation.

For fiscal year 2016, the required employer contributions were computed in accordance with the State's funding plan. This funding legislation provides for a systematic 50-year funding plan with an ultimate goal to achieve 90% funding of the plan's liabilities. In addition, the funding plan provided for a 15-year phase-in period to allow the State to adapt to the increased financial commitment. Since the 15-year phase-in period ended June 30, 2010, the State's contribution will remain at a level percentage of payroll for the next 35 years until the 90% funded level is achieved. For fiscal year 2015, the employer contribution rate was 45.598%. The Department's contribution amount for fiscal year 2016 was \$189,925,856.

Pension liability, deferred outflows of resources, deferred inflows of resources and expense related to pensions. At June 30, 2016, the Department reported a liability of \$2.910 million for its proportionate share of the State's net pension liability for SERS on the statement of net position. The net pension liability was measured as of June 30, 2015 (current year measurement date), and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Department's portion of the net pension liability was based on the Department's proportion of employer contributions relative to all employer contributions made to the plan during the year ended June 30, 2015. As of the current year measurement date of June 30, 2015, the Department's proportion was 10.3899%, which was a decrease of .8794% from its proportion measured as of the prior year measurement date of June 30, 2014.

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For the year ended June 30, 2016, the Department recognized pension expense of \$308 million which is reported in the transportation function of the Statement of Activities. At June 30, 2016, the Department reported deferred outflows and deferred inflows of resources related to the pension liability from the following sources (amounts expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,850	\$ 37,779
Changes of assumptions	213,500	-
Net difference between projected and actual investment earnings on pension plan investments	-	44,075
Changes in proportion	127,249	175,416
Department contributions subsequent to the measurement date	189,926	-
Total	\$ 539,525	\$ 257,270

A total of \$189,926 is reported as deferred outflows of resources related to pensions resulting from Department contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized as pension expense as follows (amounts expressed in thousands):

<u>Year ended June 30,</u>	
2017	\$ 55,187
2018	55,187
2019	4,297
2020	(22,342)
Total	\$ 92,329

Actuarial Methods and Assumptions. The total pension liability was determined by an actuarial valuation as of June 30, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Mortality: 105 percent of the RP2014 Healthy Annuitant mortality table, sex distinct, with rates projected to 2015.

Inflation: 3.0%

Investment Rate of Return: 7.25%, net of pension plan investment expense, including inflation.

Salary increases: Salary increase rates based on age related productivity and merit rates plus inflation.

Post-retirement benefit increases of 3.00%, compounded, for Tier 1 and the lessor of 3.00% or one-half of the annual increase in the Consumer Price Index for Tier 2.

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June 30, 2016

Retirement Age: Experience-based table of rates specific to the type of eligibility condition. Table was last updated for the June 30, 2014, valuation pursuant to an experience study of the period July 1, 2009 to June 30, 2013.

The long-term expected real rate of return on pension plan investments was determined based on the simulated average 10-year annualized geometric return for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. For each major asset class that is included in the pension plan's target asset allocation, calculated as of the measurement date of June 30, 2015, the best estimates of the geometric real rates of return as summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	30%	5.69%
Fixed Income	20%	1.62%
Hedge Funds	10%	4.00%
International Equity	20%	6.23%
Real Estate	10%	5.50%
Infrastructure	5%	6.00%
Private Equity	5%	10.10%
Total	100%	5.03%

Discount Rate. A discount rate of 7.02% was used to measure the total pension liability as of the measurement date of June 30, 2015 as compared to a discount rate of 7.09% used to measure the total pension liability as of the prior year measurement date. The June 30, 2015 single blended discount rate was based on the expected rate of return on pension plan investments of 7.25% and a municipal bond rate of 3.80%, based on an index of 20 year general obligation bonds with an average AA credit rating as published by the Federal Reserve. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that contributions will be made based on the statutorily required rates under Illinois law. Based on these assumptions, the pension plan's fiduciary net position and future contributions will be sufficient to finance the benefit payments through the year 2067. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2067, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The net pension liability for the plan was calculated using the stated discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate as shown below (amounts expressed in thousands):

	1% Decrease 6.02%	Discount Rate 7.02%	1% Increase 8.02%
Department's proportionate share of the net pension liability	\$ 3,503,184	\$ 2,910,023	\$ 2,417,653

**STATE OF ILLINOIS
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Payables to the pension plan. At June 30, 2016, the Department reported a payable of \$3,596,420 to SERS for the outstanding amount of contributions to the pension plans required for the year ended June 30, 2016.

(9) Post-employment Benefits

The State provides health, dental, vision, and life insurance benefits for retirees and their dependents in a program administered by the Department of Central Management Services. Substantially all State employees become eligible for post-employment benefits if they eventually become annuitants of one of the State sponsored pension plans. Health, dental, and vision benefits include basic benefits for annuitants and dependents under the State's self-insurance plan and insurance contracts currently in force. Annuitants may be required to contribute towards health, dental, and vision benefits with the amount based on factors such as date of retirement, years of credited service with the State, whether the annuitant is covered by Medicare, and whether the annuitant has chosen a managed health care plan. Annuitants who retired prior to January 1, 1998, and who are vested in the State Employees' Retirement System do not contribute towards health, dental, and vision benefits. For annuitants who retired on or after January 1, 1998, the annuitant's contribution amount is reduced five percent for each year of credited service with the State allowing those annuitants with twenty or more years of credited service to not have to contribute towards health, dental, and vision benefits. Annuitants also receive life insurance coverage equal to the annual salary of the last day of employment until age 60, at which time the benefit becomes \$5,000.

Public Act 97-0695, effective July 1, 2012, altered the contributions to be paid by the State, annuitants, survivors, and retired employees under the State Employees Group Insurance Act ("Act"). This Act requires the Director of Central Management Services to, on an annual basis, determine the amount the State should contribute. The remainder of the cost of coverage shall be the responsibility of the annuitant, survivor, or retired employee. These costs were to be assessed beginning July 1, 2013. However, five putative class actions were filed challenging the validity of this legislation under, among other things, the pension protection clause of the Illinois Constitution of 1970. The five class actions were consolidated in the circuit court of Sangamon County. The circuit court dismissed each of them for failure to state a cause of action, without certifying any classes. The Illinois Supreme Court allowed direct appeal. On July 3, 2014, the Illinois Supreme Court issued an opinion in the retirement health insurance case. The Illinois Supreme Court disagreed with the circuit court and determined the circuit court should not have dismissed the case. The Supreme Court sent the case back to the circuit court for reconsideration. As a result the Sangamon Country Circuit Court has directed SERS to discontinue withholding, as soon as possible, the retiree and survivor health insurance premiums that have been in effect since July 2013. The refunding of the withheld premiums was repaid from an escrow account by June 15, 2015.

The total cost of the State's portion of health, dental, vision, and life insurance benefits of all members, including post-employment health, dental, vision, and life insurance benefits, is recognized as an expense by the State in the Illinois Comprehensive Annual Financial Report. The State finances the costs on a pay-as-you-go basis. The total costs incurred for health, dental, vision, and life insurance benefits are not separated by department or component unit for annuitants and their dependents nor active employees and their dependents.

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A summary of post-employment benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services. A copy of the financial statements of the Department of Central Management Services may be obtained by writing to the Department of Central Management Services, William G. Stratton Building, 401 S. Spring St., Springfield, IL 62706.

(10) Fund Balance

(a) Categories

At June 30, 2016, the Department's fund balances were classified as follows:

	General		State		Total
	Fund	Road Fund	Construction Account	Nonmajor Funds	
Nonspendable:					
Loans and notes receivable	\$ 49	\$ -	\$ -	\$ -	\$ 49
Inventory	-	56,389	-	-	56,389
Total Nonspendable	\$ 49	\$ 56,389	\$ -	\$ -	\$ 56,438
Restricted purpose:					
General Transportation	\$ -	\$ -	\$ -	\$ 2,501	\$ 2,501
Debt Service	-	-	-	9,001	9,001
Total Restricted	\$ -	\$ -	\$ -	\$ 11,502	\$ 11,502
Committed purpose:					
General Transportation	\$ 45	\$ 268,424	\$ -	\$ 211,538	\$ 480,007
Total Committed	\$ 45	\$ 268,424	\$ -	\$ 211,538	\$ 480,007
Assigned purpose:					
Transportation Projects	\$ -	\$ -	\$ 21,363	\$ -	\$ 21,363
Total Unassigned	\$ 3,480	\$ -	\$ -	\$ (62,110)	\$ (58,630)
Total Fund Balances	\$ 3,574	\$ 324,813	\$ 21,363	\$ 160,930	\$ 510,680

(b) Fund Deficits

The Federal Local Airport Fund, Federal High Speed Rail Trust Fund and Federal Mass Transit Trust Fund had deficit fund balances of \$26,821 million, \$32,633 million and \$2,656 million, respectively, at June 30, 2016. The deficits funds will be eliminated by future recognition of earned but unavailable revenues and future grant resources.

(11) Risk Management

The Department is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; aviation liability; auto liability; workers compensation; and natural disasters. Except for a portion of the auto liability, the State retains the risk of loss (i.e. self insured) for these risks.

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Auto liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claims liabilities are based upon the estimated ultimate cost of settling the claims including specific, incremental claim adjustment expenses, salvage, and subrogation and considering the effects of inflation and recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The Department's risk financing for auto liabilities has been determined using an estimate of claims outstanding.

The following is a reconciliation of the Department's claims liabilities for the years ended June 30, 2015 and June 30, 2016.

Year Ended June 30	Beginning Balance	Claims Incurred	Decreases	Ending Balance
2015	\$ 9,852	\$ 1,227	\$ 1,151	\$ 9,928
2016	\$ 9,928	\$ 1,762	\$ 2,353	\$ 9,337

(12) Commitments and Contingencies

(a) Commitments

The Department has outstanding construction projects for highway program improvements and administrative expenses in which it has entered into future commitments. The amount of the Department's commitments was \$5.031 billion at June 30, 2016.

(b) Encumbrances

The Department has Road Fund encumbrances for goods ordered but not received prior to June 30, 2016 of \$7.5 million.

(c) Operating Leases

The Department leases various real property and equipment under the terms of non-cancelable operating lease agreements that require the Department to make minimum lease payments plus pay a pro rata share of certain operating costs. Rent expense under operating leases was \$11.7 million for the year ended June 30, 2016.

The following is a schedule of future minimum lease payments under operating leases (amounts expressed in thousands):

Year Ending June 30	Total
2017	\$ 454
2018	11
2019	-
	<u>\$ 465</u>

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June 30, 2016

(d) Federal Funding

The Department receives federal grants which are subject to review and audit by federal grantor agencies. Certain costs could be questioned as not being an eligible expenditure under the terms of the grants. At June 30, 2016, there were no material questioned costs that have not been resolved with the federal awarding agencies. However, questioned costs could still be identified during audits to be conducted in the future. Management of the Department believes there will be no material adjustments to the federal grants and, accordingly, has not recorded a provision for possible repayment.

(e) Litigation

On April 19, 2004, an auto accident occurred wherein the plaintiff sued the State in *Chraca v. Miles*. On September 8, 2009, judgment was entered in the Circuit Court of Cook County for the amount of \$23.8 million against the State. On February 18, 2010, the State appealed the judgment to the First District Appellate Court of Illinois. The Appellate Court has ruled against the State. The plaintiff is seeking to enforce the judgment through the Court of Claims. However, this was denied. On August 26, 2016, the Court of Claims granted claimant's Motion to Reconsider. An amount of \$2 million, the statutory limit on auto liability exposure per case, has been included in the long-term auto liability. Any amount to be paid in addition to this \$2 million is uncertain at this time. Any court-ordered judgment amount, including the \$2 million already accrued, would be paid from the Road Fund.

The Department is also routinely involved in a number of legal proceedings and claims that cover a wide range of matters. In the opinion of management, the outcome of these matters is not expected to have any material adverse effect on the financial position or results of operations of the Department.

(13) Subsequent Event

On November 8, 2016, the voters of Illinois approved an amendment to the State Constitution which has been commonly referred to as the 'Lock Box' or 'Safe Roads' Amendment. The stated intent of the amendment was to ensure that revenues (including bond proceeds) derived from transportation activities such as the operation of motor vehicles could only be used for transportation purposes. The amendment contained language that attempts to describe what those revenues are and how they can (and cannot) be used. There was also a provision in the amendment that is supposed to 'protect' those resources from being swept or diverted to non-transportation purposes. Officially, the Department took no position on the amendment. The language of the amendment is neither simple nor straightforward and in some instances would actually appear to support expanding the types of activities that can be paid for with transportation 'funds' beyond what is currently appropriated. In debate on the floor of the General Assembly, there was a substantial amount of legislative intent read into the record on how the language of the amendment was to be interpreted. However, as a constitutional amendment, it will ultimately be up to the State Supreme Court to decide the true reach of the provisions that the voters enacted. At the present time, the Department does not expect to receive any additional revenue or incur additional expenses as a result of its passage. Those changes would require subsequent actions by the General Assembly and Governor to either change or enact new substantive law or change or enact new appropriations.

SUPPLEMENTARY INFORMATION

State of Illinois
Department of Transportation

Combining Schedule of Accounts -
General Fund

June 30, 2016 (Expressed in Thousands)

	General Fund Accounts			Total
	General Revenue 0001	I-FLY 0306	Public Transportation 0627	
ASSETS				
Unexpended appropriations	\$ -	\$ -	\$ -	\$ -
Cash equity with State Treasurer	-	45	3,287	3,332
Intergovernmental receivables, net	3,480	-	-	3,480
Other receivables, net	-	-	-	-
Due from other State funds	-	-	331,552	331,552
Loans receivable, net	49	-	-	49
Total assets	\$ 3,529	\$ 45	\$ 334,839	\$ 338,413
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 87	\$ 87
Intergovernmental payables	-	-	334,707	334,707
Due to other Department funds	-	-	-	-
Due to other State funds	-	-	45	45
Total liabilities	-	-	334,839	334,839
FUND BALANCES				
Nonspendable portion of loans receivable	49	-	-	49
Restricted	-	-	-	-
Committed	-	45	-	45
Unassigned	3,480	-	-	3,480
Total fund balances	3,529	45	-	3,574
Total liabilities and fund balances	\$ 3,529	\$ 45	\$ 334,839	\$ 338,413

The accompanying notes to the financial statements are an integral part of this statement.

Department of Transportation

**Combining Schedule of Revenues,
Expenditures, and Changes in Fund Balances -
General Fund**

For the Year Ended June 30, 2016 (Expressed in Thousands)

	General Fund Accounts			
	General Revenue 0001	I-FLY 0306	Public Transportation 0627	Total
REVENUES				
None				
EXPENDITURES				
Transportation	\$ (3,580)	\$ -	\$ 516,173	\$ 512,593
Total expenditures	<u>(3,580)</u>	<u>-</u>	<u>516,173</u>	<u>512,593</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,580</u>	<u>-</u>	<u>(516,173)</u>	<u>(512,593)</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES				
Appropriations from State resources	-	-	-	-
Lapsed appropriations	-	-	-	-
Receipts collected and transmitted to State Treasury	(174)	-	-	(174)
Net change in liabilities for reappropriated accounts	(10)	-	-	(10)
Transfers in	-	-	516,173	516,173
Net other sources (uses) of financial resources	<u>(184)</u>	<u>-</u>	<u>516,173</u>	<u>515,989</u>
Net change in fund balances	<u>3,396</u>	<u>-</u>	<u>-</u>	<u>3,396</u>
Fund balances, July 1, 2015	<u>133</u>	<u>45</u>	<u>-</u>	<u>178</u>
FUND BALANCES, JUNE 30, 2016	<u>\$ 3,529</u>	<u>\$ 45</u>	<u>\$ -</u>	<u>\$ 3,574</u>

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois
Department of Transportation

**Combining Schedule of Accounts -
Road Fund**

June 30, 2016 (Expressed in Thousands)

	Road Fund Accounts			
	Road 0011	Working Capital Revolving Loan 0307	Eliminations	Total
ASSETS				
Unexpended appropriations	\$ 594,534	\$ -	\$ -	\$ 594,534
Cash equity with State Treasurer	1,578	291	-	1,869
Cash and cash equivalents	-	88	-	88
Securities lending collateral equity with State Treasurer	-	77	-	77
Intergovernmental receivables, net	187,394	-	-	187,394
Other receivables, net	4,479	-	-	4,479
Due from other Department funds	17,864	-	-	17,864
Due from other State funds	1,324	-	-	1,324
Due from State of Illinois component units, current	2,169	-	-	2,169
Inventories	56,389	-	-	56,389
Loans receivable, net	-	131	-	131
Due from State of Illinois component units, long-term	81,374	-	-	81,374
Total assets	\$ 947,105	\$ 587	\$ -	\$ 947,692
LIABILITIES				
Accounts payable and accrued liabilities	\$ 290,649	\$ -	\$ -	\$ 290,649
Intergovernmental payables	85,388	-	-	85,388
Due to other Department funds	1,687	-	-	1,687
Due to other State funds	59,825	-	-	59,825
Due to State of Illinois component units	155,985	-	-	155,985
Obligations under securities lending of State Treasurer	-	77	-	77
Unearned revenue	1,418	-	-	1,418
Total liabilities	594,952	77	-	595,029
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - DIR	27,850	-	-	27,850
Total deferred inflows of resources	27,850	-	-	27,850
Total liabilities and deferred inflows of resources	622,802	77	-	622,879
FUND BALANCES				
Nonspendable portion of inventories	56,389	-	-	56,389
Restricted	-	-	-	-
Committed	267,914	510	-	268,424
Unassigned	-	-	-	-
Total fund balances	324,303	510	-	324,813
Total liabilities, deferred inflows and fund balances	\$ 947,105	\$ 587	\$ -	\$ 947,692

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois
Department of Transportation

**Combining Schedule of Revenues,
Expenditures, and Changes in Fund Balances -
Road Fund**

For the Year Ended June 30, 2016 (Expressed in Thousands)

	Road Fund Accounts			
	Road 0011	Working Capital Revolving Loan 0307	Eliminations	Total
REVENUES				
Sales taxes	\$ -	\$ -	\$ -	\$ -
Motor fuel taxes	308,119	-	-	308,119
Operating grants - Federal	48,518	-	-	48,518
Capital grants - Federal	1,487,106	-	-	1,487,106
Other operating grants	106,188	-	-	106,188
Other capital grants	10,099	-	-	10,099
Licenses and fees	22,805	-	-	22,805
Other charges for services	36,928	-	-	36,928
Other	-	-	-	-
Interest and other investment income	-	7	-	7
Total revenues	2,019,763	7	-	2,019,770
EXPENDITURES				
Transportation	1,591,735	-	-	1,591,735
Intergovernmental	-	-	-	-
Debt service - principal	540	-	-	540
Debt service - interest	72	-	-	72
Capital outlays	728,168	-	-	728,168
Total expenditures	2,320,515	-	-	2,320,515
Excess (deficiency) of revenues over (under) expenditures	(300,752)	7	-	(300,745)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES				
Appropriations from State resources	5,192,849	-	-	5,192,849
Reappropriation to future year(s)	(2,418,298)	-	-	(2,418,298)
Lapsed appropriations	(366,037)	-	-	(366,037)
Receipts collected and transmitted to State Treasury	(1,726,365)	-	-	(1,726,365)
Net change in liabilities for reappropriated accounts	(88,368)	-	-	(88,368)
Amount of SAMS Transfers-in	(307,261)	-	-	(307,261)
Amount of SAMS Transfers-out	-	-	-	-
Transfers-in	-	-	-	-
Transfers-out	(4,937)	-	-	(4,937)
Capital lease financing	788	-	-	788
Net other sources (uses) of financial resources	282,371	-	-	282,371
Net change in fund balances	(18,381)	7	-	(18,374)
Fund balances, July 1, 2015	343,930	503	-	344,433
Decrease for change in inventories	(1,246)	-	-	(1,246)
FUND BALANCES, JUNE 30, 2016	\$ 324,303	\$ 510	\$ -	\$ 324,813

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois
Department of Transportation
Combining Balance Sheet -
Nonmajor Governmental Funds
June 30, 2016 (Expressed in Thousands)

	Special Revenue								
	Motor Fuel Tax Funds	Grade Crossing Protection 0019	Aeronautics 0046	Federal/Local Airport 0095	Intercity Passenger Rail 0233	State Rail Freight Loan Repayment 0265	Tax Recovery 0310	Federal High Speed Rail Trust 0433	Downstate Transit Improvement 0559
ASSETS									
Unexpended appropriations	\$ 77,270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash equity with State Treasurer	-	35,799	523	1,873	299	4,864	2,723	579	37,497
Cash and cash equivalents	-	-	-	-	-	-	-	-	-
Securities lending collateral equity with State Treasurer	-	-	-	-	79	1,284	-	-	-
Intergovernmental receivables, net	-	-	-	36,080	-	-	-	94,556	-
Other receivables, net	-	-	-	-	-	2	17	-	-
Due from other Department funds	-	3,500	-	4	-	-	-	-	-
Due from other State funds	-	-	-	-	368	-	-	-	-
Due from State of Illinois component units	-	-	-	-	-	-	-	-	-
Loans receivable, net	-	-	-	-	-	6,532	-	-	-
Total assets	\$ 77,270	\$ 39,299	\$ 523	\$ 37,957	\$ 746	\$ 12,682	\$ 2,740	\$ 95,135	\$ 37,497
LIABILITIES									
Accounts payable and accrued liabilities	\$ 391	\$ 7,126	\$ 11	\$ 15,335	\$ -	\$ -	\$ 79	\$ 86,949	\$ 1,573
Intergovernmental payables	33,768	9,238	-	20,654	-	-	139	708	2,118
Due to other Department funds	42,674	-	-	32	-	-	-	-	-
Due to other State funds	437	-	-	-	-	-	-	-	-
Due to State of Illinois component units	-	-	-	44	-	-	-	-	-
Obligations under securities lending of State Treasurer	-	-	-	-	79	1,284	-	-	-
Unearned revenue	-	-	-	1,892	-	-	337	-	-
Total liabilities	77,270	16,364	11	37,957	79	1,284	555	87,657	3,691
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue - DIR	-	-	-	26,821	-	-	-	40,111	-
Total deferred inflows of resources	-	-	-	26,821	-	-	-	40,111	-
Total liabilities and deferred inflows of resources	77,270	16,364	11	64,778	79	1,284	555	127,768	3,691
FUND BALANCES (DEFICITS)									
Nonspendable portion of loans and notes receivable	-	-	-	-	-	-	-	-	-
Restricted fund balance	-	-	-	-	-	-	-	-	-
Unrestricted									
Committed fund balance	-	22,935	512	-	667	11,398	2,185	-	33,806
Assigned fund balance	-	-	-	-	-	-	-	-	-
Unassigned fund balance	-	-	-	(26,821)	-	-	-	(32,633)	-
Total fund balances (deficits)	-	22,935	512	(26,821)	667	11,398	2,185	(32,633)	33,806
Total liabilities, deferred inflows and fund balances (deficits)	\$ 77,270	\$ 39,299	\$ 523	\$ 37,957	\$ 746	\$ 12,682	\$ 2,740	\$ 95,135	\$ 37,497

State of Illinois
Department of Transportation
Combining Balance Sheet -
Nonmajor Governmental Funds
June 30, 2016 (Expressed in Thousands)

	Special Revenue						
	Transportation Safety Highway Hire-Back 0589	Downstate Public Transportation 0648	Airport Land Loan Revolving 0669	Roadside Memorial 0697	Federal Mass Transit Trust 0853	Cycle Rider Safety Training 0863	Rail Freight Loan Repayment 0936
ASSETS							
Unexpended appropriations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 504	\$ -
Cash equity with State Treasurer	837	4,827	93	905	-	-	3,816
Cash and cash equivalents	-	-	-	-	-	-	-
Securities lending collateral equity with State Treasurer	-	-	24	-	-	-	1,010
Intergovernmental receivables, net	-	-	-	33	8,682	-	-
Other receivables, net	-	-	-	-	-	-	2
Due from other Department funds	-	-	-	-	-	-	-
Due from other State funds	-	136,426	-	-	-	-	-
Due from State of Illinois component units	-	-	-	-	-	-	-
Loans receivable, net	-	-	-	-	-	-	153
Total assets	\$ 837	\$ 141,253	\$ 117	\$ 938	\$ 8,682	\$ 504	\$ 4,981
LIABILITIES							
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 421	\$ 7,925	\$ 185	\$ -
Intergovernmental payables	-	5,799	-	-	551	-	-
Due to other Department funds	-	-	-	-	-	-	-
Due to other State funds	-	-	-	-	-	-	-
Due to State of Illinois component units	-	-	-	-	206	319	-
Obligations under securities lending of State Treasurer	-	-	24	-	-	-	1,010
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	-	5,799	24	421	8,682	504	1,010
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - DIR	-	-	-	-	2,656	-	-
Total deferred inflows of resources	-	-	-	-	2,656	-	-
Total liabilities and deferred inflows of resources	-	5,799	24	421	11,338	504	1,010
FUND BALANCES (DEFICITS)							
Nonspendable portion of loans and notes receivable	-	-	-	-	-	-	-
Restricted fund balance	837	-	-	-	-	-	-
Unrestricted							
Committed fund balance	-	135,454	93	517	-	-	3,971
Assigned fund balance	-	-	-	-	-	-	-
Unassigned fund balance	-	-	-	-	(2,656)	-	-
Total fund balances (deficits)	837	135,454	93	517	(2,656)	-	3,971
Total liabilities, deferred inflows and fund balances (deficits)	\$ 837	\$ 141,253	\$ 117	\$ 938	\$ 8,682	\$ 504	\$ 4,981

State of Illinois
Department of Transportation

Combining Balance Sheet -
Nonmajor Governmental Funds

June 30, 2016 (Expressed in Thousands)

	Capital Projects				Debt Service		Total
	Transportation Bond Series A 0553	Transportation Bond Series B 0554	Transportation Bond Series D 0695	IDOT Capital Projects 1494	General Obligation Bond Retirement and Interest 0101	IDOT Debt Service 2494	
ASSETS							
Unexpended appropriations	\$ 9,640	\$ 95,537	\$ 61,508	\$ -	\$ -	\$ -	\$ 244,459
Cash equity with State Treasurer	-	-	-	-	-	-	94,635
Cash and cash equivalents	-	-	-	66	-	2,630	2,696
Securities lending collateral equity with State Treasurer	-	-	-	-	-	-	2,397
Intergovernmental receivables, net	-	-	-	-	-	-	139,351
Other receivables, net	3	-	-	-	-	-	24
Due from other Department funds	-	-	-	1,687	-	-	5,191
Due from other State funds	-	-	-	-	-	-	136,794
Due from State of Illinois component units	-	-	-	-	-	-	-
Loans receivable, net	-	-	-	-	6,371	-	13,056
Total assets	\$ 9,643	\$ 95,537	\$ 61,508	\$ 1,753	\$ 6,371	\$ 2,630	\$ 638,603
LIABILITIES							
Accounts payable and accrued liabilities	\$ 1,656	\$ 17,059	\$ 50,902	\$ 60	\$ -	\$ -	\$ 189,672
Intergovernmental payables	7,987	78,473	10,606	-	-	-	170,041
Due to other Department funds	-	4	-	-	-	-	42,710
Due to other State funds	-	-	-	29	-	-	466
Due to State of Illinois component units	-	1	-	-	-	-	570
Obligations under securities lending of State Treasurer	-	-	-	-	-	-	2,397
Unearned revenue	-	-	-	-	-	-	2,229
Total liabilities	9,643	95,537	61,508	89	-	-	408,085
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - DIR	-	-	-	-	-	-	69,588
Total deferred inflows of resources	-	-	-	-	-	-	69,588
Total liabilities and deferred inflows of resources	9,643	95,537	61,508	89	-	-	477,673
FUND BALANCES (DEFICITS)							
Nonspendable portion of loans and notes receivable	-	-	-	-	-	-	-
Restricted fund balance	-	-	-	1,664	6,371	2,630	11,502
Unrestricted							
Committed fund balance	-	-	-	-	-	-	211,538
Assigned fund balance	-	-	-	-	-	-	-
Unassigned fund balance	-	-	-	-	-	-	(62,110)
Total fund balances (deficits)	-	-	-	1,664	6,371	2,630	160,930
Total liabilities, deferred inflows and fund balances (deficits)	\$ 9,643	\$ 95,537	\$ 61,508	\$ 1,753	\$ 6,371	\$ 2,630	\$ 638,603

State of Illinois
Department of Transportation

Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances -
Nonmajor Governmental Funds

For the Year Ended June 30, 2016 (Expressed in Thousands)

	Special Revenue							
	Motor Fuel Tax Funds	Grade Crossing Protection 0019	Aeronautics 0046	Federal/Local Airport 0095	Intercity Passenger Rail 0233	State Rail Freight Loan Repayment 0265	Tax Recovery 0310	Federal High Speed Rail Trust 0433
REVENUES								
Sales tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Motor fuel taxes	(527,447)	-	-	-	-	-	-	-
Operating grants - Federal	-	-	-	73,160	-	-	-	248,518
Other operating grants	-	-	-	4,476	-	-	-	-
Licenses and fees	-	-	216	-	-	-	-	-
Other charges for services	-	-	-	-	-	-	1,308	-
Other	-	-	-	-	140	-	-	-
Interest and other investment income	-	-	-	-	1	152	-	-
Total revenues	(527,447)	-	216	77,636	141	152	1,308	248,518
EXPENDITURES								
Transportation	13,147	30,764	11	84,768	-	1,001	214	215,119
Intergovernmental	583,462	-	-	-	-	-	-	-
Debt service - principal	-	-	-	-	-	-	-	-
Debt service - interest	-	-	-	-	-	-	-	-
Capital outlays	-	(2,041)	-	-	-	-	-	31,616
Total expenditures	596,609	28,723	11	84,768	-	1,001	214	246,735
Excess (deficiency) of revenues over (under) expenditures	(1,124,056)	(28,723)	205	(7,132)	141	(849)	1,094	1,783
OTHER SOURCES (USES) OF FINANCIAL RESOURCES								
Appropriations from State resources	17,280	-	-	-	-	-	-	-
Reappropriation to future year(s)	-	-	-	-	-	-	-	-
Lapsed appropriations	(4,133)	-	-	-	-	-	-	-
Receipts collected and transmitted to State Treasury	-	-	-	-	-	-	-	-
Net change in liabilities for reappropriated accounts	9,201	-	-	-	-	-	-	-
Amount of SAMS Transfers out	1,148,748	-	-	-	-	-	-	-
Transfers-in	-	42,000	-	23	-	-	-	-
Transfers-out	(47,040)	(3,000)	-	(20)	-	-	-	-
Net other sources (uses) of financial resources	1,124,056	39,000	-	3	-	-	-	-
Net change in fund balances	-	10,277	205	(7,129)	141	(849)	1,094	1,783
Fund balances (deficits), July 1, 2015	-	12,658	307	(19,692)	526	12,247	1,091	(34,416)
FUND BALANCES (DEFICITS), JUNE 30, 2016	\$ -	\$ 22,935	\$ 512	\$ (26,821)	\$ 667	\$ 11,398	\$ 2,185	\$ (32,633)

State of Illinois
Department of Transportation

Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

For the Year Ended June 30, 2016 (Expressed in Thousands)

	Special Revenue							
	Downstate Transit Improvement 0559	Transportation Safety Highway Hire-Back 0589	Downstate Public Transportation 0648	Airport Land Loan Revolving 0669	Roadside Memorial 0697	Federal Mass Transit Trust 0853	Cycle Rider Safety Training 0863	Rail Freight Loan Repayment 0936
REVENUES								
Sales tax	\$ -	\$ -	\$ 200,289	\$ -	\$ -	\$ -	\$ -	\$ -
Motor fuel taxes	-	-	-	-	-	-	-	-
Operating grants - Federal	-	-	-	-	-	30,802	-	-
Other operating grants	-	-	-	-	-	-	-	-
Licenses and fees	-	-	-	-	439	-	-	-
Other charges for services	-	-	-	-	4	-	-	-
Other	-	199	-	-	-	-	-	-
Interest and other investment income	-	-	-	-	-	-	-	31
Total revenues	-	199	200,289	-	443	30,802	-	31
EXPENDITURES								
Transportation	15,237	-	188,019	-	421	33,357	195	-
Intergovernmental	-	-	-	-	-	-	-	-
Debt service - principal	-	-	-	-	-	-	-	-
Debt service - interest	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-
Total expenditures	15,237	-	188,019	-	421	33,357	195	-
Excess (deficiency) of revenues over (under) expenditures	(15,237)	199	12,270	-	22	(2,555)	(195)	31
OTHER SOURCES (USES) OF FINANCIAL RESOURCES								
Appropriations from State resources	-	-	-	-	-	-	10,680	-
Reappropriation to future year(s)	-	-	-	-	-	-	(10,115)	-
Lapsed appropriations	-	-	-	-	-	-	(370)	-
Receipts collected and transmitted to State Treasury	-	-	-	-	-	-	-	-
Net change in liabilities for reappropriated accounts	-	-	-	-	-	-	-	-
Amount of SAMS Transfers out	-	-	-	-	-	-	-	-
Transfers-in	19,225	-	-	-	-	-	-	-
Transfers-out	-	-	(19,225)	-	(1,375)	-	-	-
Net other sources (uses) of financial resources	19,225	-	(19,225)	-	(1,375)	-	195	-
Net change in fund balances	3,988	199	(6,955)	-	(1,353)	(2,555)	-	31
Fund balances (deficits), July 1, 2015	29,818	638	142,409	93	1,870	(101)	-	3,940
FUND BALANCES (DEFICITS), JUNE 30, 2016	\$ 33,806	\$ 837	\$ 135,454	\$ 93	\$ 517	\$ (2,656)	\$ -	\$ 3,971

State of Illinois
Department of Transportation

Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

For the Year Ended June 30, 2016 (Expressed in Thousands)

	Capital Projects				Debt Service		Total
	Transportation Bond Series A	Transportation Bond Series B	Transportation Bond Series D	IDOT Capital Projects	General Obligation Bond Retirement and Interest	IDOT Debt Service	
	0553	0554	0695	1494	0101	2494	
REVENUES							
Sales tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,289
Motor fuel taxes	-	-	-	-	-	-	(527,447)
Operating grants - Federal	-	-	-	-	-	-	352,480
Other operating grants	-	-	-	-	-	-	4,476
Licenses and fees	-	-	-	-	-	-	655
Other charges for services	3	-	-	-	-	-	1,315
Other	-	-	-	-	67	-	406
Interest and other investment income	-	-	-	-	235	-	419
Total revenues	3	-	-	-	302	-	32,593
EXPENDITURES							
Transportation	7,341	240,286	113,745	739	-	1	944,365
Intergovernmental	-	-	-	-	-	-	583,462
Debt service - principal	-	-	-	-	-	2,185	2,185
Debt service - interest	-	-	-	-	-	654	654
Capital outlays	14,659	38,938	293,507	-	-	-	376,679
Total expenditures	22,000	279,224	407,252	739	-	2,840	1,907,345
Excess (deficiency) of revenues over (under) expenditures	(21,997)	(279,224)	(407,252)	(739)	302	(2,840)	(1,874,752)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES							
Appropriations from State resources	84,363	2,414,700	1,629,287	-	-	-	4,156,310
Reappropriation to future year(s)	(54,019)	(2,100,951)	(1,032,213)	-	-	-	(3,197,298)
Lapsed appropriations	(8,550)	-	(209,609)	-	-	-	(222,662)
Receipts collected and transmitted to State Treasury	(3)	-	-	-	(1,801)	-	(1,804)
Net change in liabilities for reappropriated accounts	206	(34,502)	19,787	-	-	-	(5,308)
Amount of SAMS Transfers out	-	-	-	-	-	-	1,148,748
Transfers-in	-	-	-	2,031	20	2,906	66,205
Transfers-out	-	(23)	-	-	-	-	(70,683)
Net other sources (uses) of financial resources	21,997	279,224	407,252	2,031	(1,781)	2,906	1,873,508
Net change in fund balances	-	-	-	1,292	(1,479)	66	(1,244)
Fund balances (deficits), July 1, 2015	-	-	-	372	7,850	2,564	162,174
FUND BALANCES (DEFICITS), JUNE 30, 2016	\$ -	\$ -	\$ -	\$ 1,664	\$ 6,371	\$ 2,630	\$ 160,930

State of Illinois
Department of Transportation

Combining Schedule of Accounts -
Motor Fuel Tax Fund

June 30, 2016 (Expressed in Thousands)

	Special Revenue						
	Motor Fuel Tax 0012	Motor Fuel Tax- Counties 0413	Motor Fuel Tax- Municipalities 0414	Motor Fuel Tax- Townships and Road Districts 0415	Eliminations	Total	
ASSETS							
Unexpended appropriations	\$ 77,270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,270
Due from other Department funds	-	11,822	16,580	5,366	(33,768)	-	-
Total assets	\$ 77,270	\$ 11,822	\$ 16,580	\$ 5,366	\$ (33,768)	\$ -	\$ 77,270
LIABILITIES							
Accounts payable and accrued liabilities	\$ 391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 391
Intergovernmental payables	-	11,822	16,580	5,366	-	-	33,768
Due to other Department funds	76,442	-	-	-	(33,768)	-	42,674
Due to other State funds	437	-	-	-	-	-	437
Total liabilities	77,270	11,822	16,580	5,366	(33,768)	-	77,270
FUND BALANCES							
Unrestricted							
Unassigned	-	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-	-
Total liabilities and fund balances	\$ 77,270	\$ 11,822	\$ 16,580	\$ 5,366	\$ (33,768)	\$ -	\$ 77,270

State of Illinois
Department of Transportation

**Combining Schedule of Revenues,
Expenditures, and Changes in Fund Balances -
Motor Fuel Tax Fund**

For the Year Ended June 30, 2016 (Expressed in Thousands)

	Special Revenue					Total
	Motor Fuel Tax 0012	Motor Fuel Tax- Counties 0413	Motor Fuel Tax- Municipalities 0414	Motor Fuel Tax- Townships and Road Districts 0415	Eliminations	
REVENUES						
Motor fuel taxes	\$ (1,110,909)	\$ 204,270	\$ 286,480	\$ 92,712	\$ -	\$ (527,447)
Total revenues	(1,110,909)	204,270	286,480	92,712	-	(527,447)
EXPENDITURES						
Transportation	13,147	-	-	-	-	13,147
Intergovernmental	-	204,270	286,480	92,712	-	583,462
Total expenditures	13,147	204,270	286,480	92,712	-	596,609
Deficiency of revenues under expenditures	(1,124,056)	-	-	-	-	(1,124,056)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Appropriations from State resources	17,280	-	-	-	-	17,280
Lapsed appropriations	(4,133)	-	-	-	-	(4,133)
Net change in liabilities for reappropriated accounts	9,201	-	-	-	-	9,201
Amount of SAMS Transfers-out	1,148,748	-	-	-	-	1,148,748
Transfers-out	(47,040)	-	-	-	-	(47,040)
Net other sources (uses) of financial resources	1,124,056	-	-	-	-	1,124,056
Net change in fund balances	-	-	-	-	-	-
Fund balances, July 1, 2015	-	-	-	-	-	-
FUND BALANCES, JUNE 30, 2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2016
AND FINANCIAL AUDIT
For the Year Ended June 30, 2016

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 Appropriations, Expenditures and Lapsed Balances
Fiscal Year 2016
Fiscal Year 2015
 - Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
 - Schedule of Changes in State Property
 - Comparative Schedule of Cash Receipts and Reconciliation 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 Accounts Receivable

- Analysis of Operations (Unaudited):
 - Agency Functions and Planning Program (Unaudited)
 - Budget Impasse Disclosures (Unaudited)
 - Alternative Financing in Lieu of Appropriations and Programs to Address Untimely Payments to Vendors (Unaudited)
 - Interest Costs on Fiscal Year 2016 Invoices (Unaudited)
 - Average Number of Full-Time Employees (Unaudited)
 - Annual Cost Statistics by Major Object Classification (Unaudited)
 - Emergency Purchases (Unaudited)
 - Schedule of Illinois First Projects (Unaudited)
 - Memorandums of Understanding (Unaudited)
 - Service Efforts and Accomplishments (Unaudited)
 - Summary of Major Projects (Unaudited)

The auditor's report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states that it has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in the auditor's opinion, it is fairly stated, in all material respects, in relation to the basic financial statements as a whole from which it has been derived. The auditor's report also states the Analysis of Operations Section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, they do not express an opinion or provide any assurance on it.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2016
Fourteen Months Ended August 31, 2016

Schedule 1

P.A. 99-0524 P.A. 99-0007 P.A. 99-0491 Court Ordered Expenditures	Expenditure Authority (Net of Transfers)	Expenditures Through June 30, 2016	Lapse Period Expenditures July 1 to August 31, 2016	Total Expenditures 14 Months Ended August 31, 2016	Balances Reappropriated July 1, 2016	Balances Lapsed August 31, 2016
<u>Appropriated Funds</u>						
Road Fund (0011):						
Central Administration and Planning	\$ 258,867,763	\$ 37,640,195	\$ 11,409,937	\$ 49,050,132	\$ 180,379,763	\$ 29,437,868
Capital Improvements, Highways	33,749,005	11,067,841	471,746	11,539,587	22,209,418	-
Information Processing	38,275,400	7,597,263	16,850,477	24,447,740	-	13,827,660
Highways Central Offices	211,189,792	94,485,130	11,257,424	105,742,554	88,040,336	17,406,902
Departmentwide	56,000,000	42,790,574	10,613,556	53,404,130	-	2,595,870
Division of Traffic Safety	19,113,395	6,480,619	969,079	7,449,698	6,499,695	5,164,002
Highway Safety Program Natural Resources	94,000	-	-	-	-	94,000
Day Labor	12,989,107	5,682,837	1,136,813	6,819,650	1,982,807	4,186,650
District 1	258,708,737	155,028,255	27,441,009	182,469,264	14,609,237	61,630,236
District 2	79,866,711	45,004,023	8,375,872	53,379,895	4,818,511	21,668,305
District 3	74,854,416	43,000,128	8,809,967	51,810,095	5,939,416	17,104,905
District 4	69,122,312	44,343,526	5,479,716	49,823,242	4,980,912	14,318,158
District 5	55,114,206	35,147,308	4,994,130	40,141,438	3,637,006	11,335,762
District 6	72,603,647	46,414,922	7,154,073	53,568,995	7,117,247	11,917,405
District 7	57,903,543	36,407,925	5,673,551	42,081,476	3,685,343	12,136,724
District 8	92,420,037	60,796,641	9,270,550	70,067,191	5,579,937	16,772,909
District 9	52,295,923	33,970,456	5,780,509	39,750,965	3,469,723	9,075,235
States Attorney Appellate Prosecutor	400,000	-	-	-	-	400,000
Construction and Land Acquisition	3,458,124,116	1,464,663,038	9,282,577	1,473,945,615	1,984,178,501	-
Aeronautics, General Office	14,933,284	7,468,772	1,315,160	8,783,932	-	6,149,352
Highway Safety Program - Department of Transportation	42,785,154	3,829,909	612,067	4,441,976	32,952,454	5,390,724
Highway Safety Program - Secretary of State	1,359,800	-	-	-	-	1,359,800
Highway Safety Program - Department of Public Health	150,000	-	-	-	-	150,000
Highway Safety Program - Department of State Police	15,256,100	11,346,492	938,848	12,285,340	-	2,970,760
Highway Safety Program - Local Law Enforcement Board	225,000	-	-	-	-	225,000
Highway Safety Program - Supreme Court	65,000	-	-	-	-	65,000
Public and Intermodal Transportation	50,166,646	8,723,423	21,535,805	30,259,228	16,960,089	2,947,329
Intercity Rail Passenger Service	49,600,000	-	36,820,154	36,820,154	11,300,000	1,479,846
ARRA Mass Transportation	116,615,810	431,760	-	431,760	19,957,635	96,226,415
Total Road Fund (0011)	\$ 5,192,848,904	\$ 2,202,321,037	\$ 206,193,020	\$ 2,408,514,057	\$ 2,418,298,030	\$ 366,036,817

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2016
Fourteen Months Ended August 31, 2016

P.A. 99-0524 P.A. 99-0007 P.A. 99-0491 Court Ordered Expenditures	Expenditure Authority (Net of Transfers)	Expenditures Through June 30, 2016	Lapse Period Expenditures July 1 to August 31, 2016	Total Expenditures 14 Months Ended August 31, 2016	Balances Reappropriated July 1, 2016	Balances Lapsed August 31, 2016
Motor Fuel Tax Fund (0012)	\$ 17,279,600	\$ 12,737,804	\$ 408,440	\$ 13,146,244	\$ -	\$ 4,133,356
Motor Fuel Tax Fund - County District (0413)	204,108,000	192,447,498	11,660,502	204,108,000	-	-
Motor Fuel Tax Fund - Municipal District (0414)	285,775,000	269,899,233	15,875,767	285,775,000	-	-
Motor Fuel Tax Fund - Road District (0415)	92,617,000	87,346,208	5,270,792	92,617,000	-	-
Total Motor Fuel Tax Funds	<u>\$ 599,779,600</u>	<u>\$ 562,430,743</u>	<u>\$ 33,215,501</u>	<u>\$ 595,646,244</u>	<u>\$ -</u>	<u>\$ 4,133,356</u>
Gross Crossing Protection Fund (0019)	<u>\$ 96,180,021</u>	<u>\$ 27,006,621</u>	<u>\$ 484,416</u>	<u>\$ 27,491,037</u>	<u>\$ 68,688,984</u>	<u>\$ -</u>
Aeronautics Fund (0046):						
Commodities	299,500	-	10,573	10,573	-	288,927
Aeronautics - Refunds	500	-	-	-	-	500
Total Aeronautics Fund (0046)	<u>\$ 300,000</u>	<u>\$ -</u>	<u>\$ 10,573</u>	<u>\$ 10,573</u>	<u>\$ -</u>	<u>\$ 289,427</u>
Federal/State/Local Airport Fund (0095)	<u>\$ 752,068,930</u>	<u>\$ 77,865,361</u>	<u>\$ 2,956,173</u>	<u>\$ 80,821,534</u>	<u>\$ 671,247,396</u>	<u>\$ -</u>
State Rail Freight Loan Repayment Fund (0265)	<u>\$ 21,715,463</u>	<u>\$ 1,612,625</u>	<u>\$ -</u>	<u>\$ 1,612,625</u>	<u>\$ 20,102,838</u>	<u>\$ -</u>
Working Capital Revolving Loan Fund (0307)	<u>\$ 11,665,341</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,665,341</u>	<u>\$ -</u>
Air Transportation Revolving Fund (0309)	<u>\$ 900,000</u>	<u>\$ -</u>	<u>\$ 10,916</u>	<u>\$ 10,916</u>	<u>\$ -</u>	<u>\$ 889,084</u>
Tax Recovery Fund (0310)	<u>\$ 1,250,000</u>	<u>\$ -</u>	<u>\$ 146,762</u>	<u>\$ 146,762</u>	<u>\$ -</u>	<u>\$ 1,103,238</u>
Federal High Speed Rail Trust Fund (0433):						
Public Transportation						
Federal High Speed Rail	1,035,560,355	60,042,364	-	60,042,364	975,517,991	-
American Recovery and Reinvestment Act						
American Recovery and Reinvestment Act - Rail	724,485,915	200,990,051	146,739	201,136,790	523,349,125	-
Total Federal High Speed Rail Trust Fund (0433)	<u>\$ 1,760,046,270</u>	<u>\$ 261,032,415</u>	<u>\$ 146,739</u>	<u>\$ 261,179,154</u>	<u>\$ 1,498,867,116</u>	<u>\$ -</u>
Transportation Bond Series "A" Fund (0553)	<u>\$ 84,362,576</u>	<u>\$ 21,793,796</u>	<u>\$ -</u>	<u>\$ 21,793,796</u>	<u>\$ 62,568,780</u>	<u>\$ -</u>

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2016
Fourteen Months Ended August 31, 2016

Schedule 1

P.A. 99-0524 P.A. 99-0007 P.A. 99-0491 Court Ordered Expenditures	Expenditure Authority (Net of Transfers)	Expenditures Through June 30, 2016	Lapse Period Expenditures July 1 to August 31, 2016	Total Expenditures 14 Months Ended August 31, 2016	Balances Reappropriated July 1, 2016	Balances Lapsed August 31, 2016
Transportation Bond Series "B" Fund (0554)						
Division of Aeronautics:						
For Construction Costs	\$ 16,846,866	\$ 3,210,537	\$ 633,160	\$ 3,843,697	\$ -	\$ 13,003,169
Land Acquisition Expenses	38,037,907	7,092,087	297,450	7,389,537	-	30,648,370
Total Division of Aeronautics	<u>\$ 54,884,773</u>	<u>\$ 10,302,624</u>	<u>\$ 930,610</u>	<u>\$ 11,233,234</u>	<u>\$ -</u>	<u>\$ 43,651,539</u>
Public Transportation	<u>2,359,814,746</u>	<u>302,003,042</u>	<u>512,022</u>	<u>302,515,064</u>	<u>-</u>	<u>2,057,299,682</u>
Total Transportation Bond Series "B" Fund (0554)	<u>\$ 2,414,699,519</u>	<u>\$ 312,305,666</u>	<u>\$ 1,442,632</u>	<u>\$ 313,748,298</u>	<u>\$ -</u>	<u>\$ 2,100,951,221</u>
Transportation Bond Series "D" Fund (0695):						
Preliminary Engineering	869,703,526	221,558,706	293,622	221,852,328	647,851,198	-
Various Improvement Projects	759,584,012	164,665,660	947,135	165,612,795	593,971,217	-
Total Transportation Bond Series "D" Fund (0695)	<u>\$ 1,629,287,538</u>	<u>\$ 386,224,366</u>	<u>\$ 1,240,757</u>	<u>\$ 387,465,123</u>	<u>\$ 1,241,822,415</u>	<u>\$ -</u>
Downstate Transit Improvement Fund (0559)	<u>\$ 89,983,714</u>	<u>\$ 11,546,254</u>	<u>\$ -</u>	<u>\$ 11,546,254</u>	<u>\$ -</u>	<u>\$ 78,437,460</u>
Transportation Safety Highway Hireback Fund (0589)	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 400,000</u>
Public Transportation Fund (0627)	<u>\$ 531,000,000</u>	<u>\$ 459,002,413</u>	<u>\$ -</u>	<u>\$ 459,002,413</u>	<u>\$ -</u>	<u>\$ 71,997,587</u>
Downstate Public Transportation Fund (0648)	<u>\$ 283,063,000</u>	<u>\$ 182,212,050</u>	<u>\$ 5,798,980</u>	<u>\$ 188,011,030</u>	<u>\$ -</u>	<u>\$ 95,051,970</u>
Federal Mass Transit Fund (0853):						
Safety and Security Oversight	4,000,000	-	-	-	-	4,000,000
Public Transportation Transit Studies - Federal Reimb.	4,899,908	480,640	-	480,640	-	4,419,268
Federal Share of Capital and Operating Grants	112,728,044	25,969,478	-	25,969,478	66,758,566	20,000,000
Total Public Transportation	<u>\$ 121,627,952</u>	<u>\$ 26,450,118</u>	<u>\$ -</u>	<u>\$ 26,450,118</u>	<u>\$ 66,758,566</u>	<u>\$ 28,419,268</u>
American Recovery and Reinvestment Act						
American Recovery/Reinvestment Act-Mass Transportation	2,978,548	1,033,059	-	1,033,059	-	1,945,489
Total American Recovery and Reinvestment Act	<u>\$ 2,978,548</u>	<u>\$ 1,033,059</u>	<u>\$ -</u>	<u>\$ 1,033,059</u>	<u>\$ -</u>	<u>\$ 1,945,489</u>
Total Federal Mass Transit Fund (0853)	<u>\$ 124,606,500</u>	<u>\$ 27,483,177</u>	<u>\$ -</u>	<u>\$ 27,483,177</u>	<u>\$ 66,758,566</u>	<u>\$ 30,364,757</u>

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2016
Fourteen Months Ended August 31, 2016

P.A. 99-0524 P.A. 99-0007 P.A. 99-0491 Court Ordered Expenditures	Expenditure Authority (Net of Transfers)	Expenditures Through June 30, 2016	Lapse Period Expenditures July 1 to August 31, 2016	Total Expenditures 14 Months Ended August 31, 2016	Balances Reappropriated July 1, 2016	Balances Lapsed August 31, 2016
Cycle Rider Safety Fund (0863)	\$ 10,679,966	\$ 195,576	\$ -	\$ 195,576	\$ 10,114,766	\$ 369,624
State Construction Account Fund (0902)	\$ 1,944,011,408	\$ 773,234,943	\$ 5,118,653	\$ 778,353,596	\$ 1,165,657,812	\$ -
Rail Freight Loan Repayment Fund (0936)	\$ 5,012,749	\$ -	\$ -	\$ -	\$ 5,012,749	\$ -
GRAND TOTAL - ALL FUNDS	<u>\$ 15,553,861,499</u>	<u>\$ 5,306,267,043</u>	<u>\$ 256,765,122</u>	<u>\$ 5,563,032,165</u>	<u>\$ 7,240,804,793</u>	<u>\$ 2,750,024,541</u>

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller records as of September 30, 2016, and have been reconciled to the Department's records.

Note 2: Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

Note 3: During fiscal year 2016, the Department operated without enacted appropriations until Public Act 99-0491, Public Act 99-0524, and Public Act 99-0007 were signed into law on December 7, 2015, June 30, 2016, and June 30, 2016, respectively. During the impasse, the Circuit Court of St. Clair County in *AFSCME Council 31 v. Munger* (15 CH 475) ordered the State Comptroller, in the absence of enacted annual appropriations, to "draw and issue warrants accomplishing payment of wages for all State employees at their normal rates of pay." As such, the Department's court-ordered payroll payments were merged into the enacted appropriation within Fund 0011, Fund 0012 and Fund 0863. This court order extended to contractual payroll. Further, the Department incurred non-payroll obligations within Fund 0011, Fund 0012, Fund 0046, Fund 0309, and Fund 0310, which the Department was unable to pay until the passage of Public Act 99-0524.

Note 4: Public Act 99-524 authorizes the Department to pay fiscal year 2016 costs using its fiscal year 2017 appropriations for non-payroll expenditures. The Budget Impasse section of this report at page 147 includes information from Department management about the number of invoices and the total dollar amount of invoices held by the Department to be submitted against its fiscal year 2017 appropriation.

Note 5: The Department had court orders affiliated with the Case 69 C 2145, the *United States District Court for the Northern District of Illinois in Shakman V. Democratic Party of Cook County*, which ordered the Department to pay attorney fees and costs for said plaintiff at six separate occurrences during the fiscal year.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2015
Fourteen Months Ended August 31, 2015

P.A. 98-0681 P.A. 98-0675 P.A. 98-0780 P.A. 99-0001	Appropriations (Net of Transfers)			Expenditures	Expenditures	Total	Balances	Balances
	New	Reappropriated	Total	through June 30, 2015	through August 31, 2015	Expenditures 14 Months Ended August 31, 2015	Reappropriated July 1, 2015	Lapsed August 31, 2015
Appropriated Funds								
General Revenue Fund (0001)								
GRF- Awards and Grants	\$ 733,100	\$ -	\$ 733,100	\$ 414,854	\$ -	\$ 414,854	\$ -	\$ 318,246
Aeronautics - Executive Air Transport	259,000	-	259,000	208,227	29,972	238,199	-	20,801
ADA Paratransit Services	4,569,800	-	4,569,800	-	4,569,800	4,569,800	-	-
Total General Revenue Fund (0001)	\$ 5,561,900	\$ -	\$ 5,561,900	\$ 623,081	\$ 4,599,772	\$ 5,222,853	\$ -	\$ 339,047
Road Fund (0011)								
Central Administration and Planning:								
Central Administration and Planning	112,112,500	-	112,112,500	85,277,877	3,956,668	89,234,545	5,506,954	17,371,001
Planning, Research and Development	550,000	1,790,702	2,340,702	252,733	21,375	274,108	2,066,594	-
Hazardous Materials Abatement	600,000	994,138	1,594,138	289,063	6,750	295,813	1,298,325	-
Metro Planning - Federal/Local	40,500,000	51,680,954	92,180,954	44,755,609	7,018,207	51,773,816	40,407,138	-
Metro Planning - State Share	2,500,000	14,013,158	16,513,158	2,509,031	298,553	2,807,584	13,705,574	-
SAFETEA-LU - Federal Reimb. - Planning Activities	2,000,000	-	2,000,000	1,786,292	721	1,787,013	-	212,987
IDOT ITS Priority Program - Federal Reimb.	1,000,000	18,934,669	19,934,669	-	-	-	19,934,669	-
IDOT ITS Priority Program - State	4,500,000	-	4,500,000	4,029,595	614,078	4,643,673	18,936,657	-
Administrative - ARRA/Other Capital	-	5,390,390	5,390,390	473,836	73,927	547,763	4,842,627	-
Information Processing	38,279,400	-	38,279,400	25,045,271	9,897,438	34,942,709	-	3,336,691
Central Administration Tort Claims	1,145,000	-	1,145,000	1,076,609	11,361	1,087,970	-	57,030
Claims For Civil Lawsuits	225,000	-	225,000	-	-	-	-	225,000
Enhance, Congest and Air Quality Projects	5,000,000	33,296,144	38,296,144	3,354,053	2,015,871	5,369,924	32,926,220	-
Auto Liability Claims	3,610,800	-	3,610,800	947,477	176,093	1,123,570	-	2,487,230
Total Central Administration and Planning	\$ 212,022,700	\$ 145,180,485	\$ 357,203,185	\$ 169,797,446	\$ 24,091,042	\$ 193,888,488	\$ 139,624,758	\$ 23,689,939
Division of Highways:								
Central Division of Highways	57,685,300	391,068	58,076,368	47,537,370	1,286,141	48,823,511	373,366	8,879,491
Motorist Damage to State Vehicles and Equipment	1,000,000	2,752,055	3,752,055	392,669	-	392,669	3,359,386	-
State Radio Communications (STARCOM)	3,000,000	1,378,970	4,378,970	3,898,771	-	3,898,771	480,199	-
Technology Transfer Center	100,000	99,518	199,518	65,727	911	66,638	132,880	-
Homeland Security	3,500,000	6,770,355	10,270,355	35,655	-	35,655	7,234,700	3,000,000
Day Labor	12,321,000	1,033,676	13,354,676	9,510,321	1,499,356	11,009,677	1,036,807	1,308,192
District 1	224,676,000	5,967,308	230,643,308	200,769,277	13,805,198	214,574,475	6,400,237	9,668,596
District 2	64,757,600	2,087,094	66,844,694	58,178,139	3,805,010	61,983,149	1,800,510	3,061,035
District 3	62,988,600	2,571,441	65,560,041	56,005,221	4,503,421	60,508,642	2,357,415	2,693,984
District 4	57,808,000	2,096,948	59,904,948	52,949,471	4,150,844	57,100,315	1,901,312	903,321
District 5	46,395,100	1,374,026	47,769,126	42,537,262	3,092,720	45,629,982	1,240,005	899,139
District 6	62,612,100	3,004,999	65,617,099	56,754,659	4,078,072	60,832,731	2,840,246	1,944,122
District 7	49,965,600	1,691,132	51,656,732	46,015,409	3,350,180	49,365,589	1,203,342	1,087,801
District 8	85,338,400	2,582,487	87,920,887	77,627,880	6,857,757	84,485,637	2,032,936	1,402,314
District 9	47,421,700	1,291,161	48,712,861	43,741,726	3,272,632	47,014,358	1,057,722	640,781
County Engineers Compensation Program	3,645,000	-	3,645,000	3,645,000	-	3,645,000	-	-
Maintenance Agreements	14,900,000	15,707,789	30,607,789	13,748,531	2,755,828	16,504,359	14,103,430	-
Land and Buildings	12,000,000	36,821,934	48,821,934	15,072,929	-	15,072,929	33,749,005	-
Hazardous Materials	750,000	8,530,586	9,280,586	910,800	-	910,800	8,369,786	-
Maintenance, Traffic and Physical Research Purposes	50,004,000	32,239,834	82,243,834	45,112,383	1,604,954	46,717,337	34,145,869	1,380,628
Motorist Damage to Highway Structures	5,500,000	8,057,150	13,557,150	6,568,323	-	6,568,323	6,988,827	-
Central Division of Highways Refunds	250,000	-	250,000	190,899	18,584	209,483	-	40,517
Total Division of Highways	\$ 866,618,400	\$ 136,449,531	\$ 1,003,067,931	\$ 781,268,422	\$ 54,081,608	\$ 835,350,030	\$ 130,807,980	\$ 36,909,921

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2015
Fourteen Months Ended August 31, 2015

P.A. 98-0681 P.A. 98-0675 P.A. 98-0780 P.A. 99-0001	Appropriations (Net of Transfers)			Expenditures	Expenditures	Total	Balances	Balances
	New	Reappropriated	Total	through June 30, 2015	through August 31, 2015	Expenditures 14 Months Ended August 31, 2015	Reappropriated July 1, 2015	Lapsed August 31, 2015
Road Fund (0011) - continued								
Construction:								
Township Bridge	\$ 15,000,000	\$ 27,270,224	\$ 42,270,224	\$ 14,862,663	\$ -	\$ 14,862,663	\$ 27,407,561	\$ -
Apportionment Consultation w/ County Superintendents	35,814,300	-	35,814,300	35,814,300	-	35,814,300	-	-
Highway Construction - Consultant and Preliminary Eng.	-	4,441,618	4,441,618	157,975	-	157,975	4,283,643	-
Highway Construction & Refunds - State Share	410,600,000	1,578,321,797	1,988,921,797	617,502,899	26,076	617,528,975	1,371,392,822	-
Highway Construction & Refunds - Local Projects	536,585,700	1,064,549,681	1,601,135,381	519,247,610	-	519,247,610	1,081,887,771	-
Highway Construction - Federal	-	159,470,197	159,470,197	23,275,599	-	23,275,599	133,900,213	2,294,385
Highway Construction - State Share	-	75,488,329	75,488,329	21,863,295	-	21,863,295	53,625,034	-
ARRA Highways	-	56,600,666	56,600,666	329,571	-	329,571	56,271,095	-
Total Construction	<u>\$ 998,000,000</u>	<u>\$ 2,966,142,512</u>	<u>\$ 3,964,142,512</u>	<u>\$ 1,233,053,912</u>	<u>\$ 26,076</u>	<u>\$ 1,233,079,988</u>	<u>\$ 2,728,768,139</u>	<u>\$ 2,294,385</u>
Division of Traffic Safety:								
Traffic Safety	11,926,800	-	11,926,800	9,216,880	385,826	9,602,706	-	2,324,094
Primary Seatbelt Enforcement Incentive Grant	-	5,136,912	5,136,912	256,325	397,176	653,501	-	4,483,411
Distracted Driving Programs	6,400,000	600,000	7,000,000	1,515,133	585,173	2,100,306	4,899,694	-
Traffic Safety Implementation Program	3,621,000	-	3,621,000	2,194,004	118,097	2,312,101	-	1,308,899
Commercial Motor Vehicle Safety	5,143,500	-	5,143,500	3,849,586	62,755	3,912,341	-	1,231,159
Impaired Driving Incentive Program	571,500	-	571,500	157,994	10,000	167,994	-	403,506
Alcohol Traffic Safety Program (410)	417,100	-	417,100	126,350	6,666	133,016	-	284,084
IL Liquor Control Commission - Alcohol Traffic Safety (410)	18,000	-	18,000	-	-	-	-	18,000
Secretary of State	196,500	-	196,500	136,636	17,447	154,083	-	42,417
Secretary of State - Impaired Driving Incentive Program	463,900	-	463,900	54,472	41,950	96,422	-	367,478
Secretary of State - Alcohol Traffic Safety (410)	99,200	-	99,200	86,293	5,087	91,380	-	7,820
Department of Public Health - Impaired Driving Incentive Program	280,000	-	280,000	350	156,000	156,350	-	123,650
Department of State Police	4,305,100	-	4,305,100	3,499,927	331,526	3,831,453	-	473,647
Department of State Police - Commercial Motor Vehicle	9,809,100	-	9,809,100	7,323,583	482,483	7,806,066	-	2,003,034
Department of State Police - Impaired Driving Incentive	298,000	-	298,000	9,722	34,144	43,866	-	254,134
Department of State Police - Alcohol Traffic Safety (410)	1,108,700	-	1,108,700	891,820	163,371	1,055,191	-	53,509
Illinois Local Law Enforcement Standards Training Board	102,000	-	102,000	26,018	3,567	29,585	-	72,415
Illinois Local Law Enforcement Standards Training BD (410)	277,500	-	277,500	104,649	23,804	128,453	-	149,047
Administrative Office of Illinois Courts (410)	42,000	-	42,000	29,534	-	29,534	-	12,466
Highway Safety Programs - Local Government Projects	7,500,000	11,097,192	18,597,192	8,061,346	322,068	8,383,414	10,213,778	-
Commercial Motor Vehicle - Local Government Projects	100,000	418,994	518,994	-	-	-	518,994	-
Impaired Driving Incentive Program - Local Government Projects	3,000,000	8,917,282	11,917,282	518,435	12,758	531,193	11,386,089	-
Alcohol Safety Programs (410)	2,000,000	4,462,717	6,462,717	2,025,571	103,555	2,129,126	4,333,591	-
Traffic Safety (Refunds)	6,000	-	6,000	3,053	-	3,053	-	2,947
Total Division of Traffic Safety	<u>\$ 57,685,900</u>	<u>\$ 30,633,097</u>	<u>\$ 88,318,997</u>	<u>\$ 40,087,681</u>	<u>\$ 3,263,453</u>	<u>\$ 43,351,134</u>	<u>\$ 31,352,146</u>	<u>\$ 13,615,717</u>
Division of Aeronautics:								
Division of Aeronautics	12,027,900	-	12,027,900	9,862,026	88,037	9,950,063	-	2,077,837
Grants for Air Navigation Facilities	400,000	1,345,015	1,745,015	229,437	87,894	317,331	1,427,684	-
Total Division of Aeronautics	<u>\$ 12,427,900</u>	<u>\$ 1,345,015</u>	<u>\$ 13,772,915</u>	<u>\$ 10,091,463</u>	<u>\$ 175,931</u>	<u>\$ 10,267,394</u>	<u>\$ 1,427,684</u>	<u>\$ 2,077,837</u>

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2015
Fourteen Months Ended August 31, 2015

P.A. 98-0681 P.A. 98-0675 P.A. 98-0780 P.A. 99-0001	Appropriations (Net of Transfers)			Expenditures	Expenditures	Total	Balances	Balances
	New	Reappropriated	Total	through June 30, 2015	through August 31, 2015	Expenditures 14 Months Ended August 31, 2015	Reappropriated July 1, 2015	Lapsed August 31, 2015
Road Fund (0011) - continued								
Division of Public Transportation								
Division of Public Transportation	\$ 6,126,500	\$ -	\$ 6,126,500	\$ 4,578,597	\$ 200,086	\$ 4,778,683	\$ -	\$ 1,347,817
Technical & Transit Studies	358,700	986,680	1,345,380	317,972	50,193	368,165	977,215	-
Reims. Service Boards for Reduced Fares	17,570,000	-	17,570,000	-	17,570,000	17,570,000	-	-
ADA Paratransit Services	3,825,000	-	3,825,000	-	3,825,000	3,825,000	-	-
Intercity Rail Passenger Service	42,000,000	-	42,000,000	18,445,444	23,314,721	41,760,165	-	239,835
Statewide Rail Projects (New FY14)	14,400,000	-	14,400,000	-	-	-	-	14,400,000
Statewide Rail Projects (New FY15)	-	10,000,000	10,000,000	-	-	-	10,000,000	-
Chicago Region Environ. & Trans Efficiency	-	27,276,797	27,276,797	7,304,267	-	7,304,267	19,972,530	-
Highspeed Rail Utility Relocation (New FY 14)	-	1,300,000	1,300,000	-	-	-	1,300,000	-
ARRA Mass Transportation	-	113,019,888	113,019,888	2,675,175	-	2,675,175	110,344,713	-
Total Division of Public Transportation	\$ 84,280,200	\$ 152,583,365	\$ 236,863,565	\$ 33,321,455	\$ 44,960,000	\$ 78,281,455	\$ 142,594,458	\$ 15,987,652
Total Road Fund (0011)	\$2,231,035,100	\$ 3,432,334,005	\$ 5,663,369,105	\$ 2,267,620,379	\$ 126,598,110	\$ 2,394,218,489	\$ 3,174,575,165	\$ 94,575,451
Motor Fuel Tax Fund (0012)	15,146,900	-	15,146,900	13,034,429	536,103	13,570,532	-	1,576,368
Motor Fuel Tax Fund - County District (0413)	212,868,000	-	212,868,000	175,841,502	11,253,341	187,094,843	-	25,773,157
Motor Fuel Tax Fund - Municipal District (0414)	298,040,000	-	298,040,000	246,632,610	15,783,208	262,415,818	-	35,624,182
Motor Fuel Tax Fund - Road District (0415)	96,592,000	-	96,592,000	79,809,239	5,107,558	84,916,797	-	11,675,203
Total Motor Fuel Tax Funds	\$ 622,646,900	\$ -	\$ 622,646,900	\$ 515,317,780	\$ 32,680,210	\$ 547,997,990	\$ -	\$ 74,648,910
Grade Crossing Protection Fund (0019)	\$ 41,000,000	\$ 110,036,311	\$ 151,036,311	\$ 52,856,290	\$ -	\$ 52,856,290	\$ 96,180,021	\$ 2,000,000
Aeronautics Fund (0046):								
Commodities	449,500	-	449,500	237,015	16,746	253,761	-	195,739
Aeronautics- Refunds	500	-	500	-	-	-	-	500
Total Aeronautics Fund (0046)	\$ 450,000	\$ -	\$ 450,000	\$ 237,015	\$ 16,746	\$ 253,761	\$ -	\$ 196,239
Federal/State/Local Airport Fund (0095)	\$ 110,000,000	\$ 593,827,493	\$ 703,827,493	\$ 61,758,564	\$ -	\$ 61,758,564	\$ 642,068,929	\$ -
Public-Private Partnerships for Transportation (0157)	\$ 5,000,000	\$ -	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000
Intercity Passenger Rail Fund (0233)	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000
SSA Improvement Fund (0249)	\$ 5,000,000	\$ -	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000
State Rail Freight Loan Repayment Fund (0265)	\$ 2,700,000	\$ 17,315,463	\$ 20,015,463	\$ -	\$ -	\$ -	\$ 20,015,463	\$ -
I-Fly Fund (0306)	\$ 1,500,000	\$ -	\$ 1,500,000	\$ -	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -
Working Capital Revolving Loan Fund (0307)	\$ 4,500,000	\$ 3,000,000	\$ 7,500,000	\$ 334,660	\$ -	\$ 334,660	\$ 7,165,340	\$ -
Air Transportation Revolving Fund (0309)	\$ 900,000	\$ -	\$ 900,000	\$ 342,573	\$ 3,402	\$ 345,975	\$ -	\$ 554,025
Tax Recovery Fund (0310)	\$ 600,000	\$ -	\$ 600,000	\$ 525,381	\$ 74,597	\$ 599,978	\$ -	\$ 22

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2015
Fourteen Months Ended August 31, 2015

P.A. 98-0681 P.A. 98-0675 P.A. 98-0780 P.A. 99-0001	Appropriations (Net of Transfers)			Expenditures	Expenditures	Total	Balances	Balances
	New	Reappropriated	Total	through June 30, 2015	through August 31, 2015	Expenditures 14 Months Ended August 31, 2015	Reappropriated July 1, 2015	Lapsed August 31, 2015
Federal High Speed Rail Trust Fund (0433)								
Public Transportation								
Federal High Speed Rail	\$ -	\$ 1,073,114,399	\$ 1,073,114,399	\$ 37,554,045	\$ -	\$ 37,554,045	\$ 1,035,560,354	\$ -
American Recovery and Reinvestment Act								
American Recovery and Reinvestment Act - Rail	-	921,623,843	921,623,843	197,137,929	-	197,137,929	724,485,914	-
Total Federal High Speed Rail Trust Fund (0433)	\$ -	\$ 1,994,738,242	\$ 1,994,738,242	\$ 234,691,974	\$ -	\$ 234,691,974	\$ 1,760,046,268	\$ -
Transportation Bond Series "A" Fund (0553)	\$ -	\$ 124,662,570	\$ 124,662,570	\$ 40,299,995	\$ -	\$ 40,299,995	\$ 84,362,575	\$ -
Transportation Bond Series "B" Fund (0554)								
Division of Aeronautics:								
Grants For Air Navigation Facilities	-	25,272,002	25,272,002	8,425,137	-	8,425,137	16,846,865	-
Chicago Region Environmental & Trans Efficiency	-	249,968,127	249,968,127	27,249,436	-	27,249,436	222,718,691	-
Third Chicago Area Airport	-	50,188,102	50,188,102	12,150,196	-	12,150,196	38,037,906	-
Total Division of Aeronautics	\$ -	\$ 325,428,231	\$ 325,428,231	\$ 47,824,769	\$ -	\$ 47,824,769	\$ 277,603,462	\$ -
Public Transportation:								
Public Transportation Grants FY 2011	-	605,708	605,708	272,699	-	272,699	333,009	-
Public Transportation Grants FY 2010	-	987,977,761	987,977,761	179,967,609	-	179,967,609	808,010,152	-
Public Transportation Grants FY 2009	-	1,000,000,000	1,000,000,000	68,539,888	-	68,539,888	931,460,112	-
Public Transportation Grants - Prior to FY 2009	-	35,431,903	35,431,903	2,518,575	-	2,518,575	32,913,328	-
Rail Freight Services Assistance	-	392,674,486	392,674,486	28,295,038	-	28,295,038	364,379,448	-
Total Public Transportation	\$ -	\$ 2,416,689,858	\$ 2,416,689,858	\$ 279,593,809	\$ -	\$ 279,593,809	\$ 2,137,096,049	\$ -
Total Transportation Bond Series "B" Fund (0554)	\$ -	\$ 2,742,118,089	\$ 2,742,118,089	\$ 327,418,578	\$ -	\$ 327,418,578	\$ 2,414,699,511	\$ -
Transportation Bond Series "D" Fund (0695)								
Hwy Const Grants- Counties, Municipalities, & Rd Dists	100,000,000	1,164	100,001,164	100,001,164	-	100,001,164	-	-
Hwy Const Grants-Statewide	1,000,000,000	1,355,972,687	2,355,972,687	726,685,150	-	726,685,150	1,629,287,537	-
Total Transportation Bond Series "D" Fund (0695)	\$1,100,000,000	\$ 1,355,973,851	\$ 2,455,973,851	\$ 826,686,314	\$ -	\$ 826,686,314	\$ 1,629,287,537	\$ -
Downstate Transit Improvement Fund (0559)	\$ 30,000,000	\$ 59,987,250	\$ 89,987,250	\$ 3,536	\$ -	\$ 3,536	\$ 89,983,714	\$ -
Transportation Safety Highway Hireback Fund (0589)	\$ 600,000	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000
Illiana Expressway Proceeds Fund (0596)	\$ 5,000,000	\$ -	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000
Public Transportation Fund (0627)	\$ 493,000,000	\$ -	\$ 493,000,000	\$ 490,943,397	\$ -	\$ 490,943,397	\$ -	\$ 2,056,603
Downstate Public Transportation Fund (0648)	\$ 256,869,900	\$ -	\$ 256,869,900	\$ 181,274,586	\$ 4,997,583	\$ 186,272,169	\$ -	\$ 70,597,731
Roadside Memorial Fund (0697)	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 20,000

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2015
Fourteen Months Ended August 31, 2015

P.A. 98-0681 P.A. 98-0675 P.A. 98-0780 P.A. 99-0001	Appropriations (Net of Transfers)			Expenditures through	Expenditures through	Total	Balances	Balances
	New	Reappropriated	Total	June 30, 2015	August 31, 2015	Expenditures 14 Months Ended August 31, 2015	Reappropriated July 1, 2015	Lapsed August 31, 2015
Federal Mass Transit Fund (0853)								
Public Transportation Transit Studies - Federal Reimb.	\$ 1,034,900	\$ 4,120,413	\$ 5,155,313	\$ 1,000,847	\$ 291,958	\$ 1,292,805	\$ 3,862,508	\$ -
Federal Share of Capital & Operating Grants	38,000,000	79,476,346	117,476,346	24,748,302	-	24,748,302	92,728,044	-
Total Public Transportation	\$ 39,034,900	\$ 83,596,759	\$ 122,631,659	\$ 25,749,149	\$ 291,958	\$ 26,041,107	\$ 96,590,552	\$ -
American Recovery and Reinvestment Act								
American Recovery/Reinvestment Act-Mass Transportation	-	6,971,100	6,971,100	3,992,553	-	3,992,553	2,978,547	-
Total American Recovery and Reinvestment Act	\$ -	\$ 6,971,100	\$ 6,971,100	\$ 3,992,553	\$ -	\$ 3,992,553	\$ 2,978,547	\$ -
Total Federal Mass Transit Fund (0853)	\$ 39,034,900	\$ 90,567,859	\$ 129,602,759	\$ 29,741,702	\$ 291,958	\$ 30,033,660	\$ 99,569,099	\$ -
Cycle Rider Safety Fund (0863)								
Division of Traffic Safety:								
Cycle Ryder Safety	555,100	-	555,100	342,951	30,546	373,497	-	181,603
Cycle Safety Training	4,600,000	6,069,038	10,669,038	4,115,402	238,871	4,354,273	6,314,765	-
Total Cycle Rider Safety Fund (0863)	\$ 5,155,100	\$ 6,069,038	\$ 11,224,138	\$ 4,458,353	\$ 269,417	\$ 4,727,770	\$ 6,314,765	\$ 181,603
State Construction Account Fund (0902)								
Hwy Construction - Consultant & Preliminary Engineering	-	4,303,191	4,303,191	77,259	-	77,259	4,225,932	-
State Construction	744,000,000	706,280,819	1,450,280,819	540,495,447	-	540,495,447	894,785,372	15,000,000
Total State Construction Fund (0902)	\$ 744,000,000	\$ 710,584,010	\$ 1,454,584,010	\$ 540,572,706	\$ -	\$ 540,572,706	\$ 899,011,304	\$ 15,000,000
Rail Freight Loan Repayment Fund (0936)	\$ 250,000	\$ 4,512,749	\$ 4,762,749	\$ -	\$ -	\$ -	\$ 4,762,749	\$ -
Total Appropriations (All Funds)	\$5,705,323,800	\$ 11,245,726,930	\$ 16,951,050,730	\$ 5,575,706,864	\$ 171,031,795	\$ 5,746,738,659	\$ 10,928,042,440	\$ 276,269,631

Note: The expenditure amounts were taken directly from Department records and were reconciled to records of the State Comptroller.
The expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES**

For the Fiscal Years Ended June 30, 2016, 2015, and 2014

	Fiscal Year		
	P.A. 99-0524 P.A. 99-0007 P.A. 99-0491 Court-Ordered Expenditures <u>2016</u>	P.A. 98-0681 P.A. 98-0675 P.A. 98-0780 P.A. 99-0001 <u>2015</u>	P.A. 98-0050 P.A. 98-0591 P.A. 98-0642 <u>2014</u>
Total appropriations, net after transfers	\$ 15,553,861,499	\$ 16,951,050,730	\$ 17,486,749,547
Expenditures:			
General Revenue Fund (0001)	-	5,222,853	21,859,988
Road Fund (0011)	2,408,514,057	2,394,218,489	2,194,993,040
Motor Fuel Tax Fund (0012)	13,146,244	13,570,532	12,848,162
Grade Crossing Protection Fund (0019)	27,491,037	52,856,290	26,105,706
Aeronautics Fund (0046)	10,573	253,761	10,500
Federal/State/Local Airport Fund (0095)	80,821,534	61,758,564	62,616,324
State Rail Freight Loan Repayment Fund (0265)	1,612,625	-	179,749
I-Fly Fund (0306)	-	1,500,000	-
Working Capital Revolving Loan Fund (0307)	-	334,660	-
Air Transportation Revolving Fund (0309)	10,916	345,975	674,747
Tax Recovery Fund (0310)	146,762	599,978	599,695
Motor Fuel Tax Fund - County District (0413)	204,108,000	187,094,843	197,854,574
Motor Fuel Tax Fund - Municipal District (0414)	285,775,000	262,415,818	277,482,422
Motor Fuel Tax Fund - Road District (0415)	92,617,000	84,916,797	89,800,319
Federal High Speed Rail Trust Fund (0433)	261,179,154	234,691,974	156,267,267
Transportation Bond Series "A" Fund (0553)	21,793,796	40,299,995	140,574,415
Transportation Bond Series "B" Fund (0554)	313,748,298	327,418,578	513,235,108
Downstate Transit Improvement Fund (0559)	11,546,254	3,536	-
Transportation Safety Highway Hireback Fund (0589)	-	-	200,000
Public Transportation Fund (0627)	459,002,413	490,943,397	472,931,141
Downstate Public Transportation Fund (0648)	188,011,030	186,272,169	183,558,106
Transportation Bond Series "D" Fund (0695)	387,465,123	826,686,314	676,832,543
Federal Mass Transit Fund (0853)	27,483,177	30,033,660	20,217,220
Cycle Rider Safety Fund (0863)	195,576	4,727,770	4,270,658
State Construction Account Fund (0902)	778,353,596	540,572,706	641,418,359
Total Expenditures	<u>5,563,032,165</u>	<u>5,746,738,659</u>	<u>5,694,530,043</u>
Balances reappropriated	<u>7,240,804,793</u>	<u>10,928,042,440</u>	<u>11,245,726,879</u>
Lapsed balances	<u>\$ 2,750,024,541</u>	<u>\$ 276,269,631</u>	<u>\$ 546,492,625</u>

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES**
For the Fiscal Years Ended June 30, 2016, 2015, and 2014

	Fiscal Year	
P.A. 99-0524		
P.A. 99-0007	P.A. 98-0681	
P.A. 99-0491	P.A. 98-0675	P.A. 98-0050
Court-Ordered	P.A. 98-0780	P.A. 98-0591
Expenditures	P.A. 99-0001	P.A. 98-0642
2016	2015	2014

Salary of Department officials as reported within the Comptroller's State Officers Appropriation:

Salary of the Secretary	\$ 150,228	\$ 150,468	\$ 150,228
Salary of the Assistant Secretary	127,739	45,730	-
	\$ 277,967	\$ 196,198	\$ 150,228

Note 1: The expenditure amounts for fiscal years 2014 and 2015 were taken directly from Department records and were reconciled to the records of the State Comptroller. The expenditure amounts for fiscal year 2016 were taken from Comptroller records and were reconciled to the records of the Department.

Note 2: Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

Note 3: During fiscal year 2016, the Department operated without enacted appropriations until Public Act 99-0491, Public Act 99-0524, and Public Act 99-0007 were signed into law on December 7, 2015, June 30, 2016, and June 30, 2016. During the impasse, the Circuit Court of St. Clair County in AFSCME Council 31 v. Munger (15 CH 475) ordered the State Comptroller, in the absence of enacted annual appropriations, to "draw and issue warrants accomplishing payment of wages for all State employees at their normal rates of pay." As such, the Department's court-ordered payroll payments were merged into the enacted appropriation within Fund 0011, Fund 0012 and Fund 0863. This court order extended to contractual payroll. Further, the Department incurred non-payroll obligations within Fund 0011, Fund 0012, Fund 0046, Fund 0309, and Fund 0310, which the Department was unable to pay until the passage of Public Act 99-0524.

Note 4: Public Act 99-524 authorizes the Department to pay fiscal year 2016 costs using its fiscal year 2017 appropriations for non-payroll expenditures. The Budget Impasse section of this report at page 147 includes information from Department management about the number of invoices and the total dollar amount of invoices held by the Department to be submitted against its fiscal year 2017 appropriation.

Note 5: The Department had court orders affiliated with the Case 69 C 2145, the *United States District Court for the Northern District of Illinois* in *Shakman V. Democratic Party of Cook County*, which ordered the Department to pay attorney fees and costs for said plaintiff at six separate occurrences during the fiscal year.

STATE OF ILLINOIS
 DEPARTMENT OF TRANSPORTATION
SCHEDULE OF CHANGES IN STATE PROPERTY
 For the Year Ended June 30, 2016

	Total	Land and Land Improvements	Site Improvements	Buildings and Building Improvements	Equipment	Capital Lease Equipment	Construction in Progress	Construction in Progress (Rail Equipment)
Balance at June 30, 2015	\$ 800,128,723	\$ 47,002,168	\$ 3,835,365	\$ 157,152,875	\$ 521,966,575	\$ 1,970,850	\$ 12,902,818	\$ 55,298,072
Additions	31,738,995	-	-	189,527	5,272,658	57,092	6,661,769	19,557,949
Deletions	6,305,662	104,347	40,507	1,216,163	4,944,645	-	-	-
Net Transfers	<u>(23,312,040)</u>	<u>-</u>	<u>-</u>	<u>7,718,294</u>	<u>(23,312,040)</u>	<u>-</u>	<u>(7,718,294)</u>	<u>-</u>
Balance at June 30, 2016	<u>\$ 802,250,016</u>	<u>\$ 46,897,821</u>	<u>\$ 3,794,858</u>	<u>\$ 163,844,533</u>	<u>\$ 498,982,548</u>	<u>\$ 2,027,942</u>	<u>\$ 11,846,293</u>	<u>\$ 74,856,021</u>

Note: The above schedule was derived from Department records, which are required by the Illinois Administrative Code (Code), and was reconciled to property reports submitted to the Office of the Comptroller. The capitalization policy in the Code is different than the capitalization policy established by the Office of the State Comptroller for financial reporting in accordance with generally accepted accounting principles.

STATE OF ILLINOIS
 DEPARTMENT OF TRANSPORTATION
SCHEDULE OF CHANGES IN STATE PROPERTY
 For the Year Ended June 30, 2015

	Total	Land and Land Improvements	Site Improvements	Buildings and Building Improvements	Equipment	Capital Lease Equipment	Construction in Progress	Construction in Progress (Rail Equipment)
Balance at June 30, 2014	\$ 745,307,441	\$ 47,127,982	\$ 3,835,365	\$ 159,687,149	\$ 499,256,762	\$ 1,824,343	\$ 8,656,378	\$ 24,919,462
Additions	78,587,322	-	-	35,338	43,587,663	168,914	4,416,797	30,378,610
Deletions	8,812,156	125,814	-	2,739,969	5,923,966	22,407	-	-
Net Transfers	(14,953,884)	-	-	170,357	(14,953,884)	-	(170,357)	-
Balance at June 30, 2015	<u>\$ 800,128,723</u>	<u>\$ 47,002,168</u>	<u>\$ 3,835,365</u>	<u>\$ 157,152,875</u>	<u>\$ 521,966,575</u>	<u>\$ 1,970,850</u>	<u>\$ 12,902,818</u>	<u>\$ 55,298,072</u>

Note: The above schedule was derived from Department records, which are required by the Illinois Administrative Code (Code), and was reconciled to property reports submitted to the Office of the Comptroller. The capitalization policy in the Code is different than the capitalization policy established by the Office of the State Comptroller for financial reporting in accordance with generally accepted accounting principles.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2016 and 2015

Receipts	General Revenue Fund 0001		Road Fund 0011		Motor Fuel Tax Fund 0012	
	2016	2015	2016	2015	2016	2015
	Reported receipts by source:					
Federal aid reimbursements	\$ -	\$ -	\$ 1,537,024,915	\$ 1,720,934,451	\$ -	\$ -
Local governmental units	-	-	124,307,928	140,619,678	-	-
Highway traffic and sign permits	-	-	22,722,506	23,110,837	-	-
Fees and licenses	-	-	-	-	-	-
Fines and penalties	-	-	179,514	596,018	-	-
Other IL state agencies	-	-	-	30,995	-	-
Vehicle safety inspection	-	-	368,938	492,950	-	-
Damage claims	-	-	6,715,771	6,882,746	-	-
Sale of used vehicles and equipment	-	-	5,100	-	-	-
Rental of real property	-	-	1,177,523	1,200,816	-	-
Sale of land	-	-	1,794,900	75,576	-	-
Miscellaneous	-	-	181,278	102,547	-	-
Repayment to State Pursuant to Law	-	-	245,653	-	-	-
Joint Hwy. Improvements - Il. Tollway & others	-	-	20,214,630	13,843,152	-	-
Loan repayments	174,725	81,946	-	-	-	-
Subscriptions or Publications	-	-	171,045	32,560	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	471,965	241,185	-	-
Reimbursement/recoveries - Private sector	-	-	10,783,758	19,621,426	-	-
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	174,725	81,946	1,726,365,424	1,927,784,937	-	-
Prior year refunds	-	-	3,723,515	2,525,982	162	-
Prior year expenditure adjustments	-	-	-	-	-	-
Deposit correction	-	-	-	-	-	-
Deposits recorded by the Comptroller	174,725	81,946	1,730,088,939	1,930,310,919	162	-
Deposits in transit:						
Beginning of year	-	-	9,577,655	11,399,271	-	-
End of year	-	-	1,578,366	9,577,655	-	-
Recorded receipts per Department	\$ 174,725	\$ 81,946	\$ 1,722,089,650	\$ 1,928,489,303	\$ 162	\$ -

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2016 and 2015

Receipts	Grade Crossing Protection Fund 0019		Aeronautics Fund 0046		Federal/State/Local Airport Fund 0095	
	2016	2015	2016	2015	2016	2015
	Reported receipts by source:					
Federal aid reimbursements	\$ -	\$ -	\$ -	\$ -	\$ 68,356,320	\$ 58,001,318
Local governmental units	-	-	-	-	3,375,172	4,341,984
Highway traffic and sign permits	-	-	-	-	-	-
Fees and licenses	-	-	215,691	26,157	-	-
Fines and penalties	-	-	-	-	-	-
Other IL state agencies	-	-	-	-	-	-
Vehicle safety inspection	-	-	-	-	-	-
Damage claims	-	-	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-	-	-
Rental of real property	-	-	-	-	-	-
Sale of land	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Hwy. Improvements - Il. Tollway & others	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-
Subscriptions or Publications	-	-	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-	-	-
Reimbursement/recoveries - Private sector	-	13,182	-	-	-	-
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	-	13,182	215,691	26,157	71,731,492	62,343,302
Prior year refunds	9,820	110,267	-	-	-	59
Prior year expenditure adjustments	-	-	-	-	-	1,581
Deposit correction	-	-	-	-	-	-
Deposits recorded by the Comptroller	9,820	123,449	215,691	26,157	71,731,492	62,344,942
Deposits in transit:						
Beginning of year	8,104	-	-	923	82,247	227,421
End of year	-	8,104	640	-	31,450	82,247
Recorded receipts per Department	\$ 1,716	\$ 131,553	\$ 216,331	\$ 25,234	\$ 71,680,695	\$ 62,199,768

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2016 and 2015

Receipts	General Obligation B.R.&I. Fund 0101		State Rail Freight Loan Repayment Fund 0265		I-Fly Fund 0306	
	2016	2015	2016	2015	2016	2015
Reported receipts by source:						
Federal aid reimbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local governmental units	87,048	104,347	-	-	-	-
Highway traffic and sign permits	-	-	-	-	-	-
Fees and licenses	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-
Other IL state agencies	-	-	-	-	-	1,500,000
Vehicle safety inspection	-	-	-	-	-	-
Damage claims	-	-	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-	-	-
Rental of real property	-	-	-	-	-	-
Sale of land	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Hwy. Improvements - Il. Tollway & others	-	-	-	-	-	-
Loan repayments	1,714,001	1,714,001	1,144,041	1,664,573	-	-
Subscriptions or Publications	-	-	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-	-	-
Reimbursement/recoveries - Private sector	-	-	-	-	-	-
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	1,801,049	1,818,348	1,144,041	1,664,573	-	1,500,000
Prior year refunds	-	-	-	96,878	-	-
Prior year expenditure adjustments	-	-	-	-	-	-
Deposit correction	-	-	-	-	-	-
Deposits recorded by the Comptroller	1,801,049	1,818,348	1,144,041	1,761,451	-	1,500,000
Deposits in transit:						
Beginning of year	-	-	23,750	218,589	-	-
End of year	-	-	-	23,750	-	-
Recorded receipts per Department	\$ 1,801,049	\$ 1,818,348	\$ 1,120,291	\$ 1,566,612	\$ -	\$ 1,500,000

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2016 and 2015

Receipts	Working Capital Revolving Loan Fund 0307		Air Transportation Revolving Fund 0309		Tax Recovery Fund 0310	
	2016	2015	2016	2015	2016	2015
Reported receipts by source:						
Federal aid reimbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local governmental units	-	-	-	-	-	-
Highway traffic and sign permits	-	-	-	-	-	-
Fees and licenses	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-
Other IL state agencies	-	-	86,238	612,756	-	-
Vehicle safety inspection	-	-	-	-	-	-
Damage claims	-	-	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-	-	-
Rental of real property	-	-	-	-	1,238,008	1,243,666
Sale of land	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Hwy. Improvements - Il. Tollway & others	-	-	-	-	-	-
Loan repayments	-	122,353	-	-	-	-
Subscriptions or Publications	-	-	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-	-	-
Reimbursement/recoveries - Private sector	-	-	-	-	-	-
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	-	122,353	86,238	612,756	1,238,008	1,243,666
Prior year refunds	-	-	-	-	-	3,838
Prior year expenditure adjustments	-	-	-	-	-	-
Deposit correction	-	-	-	-	-	-
Deposits recorded by the Comptroller	-	122,353	86,238	612,756	1,238,008	1,247,504
Deposits in transit:						
Beginning of year	-	-	-	239	20,451	20,262
End of year	-	-	-	-	22,126	20,451
Recorded receipts per Department	\$ -	\$ 122,353	\$ 86,238	\$ 612,517	\$ 1,239,683	\$ 1,247,693

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2016 and 2015

Receipts	Motor Fuel Tax - Municipalities Fund 0414		Federal High Speed Rail Trust Fund 0433		Transportation Bond Series "A" Fund 0553	
	2016	2015	2016	2015	2016	2015
	Reported receipts by source:					
Federal aid reimbursements	\$ -	\$ -	\$ 211,882,698	\$ 222,063,634	\$ -	\$ -
Local governmental units	-	-	-	-	-	-
Highway traffic and sign permits	-	-	-	-	-	-
Fees and licenses	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-
Other IL state agencies	-	-	-	-	-	-
Vehicle safety inspection	-	-	-	-	-	-
Damage claims	-	-	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-	-	-
Rental of real property	-	-	-	-	-	-
Sale of land	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Hwy. Improvements - Il. Tollway & others	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-
Subscriptions or Publications	-	-	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-	-	-
Reimbursement/recoveries - Private sector	-	23,451	-	-	-	-
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	-	23,451	211,882,698	222,063,634	-	-
Prior year refunds	-	-	-	-	94,134	23,703
Prior year expenditure adjustments	-	-	-	-	-	-
Deposit correction	-	-	-	-	-	-
Deposits recorded by the Comptroller	-	23,451	211,882,698	222,063,634	94,134	23,703
Deposits in transit:						
Beginning of year	-	-	-	-	-	-
End of year	-	-	-	-	-	-
Recorded receipts per Department	\$ -	\$ 23,451	\$ 211,882,698	\$ 222,063,634	\$ 94,134	\$ 23,703

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2016 and 2015

Receipts	Transportation Bond Series "B" Fund 0554		Transportation Safety Hwy Hire-Back Fund 0589		Downstate Public Transportation Fund 0648	
	2016	2015	2016	2015	2016	2015
	Reported receipts by source:					
Federal aid reimbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local governmental units	-	-	-	-	-	-
Highway traffic and sign permits	-	-	-	-	-	-
Fees and licenses	-	-	-	-	-	-
Fines and penalties	-	-	196,222	334,569	-	-
Other IL state agencies	-	-	-	-	-	-
Vehicle safety inspection	-	-	-	-	-	-
Damage claims	-	-	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-	-	-
Rental of real property	-	-	-	-	-	-
Sale of land	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Hwy. Improvements - Il. Tollway & others	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-
Subscriptions or Publications	-	-	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-	-	-
Reimbursement/recoveries - Private sector	-	-	-	-	-	77,813
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	-	-	196,222	334,569	-	77,813
Prior year refunds	-	6,678	-	-	-	-
Prior year expenditure adjustments	-	69	-	-	-	-
Deposit correction	-	-	-	-	-	-
Deposits recorded by the Comptroller	-	6,747	196,222	334,569	-	77,813
Deposits in transit:						
Beginning of year	-	-	375	31,197	-	62,893
End of year	-	-	3,156	375	-	-
Recorded receipts per Department	\$ -	\$ 6,747	\$ 199,003	\$ 303,747	\$ -	\$ 14,920

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
 DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
 For the Years Ended June 30, 2016 and 2015

Receipts	Transportation Bond Series "D" Fund 0695		Federal Mass Transit Fund 0853		Cycle Rider Safety Training Fund 0863	
	2016	2015	2016	2015	2016	2015
	Reported receipts by source:					
Federal aid reimbursements	\$ -	\$ -	\$ 27,695,941	\$ 29,693,732	\$ -	\$ -
Local governmental units	-	-	-	-	-	-
Highway traffic and sign permits	-	-	-	-	-	-
Fees and licenses	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-
Other IL state agencies	-	-	-	-	-	-
Vehicle safety inspection	-	-	-	-	-	-
Damage claims	-	-	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-	-	-
Rental of real property	-	-	-	-	-	-
Sale of land	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Hwy. Improvements - Il. Tollway & others	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-
Subscriptions or Publications	-	-	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-	-	-
Reimbursement/recoveries - Private sector	-	-	79,200	47,972	-	-
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	-	-	27,775,141	29,741,704	-	-
Prior year refunds	21,068	154,000	-	-	-	-
Prior year expenditure adjustments	-	-	-	-	-	-
Deposit correction	-	-	-	-	-	-
Deposits recorded by the Comptroller	21,068	154,000	27,775,141	29,741,704	-	-
Deposits in transit:						
Beginning of year	-	-	-	-	-	-
End of year	-	-	-	-	-	-
Recorded receipts per Department	\$ 21,068	\$ 154,000	\$ 27,775,141	\$ 29,741,704	\$ -	\$ -

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2016 and 2015

Receipts	State Construction Account		Rail Freight Loan Repayment	
	Fund 0902		Fund 0936	
	2016	2015	2016	2015
Reported receipts by source:				
Federal aid reimbursements	\$ -	\$ -	\$ -	\$ -
Local governmental units	-	-	-	-
Highway traffic and sign permits	-	-	-	-
Fees and licenses	-	-	-	-
Fines and penalties	-	-	-	-
Other IL state agencies	-	-	-	-
Vehicle safety inspection	-	-	-	-
Damage claims	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-
Rental of real property	-	-	-	-
Sale of land	-	-	-	-
Miscellaneous	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-
Joint Hwy. Improvements - Il. Tollway & others	-	-	-	-
Loan repayments	-	-	250,240	252,699
Subscriptions or Publications	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-
Reimbursement/recoveries - Private sector	-	-	-	-
Private organization/individuals	-	-	-	-
Other departmental funds	-	-	-	-
Deposits remitted to the Comptroller	-	-	250,240	252,699
Prior year refunds	218,754	148,158	-	-
Prior year expenditure adjustments	-	-	-	-
Deposit correction	-	-	-	-
Deposits recorded by the Comptroller	218,754	148,158	250,240	252,699
Deposits in transit:				
Beginning of year	-	-	-	-
End of year	-	-	-	-
Recorded receipts per Department	\$ 218,754	\$ 148,158	\$ 250,240	\$ 252,699

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2015 and 2014

Receipts	General Revenue Fund 0001		Road Fund 0011		Grade Crossing Protection Fund 0019	
	2015	2014	2015	2014	2015	2014
	Reported receipts by source:					
Federal aid reimbursements	\$ -	\$ -	\$ 1,720,934,451	\$ 1,502,615,776	\$ -	\$ -
Local governmental units	-	-	140,619,678	90,312,093	-	-
Highway traffic and sign permits	-	-	23,110,837	19,800,223	-	-
Fees and licenses	-	-	-	-	-	-
Fines and penalties	-	-	596,018	426,414	-	-
Other IL state agencies	-	-	30,995	-	-	-
Vehicle safety inspection	-	-	492,950	401,255	-	-
Damage claims	-	-	6,882,746	6,166,608	-	-
Sale of used vehicles and equipment	-	-	-	34,983	-	-
Rental of real property	-	-	1,200,816	1,102,744	-	-
Sale of land	-	-	75,576	566,338	-	-
Miscellaneous	-	-	102,547	133,922	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Improvements - Il. Tollway & others	-	-	13,843,152	18,802,468	-	-
Loan repayments	81,946	79,559	-	-	-	-
Subscriptions or Publications	-	-	32,560	40,234	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	241,185	248,414	-	-
Reimbursement/recoveries - Private sector	-	-	19,621,426	7,132,751	13,182	-
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	81,946	79,559	1,927,784,937	1,647,784,223	13,182	-
Prior year refunds	-	-	2,525,982	882,719	110,267	48,059
Prior year expenditure adjustments	-	-	-	478	-	-
Deposit correction	-	-	-	2,655	-	-
Deposits recorded by the Comptroller	81,946	79,559	1,930,310,919	1,648,670,075	123,449	48,059
Deposits in transit:						
Beginning of year	-	-	11,399,271	4,930,930	-	-
End of year	-	-	9,577,655	11,399,271	8,104	-
Recorded receipts per Department	\$ 81,946	\$ 79,559	\$ 1,928,489,303	\$ 1,655,138,416	\$ 131,553	\$ 48,059

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2015 and 2014

Receipts	Aeronautics Fund 0046		Federal/State/Local Airport Fund 0095		General Obligation B.R.&I. Fund 0101	
	2015	2014	2015	2014	2015	2014
Reported receipts by source:						
Federal aid reimbursements	\$ -	\$ -	\$ 58,001,318	\$ 58,273,044	\$ -	\$ -
Local governmental units	-	-	4,341,984	4,967,182	104,347	73,985
Highway traffic and sign permits	-	-	-	-	-	-
Fees and licenses	26,157	208,374	-	-	-	-
Fines and penalties	-	-	-	-	-	-
Other state agencies	-	-	-	-	-	-
Vehicle safety inspection	-	-	-	-	-	-
Damage claims	-	-	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-	-	-
Rental of real property	-	-	-	-	-	-
Sale of land	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Improvements - Il. Tollway & others	-	-	-	-	-	-
Loan repayments	-	-	-	-	1,714,001	1,714,001
Subscriptions or Publications	-	-	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-	-	-
Reimbursement/recoveries - Private sector	-	-	-	-	-	-
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	26,157	208,374	62,343,302	63,240,226	1,818,348	1,787,986
Prior year refunds	-	-	59	64,860	-	-
Prior year expenditure adjustments	-	-	1,581	-	-	-
Deposit correction	-	-	-	(2,655)	-	-
Deposits recorded by the Comptroller	26,157	208,374	62,344,942	63,302,431	1,818,348	1,787,986
Deposits in transit:						
Beginning of year	923	75	227,421	91,481	-	-
End of year	-	923	82,247	227,421	-	-
Recorded receipts per Department	\$ 25,234	\$ 209,222	\$ 62,199,768	\$ 63,438,371	\$ 1,818,348	\$ 1,787,986

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
 DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
 For the Years Ended June 30, 2015 and 2014

Receipts	State Rail Freight Loan Repayment Fund 0265		I-Fly Fund 0306		Working Capital Revolving Loan Fund 0307	
	2015	2014	2015	2014	2015	2014
	Reported receipts by source:					
Federal aid reimbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local governmental units	-	-	-	-	-	-
Highway traffic and sign permits	-	-	-	-	-	-
Fees and licenses	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-
Other state agencies	-	-	1,500,000	-	-	-
Vehicle safety inspection	-	-	-	-	-	-
Damage claims	-	-	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-	-	-
Rental of real property	-	-	-	-	-	-
Sale of land	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Improvements - Il. Tollway & others	-	-	-	-	-	-
Loan repayments	1,664,573	1,849,167	-	-	122,353	-
Subscriptions or Publications	-	-	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-	-	-
Reimbursement/recoveries - Private sector	-	-	-	-	-	-
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	<u>1,664,573</u>	<u>1,849,167</u>	<u>1,500,000</u>	<u>-</u>	<u>122,353</u>	<u>-</u>
Prior year refunds	96,878	-	-	-	-	-
Prior year expenditure adjustments	-	-	-	-	-	-
Deposit correction	-	-	-	-	-	-
Deposits recorded by the Comptroller	<u>1,761,451</u>	<u>1,849,167</u>	<u>1,500,000</u>	<u>-</u>	<u>122,353</u>	<u>-</u>
Deposits in transit:						
Beginning of year	218,589	-	-	-	-	-
End of year	23,750	218,589	-	-	-	-
Recorded receipts per Department	<u>\$ 1,566,612</u>	<u>\$ 2,067,756</u>	<u>\$ 1,500,000</u>	<u>\$ -</u>	<u>\$ 122,353</u>	<u>\$ -</u>

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2015 and 2014

Receipts	Air Transportation Revolving Fund 0309		Tax Recovery Fund 0310		Motor Fuel Tax - Municipalities Fund 0414	
	2015	2014	2015	2014	2015	2014
	Reported receipts by source:					
Federal aid reimbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local governmental units	-	-	-	-	-	-
Highway traffic and sign permits	-	-	-	-	-	-
Fees and licenses	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-
Other state agencies	612,756	800,304	-	-	-	-
Vehicle safety inspection	-	-	-	-	-	-
Damage claims	-	-	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-	-	-
Rental of real property	-	-	1,243,666	668,083	-	-
Sale of land	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Improvements - Il. Tollway & others	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-
Subscriptions or Publications	-	-	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-	-	-
Reimbursement/recoveries - Private sector	-	-	-	-	23,451	-
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	612,756	800,304	1,243,666	668,083	23,451	-
Prior year refunds	-	-	3,838	-	-	-
Prior year expenditure adjustments	-	-	-	-	-	-
Deposit correction	-	-	-	-	-	-
Deposits recorded by the Comptroller	612,756	800,304	1,247,504	668,083	23,451	-
Deposits in transit:						
Beginning of year	239	-	20,262	14,002	-	-
End of year	-	239	20,451	20,262	-	-
Recorded receipts per Department	\$ 612,517	\$ 800,543	\$ 1,247,693	\$ 674,343	\$ 23,451	\$ -

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
 DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
 For the Years Ended June 30, 2015 and 2014

Receipts	Federal High Speed Rail Trust Fund 0433		Transportation Bond Series "A" Fund 0553		Transportation Bond Series "B" Fund 0554	
	2015	2014	2015	2014	2015	2014
	Reported receipts by source:					
Federal aid reimbursements	\$ 222,063,634	\$ 157,047,683	\$ -	\$ -	\$ -	\$ -
Local governmental units	-	-	-	-	-	-
Highway traffic and sign permits	-	-	-	-	-	-
Fees and licenses	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-
Other state agencies	-	-	-	-	-	-
Vehicle safety inspection	-	-	-	-	-	-
Damage claims	-	-	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-	-	-
Rental of real property	-	-	-	-	-	-
Sale of land	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Improvements - Il. Tollway & others	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-
Subscriptions or Publications	-	-	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-	-	-
Reimbursement/recoveries - Private sector	-	-	-	-	-	-
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	<u>222,063,634.00</u>	<u>157,047,683.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Prior year refunds	-	-	23,703	86,267	6,678	-
Prior year expenditure adjustments	-	-	-	-	69	-
Deposit correction	-	-	-	-	-	-
Deposits recorded by the Comptroller	<u>222,063,634</u>	<u>157,047,683</u>	<u>23,703</u>	<u>86,267</u>	<u>6,747</u>	<u>-</u>
Deposits in transit:						
Beginning of year	-	-	-	-	-	-
End of year	-	-	-	-	-	-
Recorded receipts per Department	<u>\$ 222,063,634</u>	<u>\$ 157,047,683</u>	<u>\$ 23,703</u>	<u>\$ 86,267</u>	<u>\$ 6,747</u>	<u>\$ -</u>

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2015 and 2014

Receipts	Transportation Safety Hwy Hire-Back Fund 0589		Downstate Public Transportation Fund 0648		Transportation Bond Series "D" Fund 0695	
	2015	2014	2015	2014	2015	2014
	Reported receipts by source:					
Federal aid reimbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local governmental units	-	-	-	-	-	-
Highway traffic and sign permits	-	-	-	-	-	-
Fees and licenses	-	-	-	-	-	-
Fines and penalties	334,569	313,322	-	-	-	-
Other state agencies	-	-	-	-	-	-
Vehicle safety inspection	-	-	-	-	-	-
Damage claims	-	-	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-	-	-
Rental of real property	-	-	-	-	-	-
Sale of land	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Improvements - Il. Tollway & others	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-
Subscriptions or Publications	-	-	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-	-	-
Reimbursement/recoveries - Private sector	-	-	77,813	-	-	-
Private organization/individuals	-	-	-	-	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	<u>334,569</u>	<u>313,322</u>	<u>77,813</u>	<u>-</u>	<u>-</u>	<u>-</u>
Prior year refunds	-	-	-	-	154,000	47,193
Prior year expenditure adjustments	-	-	-	-	-	108,891
Deposit correction	-	-	-	-	-	-
Deposits recorded by the Comptroller	<u>334,569</u>	<u>313,322</u>	<u>77,813</u>	<u>-</u>	<u>154,000</u>	<u>156,084</u>
Deposits in transit:						
Beginning of year	31,197	-	62,893	-	-	-
End of year	375	31,197	-	62,893 *	-	-
Recorded receipts per Department	<u>\$ 303,747</u>	<u>\$ 344,519</u>	<u>\$ 14,920</u>	<u>\$ 62,893</u>	<u>\$ 154,000</u>	<u>\$ 156,084</u>

* The Department discovered that they failed to include the cash in-transit amount of \$62,893 for fund 0648 in the audit report for the two years ended June 30, 2014.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2015 and 2014

Receipts	Federal Mass Transit Fund 0853		Cycle Rider Safety Training Fund 0863		State Construction Account Fund 0902	
	2015	2014	2015	2014	2015	2014
	Reported receipts by source:					
Federal aid reimbursements	\$ 29,693,732	\$ 20,148,300	\$ -	\$ -	\$ -	\$ -
Local governmental units	-	-	-	-	-	-
Highway traffic and sign permits	-	-	-	-	-	-
Fees and licenses	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-
Other state agencies	-	-	-	-	-	-
Vehicle safety inspection	-	-	-	-	-	-
Damage claims	-	-	-	-	-	-
Sale of used vehicles and equipment	-	-	-	-	-	-
Rental of real property	-	-	-	-	-	-
Sale of land	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Repayment to State Pursuant to Law	-	-	-	-	-	-
Joint Improvements - Il. Tollway & others	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-
Subscriptions or Publications	-	-	-	-	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-	-	-	-	-
Reimbursement/recoveries - Private sector	47,972	21,766	-	-	-	-
Private organization/individuals	-	-	-	1,105	-	-
Other departmental funds	-	-	-	-	-	-
Deposits remitted to the Comptroller	29,741,704	20,170,066	-	1,105	-	-
Prior year refunds	-	15,000	-	-	148,158	117,388
Prior year expenditure adjustments	-	20,892	-	-	-	26,853
Deposit correction	-	-	-	-	-	-
Deposits recorded by the Comptroller	29,741,704	20,205,958	-	1,105	148,158	144,241
Deposits in transit:						
Beginning of year	-	-	-	-	-	-
End of year	-	-	-	-	-	-
Recorded receipts per Department	\$ 29,741,704	\$ 20,205,958	\$ -	\$ 1,105	\$ 148,158	\$ 144,241

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Years Ended June 30, 2015 and 2014

Receipts	Rail Freight Loan Repayment Fund 0936	
	2015	2014
Reported receipts by source:		
Federal aid reimbursements	\$ -	\$ -
Local governmental units	-	-
Highway traffic and sign permits	-	-
Fees and licenses	-	-
Fines and penalties	-	-
Other state agencies	-	-
Vehicle safety inspection	-	-
Damage claims	-	-
Sale of used vehicles and equipment	-	-
Rental of real property	-	-
Sale of land	-	-
Miscellaneous	-	-
Repayment to State Pursuant to Law	-	-
Joint Improvements - Il. Tollway & others	-	-
Loan repayments	252,699	255,085
Subscriptions or Publications	-	-
Reimbursement of costs incurred on behalf of the federal government	-	-
Reimbursement/recoveries - Private sector	-	-
Private organization/individuals	-	-
Other departmental funds	-	-
Deposits remitted to the Comptroller	<u>252,699</u>	<u>255,085</u>
Prior year refunds	-	-
Prior year expenditure adjustments	-	-
Deposit correction	-	-
Deposits recorded by the Comptroller	<u>252,699</u>	<u>255,085</u>
Deposits in transit:		
Beginning of year	-	-
End of year	-	-
Recorded receipts per Department	<u>\$ 252,699</u>	<u>\$ 255,085</u>

Note: The above information was taken from the State Comptroller and reconciled to Department records.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Fiscal Years Ended June 30, 2016 and 2015

Schedule 6

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2016 AND 2015

General Revenue Fund – 0001 – There were no expenditures in fiscal year 2016 because the Department did not receive an appropriation in fiscal year 2016 for the General Revenue Fund.

Grade Crossing Protection Fund – 0019 – The Department did not receive a new appropriation in this fund during fiscal year 2016, only reappropriation authority. In addition, there were no capital outlay expenditures in fiscal year 2016. As a result, expenditures within the fund decreased from fiscal year 2015.

Federal/State/Local Airport Fund – 0095 – The Department received additional federal grants for airport improvements, which allowed for more projects to be completed in fiscal year 2016.

State Rail Freight Loan Repayment Fund – 0265 – A new project for the Canadian National Spur was the reason for the expenditures in fiscal year 2016.

I-Fly Fund – 0306 – Expenditures decreased in fiscal year 2016 because the Department did not receive an appropriation authorizing spending in the fund for air carrier recruitment and retention.

Transportation Bond Series “A” Fund – 0553 – Expenditures decreased in fiscal year 2016 because more projects that fall under this bond authorization were approaching completion and required fewer expenditures.

Downstate Transit Improvement Fund – 0559 – This fund was established in recent years. Fiscal year 2016 was the first year with significant activity within the Downstate Transit Improvement Program.

Transportation Bond Series “D” Fund – 0695 – Expenditures decreased in fiscal year 2016 due to less bond project activity within this fund.

Cycle Rider Safety Fund – 0863 – The reason for the decrease was a lack of appropriation authority in fiscal year 2016.

State Construction Account Fund – 0902 – A gradual shift in funding from the Road Fund to the State Construction Account Fund occurred from fiscal year 2014 through fiscal year 2016 for the Road Improvement Program. While this funding movement was not significantly noticeable in the Road Fund, it did cause for a significant increase in expenditures in fiscal year 2016 in the State Construction Account Fund over fiscal year 2015.

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2015 AND 2014

General Revenue Fund – 0001 – The decrease was due to the Department not receiving an appropriation for the Regional Transit Authority (RTA) grants as they did during fiscal year 2014 due to lack of funding available in the General Revenue Fund.

Grade Crossing Protection Fund – 0019 – The Illinois Commerce Commission (ICC) has the statutory responsibility to improve safety at public highway-rail crossings in Illinois. The ICC orders safety improvements at public highway-rail crossings with the cost of such improvements paid by the state, the railroads, and local governments. For local roads, the Grade Crossing Protection Fund bears the majority of the costs of improvements. In fiscal year 2015, there were more rail improvements such as the construction of an underpass in Lake County and a grade separation project in Danville.

I-Fly Fund – 0306 – In fiscal year 2015, a new I-Fly program grant was received in the amount of \$1.5 million for air carrier recruitment and retention.

Federal High Speed Rail Trust Fund – 0433 – The primary reason for the increase in fiscal year 2015 was related to the payment to a vendor for reaching pre-established benchmarks concerning the construction of high speed rail locomotives.

Transportation Bond Series “A” Fund – 0553 – In this fund, bonded projects are decreasing under all bond authorizations. Once the bonding authorization limits are met no new funds are available. Because of this overall trend, expenditures decreased in fiscal year 2015 from fiscal year 2014.

Transportation Bond Series “B” Fund – 0554 – The decrease was due to the completion of the Dan Ryan Metra project in fiscal year 2014.

Transportation Bond Series “D” Fund – 0695 – In fiscal year 2015, the General Assembly passed a new \$1,000,000,000 Series D bond appropriation, which allowed the Department to perform more construction projects. This resulted in increased expenditures in fiscal year 2015.

Federal Mass Transit Fund – 0853 – This increase was mainly due to purchases of paratransit vehicles for local governments with available federal funding during fiscal year 2015.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Fiscal Years Ended June 30, 2016 and 2015

Schedule 7

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2016 AND 2015

Road Fund – 0011

Sale of land increased during fiscal year 2016 due to receipts from the public auction of several excess parcels and the directed sale of one excess parcel, all in Edwardsville, Illinois, totaling approximately \$1.3 million.

Receipts for joint highway improvements – Illinois Tollway and others increased due to the receipts received from the states of Indiana and Missouri for joint highway projects in fiscal year 2016.

Reimbursements and recoveries received from the private sector decreased in fiscal year 2016. Fiscal year 2015 receipts were higher due to a large reimbursement for environmental studies for the Illiana Expressway and a large reimbursement for engineering costs on projects in Cook County from the Canadian National Railroad.

The increase in prior year refunds for fiscal year 2016 was due to refunds from construction projects closed during the fiscal year that had less construction costs than originally projected resulting in the return of overpayments. Most notably was refunds from the City of Chicago of over \$1.5 million from overpayments in fiscal years 2013, 2014, and 2015.

Federal/State/Local Airport Fund – 0095

Receipts from local governmental units decreased in fiscal year 2016 because local airport improvement projects were delayed due to the late date of receiving new federal grants. This delayed the letting process on many projects, which in turn delayed the need for a local share for award purposes.

State Rail Freight Loan Repayment – 0265

The decrease was due to fewer outstanding loans in repayment due to the payoff of several loans in fiscal year 2015.

I-Fly Fund – 0306

Receipts in the I-Fly Fund decreased in fiscal year 2016. In fiscal year 2015, the Department received \$1,500,000 from the State of Illinois, Department of Commerce and Economic Opportunity for the air carrier recruitment and retention program. Due to budget issues, the Department did not receive similar funding in fiscal year 2016.

Air Transportation Fund – 0309

Receipts from other agencies for air transportation decreased in fiscal year 2016 because air flights were suspended.

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2015 AND 2014

Road Fund – 0011

Receipts from the local governmental units account increased in fiscal year 2015 due to local governments providing a higher matching percentage of local dollars to federal dollars to stretch the federal funds, especially in larger metropolitan areas. Local governments had more Illinois Jobs Now funding available in fiscal year 2015 than in fiscal year 2014, which allowed them to do more projects with State and federal assistance.

Receipts for the joint highway improvements – Illinois Tollway and others decreased mainly due to fewer projects. The Department received funds for joint highway projects from the states of Indiana and Iowa in fiscal year in fiscal year 2014.

Receipts for the reimbursement and recoveries from the private sector account increased in fiscal year 2015 due to a large reimbursement for environmental studies for the Illiana Expressway and a large reimbursement for engineering costs on projects in Cook County from the Canadian National Railroad.

The increase in prior year refunds for fiscal year 2015 was due to an increase in number and size of construction projects closed during the fiscal year that had less construction costs than originally projected resulting in the return of overpayments.

I-Fly Fund – 0306

In fiscal year 2015, the Department received \$1,500,000 from the State of Illinois, Department of Commerce and Economic Opportunity for the air carrier recruitment and retention program. Similar funding was not received in fiscal year 2014.

Tax Recovery Fund – 0310

Receipts for the rental of real property account increased in fiscal year 2015 due to the addition of hangar leases at Bult Field and an increase in farmland receipts due to additional property acquisitions at the South Suburban Airport area.

Federal High Speed Rail Trust Fund – 0433

Federal aid reimbursements were increased in fiscal year 2015 due to equipment costs related to the purchase of rail cars for the high-speed rail project.

Federal Mass Transit Trust Fund – 0853

Receipts of the federal aid reimbursements account increased in fiscal year 2015 due to reimbursement for large purchases of paratransit vehicles for local governments funded by the Federal Transit Administration.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Fiscal Years Ended June 30, 2016 and June 30, 2015

Schedule 8

FISCAL YEAR 2016

Road Fund – 0011

The following appropriation lines were identified as having significant lapse period spending within the Road Fund in 2016:

- Central Administration and Planning
- Information Processing
- Departmentwide
- Public and Intermodal Transportation
- Intercity Rail Passenger Service

Department management stated the reason for the significant lapse period spending in these lines was due to the Department not receiving its full authority for spending until late in fiscal year 2016, thus causing significant spending to occur during the lapse period.

FISCAL YEAR 2015

General Revenue Fund – 0001

ADA Paratransit Services – The grant funding was not finalized until late in the fiscal year. Therefore, the payments were not made until the lapse period.

Road Fund – 0011

Information processing – An expenditure for the new Statewide ERP system was incurred at the end of the fiscal year and paid during lapse. This purchase accounted for a significant portion of the lapse period spending.

Enhance, congest, and air quality projects – Due to the lack of a budget at the beginning of fiscal year 2016, and the uncertainty of when the budget would be complete, program staff reached out to multi-year project sponsors to request that they expedite invoicing for fiscal year 2015 costs to ensure payment during the fiscal year 2015 lapse period rather than wait and submit during fiscal year 2016.

Distracted driving programs – The lapse period spending was for costs incurred on media campaigns prior to June 30, 2015, related to the Memorial Day and July 4th holidays.

Reims, service boards for reduced fares – The Division of Public and Intermodal Transportation (DPIT) was given the approval to proceed with this grant late in the fiscal year. At which time the contract was executed and the expenditures were paid during the lapse period.

ADA paratransit services – The grant funding was not finalized until late in the fiscal year. Therefore, the payments were not made until the lapse period.

Intercity rail passenger service – The lapse period spending was due to a delay in contract execution because of review by the new administration. As a result, over half of the expenditures were processed during the lapse period.

I-Fly Fund – 0306

I-Fly Fund – The expenditures for the I-Fly Grant were made during the lapse period because the decision to proceed with this grant was made by upper management late in the fiscal year. Numerous agreements between the sponsor, airline, and State were in play and took a bit to get processed.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
ANALYSIS OF ACCOUNTS RECEIVABLE
(expressed in thousands)
For the Year Ended June 30, 2016

	<u>Total</u>	<u>Current</u>	<u>1-30 days</u>	<u>31-90 days</u>	<u>91-180 days</u>	<u>181-365 days</u>	<u>Over 1 year</u>
General Revenue Fund (0001)							
Due from local governments	\$ 3,480	\$ -	\$ -	\$ 3,480	\$ -	\$ -	\$ -
Railroad loans	49	49	-	-	-	-	-
	<u>\$ 3,529</u>	<u>\$ 49</u>	<u>\$ -</u>	<u>\$ 3,480</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Road Fund (0011)							
Reimbursement from Federal Aid programs							
Due from National Traffic Safety Administration	21	21	-	-	-	-	-
Due from Federal Transit Administration	1,636	1,636	-	-	-	-	-
Due from Federal Hwy Administration	157,553	157,553	-	-	-	-	-
Total reimbursement from Federal Aid programs	<u>\$159,210</u>	<u>\$159,210</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reimbursement from counties and municipalities under participation agreements							
Counties/municipalities	28,184	11,825	6,744	2,995	587	5,133	900
Other receivables	4,479	1,285	108	279	208	220	2,379
Total receivables	<u>\$191,873</u>	<u>\$172,320</u>	<u>\$ 6,852</u>	<u>\$ 3,274</u>	<u>\$ 795</u>	<u>\$ 5,353</u>	<u>\$ 3,279</u>
Federal/State/Local Airport Fund (0095)							
Due from federal government	<u>\$ 36,080</u>	<u>\$ 36,080</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General Obligation B. R. & I. Fund (0101)							
Railroad loans	<u>\$ 6,371</u>	<u>\$ 6,371</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
State Rail Freight Loan Repayment Fund (0265)							
Railroad loans	6,532	6,407	24	101	-	-	-
Other receivables	2	2	-	-	-	-	-
Total receivables	<u>\$ 6,534</u>	<u>\$ 6,409</u>	<u>\$ 24</u>	<u>\$ 101</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Working Capital Revolving Fund (0307)							
Other receivables	<u>\$ 131</u>	<u>\$ 95</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 32</u>
Tax Recovery Fund (0310)							
Other receivables	<u>\$ 17</u>	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ 3</u>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 6</u>
Federal High Speed Rail Trust Fund (0433)							
Due from federal government	<u>\$ 94,556</u>	<u>\$ 94,556</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Transportation Bond Series "A" Fund (0553)							
Other receivables	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Roadside Memorial Fund (0697)							
Other receivables	<u>\$ 33</u>	<u>\$ 33</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Federal Mass Transit Fund (0853):							
Reimbursements from Federal Transit Administration for Federal Aid programs	<u>\$ 8,682</u>	<u>\$ 8,682</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
State Construction Account Fund (0902):							
Other receivables	<u>\$ 21</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>
Rail Freight Loan Repayment Fund (0936):							
Railroad loans	153	153	-	-	-	-	-
Other receivables	2	2	-	-	-	-	-
Total receivables	<u>\$ 155</u>	<u>\$ 155</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Footnotes:

- 1) Amounts are obtained from Department records i.e., Accounts Receivable Aging Report prepared by the Fiscal Operations Unit.
- 2) Other Receivables consist of damage claims, rents, consultant billings, and other receivables.
- 3) The Department will attempt to collect the receivables themselves. If collection attempts need to be escalated, they will utilize private collection services or the offset systems as necessary.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
ANALYSIS OF ACCOUNTS RECEIVABLE
(expressed in thousands)
For the Year Ended June 30, 2015

	<u>Total</u>	<u>Current</u>	<u>1-30 days</u>	<u>31-90 days</u>	<u>91-180 days</u>	<u>181-365 days</u>	<u>Over 1 year</u>
General Revenue Fund (0001)							
Railroad loans	\$ 133	\$ 133	\$ -	\$ -	\$ -	\$ -	\$ -
Road Fund (0011)							
Reimbursement from Federal Aid programs							
Due from National Traffic Safety Administration	1,165	1,165	-	-	-	-	-
Due from Federal Hwy Administration	154,454	154,454	-	-	-	-	-
Total reimbursement from Federal Aid programs	\$155,619	\$155,619	\$ -	\$ -	\$ -	\$ -	\$ -
Reimbursement from counties and municipalities under participation agreements							
Counties/municipalities	35,461	12,944	16,311	4,909	953	191	153
Other receivables	14,398	4,952	2,168	359	454	810	5,655
Total receivables	\$205,478	\$173,515	\$ 18,479	\$ 5,268	\$ 1,407	\$ 1,001	\$ 5,808
Federal/State/Local Airport Fund (0095)							
Due from federal government	\$ 24,115	\$ 24,115	\$ -	\$ -	\$ -	\$ -	\$ -
General Obligation B. R. & I. Fund (0101)							
Railroad loans	\$ 7,850	\$ 7,850	\$ -	\$ -	\$ -	\$ -	\$ -
State Rail Freight Loan Repayment Fund (0265)							
Railroad loans	6,914	6,914	-	-	-	-	-
Other receivables	2	2	-	-	-	-	-
Total receivables	\$ 6,916	\$ 6,916	\$ -	\$ -	\$ -	\$ -	\$ -
Working Capital Revolving Fund (0307)							
Other receivables	\$ 144	\$ 112	\$ 4	\$ 28	\$ -	\$ -	\$ -
Tax Recovery Fund (0310)							
Other receivables	\$ 4	\$ -	\$ 3	\$ -	\$ 1	\$ -	\$ -
Federal High Speed Rail Trust Fund (0433)							
Due from federal government	\$ 74,985	\$ 74,985	\$ -	\$ -	\$ -	\$ -	\$ -
Roadside Memorial Fund (0697)							
Other receivables	\$ 29	\$ 29	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Mass Transit Fund (0853)							
Reimbursements from Federal Transit Administration for Federal Aid programs	\$ 2,942	\$ 2,942	\$ -	\$ -	\$ -	\$ -	\$ -
State Construction Account Fund (0902)							
Other receivables	\$ 27	\$ -	\$ 4	\$ -	\$ 4	\$ -	\$ 19
Rail Freight Loan Repayment Fund (0936)							
Railroad loans	390	390	-	-	-	-	-
Other receivables	2	2	-	-	-	-	-
Total receivables	\$ 392	\$ 392	\$ -	\$ -	\$ -	\$ -	\$ -

Footnotes:

- 1) Amounts are obtained from Department records i.e., Accounts Receivable Aging Report prepared by the Fiscal Operations Unit.
- 2) Other Receivables consist of damage claims, rents, consultant billings, and other receivables.
- 3) The Department will attempt to collect the receivables themselves. If collection attempts need to be escalated, they will utilize private collection services or the offset systems as necessary.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
AGENCY FUNCTIONS AND PLANNING PROGRAM
(UNAUDITED)
For the Fiscal Years Ended June 30, 2016 and 2015

AGENCY FUNCTIONS

The Department of Transportation (Department) was created by the 77th General Assembly with legislation effective January 1, 1972. The Department is responsible for administrating and supervising the State's transportation activities, including highways, public transportation and aeronautics. The Department is accredited by the federal government for receiving federal funds for transportation programs; is responsible for drafting a State Master Plan for transportation facilities; and also provides State assistance to local public transportation agencies.

The Department's main office is located in the Harry R. Hanley Building, 2300 South Dirksen Parkway, Springfield, Illinois. An average of 4,934 full-time employees worked for the Department during fiscal year 2016.

The departmental structure is oriented to functions that the Department performs as an agency: developing programs; implementing projects; and supporting those efforts administratively and through public affairs. This organizational structure allows the Department to serve the public and meet its core mission.

The Department is organized into four primary areas: Program Development, Project Implementation, Public Affairs, and Administrative Support.

PROGRAM DEVELOPMENT

Program Development is responsible for developing plans, programs, and policies to integrate all modes into one seamless transportation system serving to build Illinois' economy. The work of the offices that reside in Program Development serve to guide and aid other offices in design, construction, maintenance, and operation of the State transportation system in a safe, timely, efficient, and economical manner.

Program Development consists of two offices: Planning and Programming and Program Development.

Office of Planning and Programming

The Office of Planning and Programming (OPP) develops plans and programs aimed at improving the State's transportation system. Core functions include oversight and coordination of the State's planning efforts, development of the annual multi-year and multimodal programs, monitoring of the physical condition of the transportation system, evaluation of costs and benefits of new infrastructure investments, and provision of data, mapping, and research to support these and other projects across the department. The Office of Planning and Programming consists of five bureaus: Data Collection, Innovative Project Delivery, Planning, Programming, and Research.

Office of Program Development

The Office of Program Development (OPD) utilizes established engineering practices to develop and implement policies, procedures, standards and guidelines to accomplish highway system improvement objectives. The OPD monitors district programs to ensure statewide uniformity in the interpretation and application of policy and to confirm program coordination with federal, State, and local agencies. The Office of Program Development consists of five bureaus: Bridges and Structures, Design and Environment, Land Acquisition, Local Roads and Streets, and Safety Programs and Engineering.

PROJECT IMPLEMENTATION

Project Implementation is responsible for delivering projects across all modes of transportation: highways, transit, freight and passenger rail, and aeronautics. Project Implementation consists of two offices: Highway Project Implementation and Intermodal Project Implementation.

Office of Highway Project Implementation

The Office of Highway Project Implementation (OHPI) ensures that highway improvement projects are constructed and operated in a cost-effective and timely manner in order to ensure funds to local agencies are properly disbursed. The OHPI monitors district programs to ensure statewide uniformity of policy interpretation and compliance and to certify program coordination with federal, state, and local agencies. These bureaus provide programs and activities to support efficient program implementation across the districts. The Office of Highway Project Implementation consists of three bureaus: Construction, Materials, and Operations. Also, OHPI houses the five highway regional offices consisting of a total of nine district offices.

Office of Intermodal Project Implementation

The Office of Intermodal Project Implementation (OIPI) coordinates activities for transit, rail, and aeronautics. Its mission is to provide safe, efficient, affordable, reliable, and coordinated transportation of people and goods through rail, mass transit, and related modes of transportation. The OIPI promotes mass transportation systems and services in Illinois by developing and recommending policies and programs; cultivating, implementing, and administering operating, capital, and technical program projects; and participating in local and statewide planning and programming activities. OIPI conducts technical studies and engineering reviews of projects. The Office of Intermodal Project Implementation consists of three groups:

1. Aeronautics: Bureaus of Administrative Services, Airport Engineering, Aviation Safety and Education, and Air Operations;
2. Transit: Bureaus of Transit Capital and Transit Operations;
3. Rail: Bureaus of Freight Rail Management and Passenger Rail Corridor Management.

PUBLIC AFFAIRS

The Offices of Communications and Legislative Affairs focus on proactive efforts related to public affairs. Outreach to key stakeholder groups is crucial to gather the information required to make well-informed decisions related to the allocation of public funding for transportation activities. Management of communications with stakeholder groups, including the media, is important for healthy operations. State and federal legislation are critically important and impact the

Department's day-to-day efforts. State legislators and sister state and federal agencies are also key stakeholders for engagement. Public Affairs consist of two offices: Communications and Legislative Affairs.

Office of Communications

The Office of Communications (OoC) manages both communications and outreach efforts between the Department and its stakeholders (including the public, elected officials, industry partners, fellow government agencies, and civic/nonprofit partners). The OoC's primary objectives are to assist in the coverage of Department activities, to increase the Department's sensitivity to its public, to interpret public opinion so that Department programs and regulations will be realistic and acceptable, and to mobilize support for the Department and its programs. The Office of Communications consists of two bureaus: Communication Services and Program, Project and Safety Outreach.

Office of Legislative Affairs

The Office of Legislative Affairs (OLA) leads coordination with subject-matter from across the Department on legislative issues at both state and federal levels. As such, the OLA maintains relationships both with elected officials and their staff, as well as sister agencies. The Office of Legislative Affairs consists of two bureaus: Federal Affairs and State Legislation.

ADMINISTRATIVE SUPPORT

Administrative support offices ensure that the Department's operations run smoothly across all facets of the Department. This includes development of business and workforce diversity strategies, legal oversight, financial and administrative support, and internal auditing functions. Administrative Support consists of these offices: Business and Workforce Diversity, Chief Counsel, and Finance and Administration,

Office of Business and Workforce Diversity

The Office of Business and Workforce Diversity (OBWD) supervises the implementation of directives, policies, and strategies for departmental business diversity efforts designed to support efficient operations that ultimately are aimed toward achieving departmental goals and objectives. It directs the periodic reviews of departmental efforts for compliance with tenets of quality and underlying laws, regulations and policies governing these projects and programs resulting in policy changes. The OBWD promotes a climate of compliance with prevailing civil rights laws and minimizes departmental exposure to forfeiture of federal funds, litigation or administrative intervention. The Office of Business and Workforce Diversity is comprised of two bureaus: Civil Rights and Small Business Enterprises.

Office of Chief Counsel

The Office of Chief Counsel (OCC) is responsible for providing departmental legal counsel on both policy issues and proposed actions affecting any of its operating offices. The OCC is responsible for the prosecution of all departmental litigation in cooperation with the Attorney General. It administers tort liability claims, property damage claims, uncollectible receivables, and lien and bond claims against contractors. In addition, the Office coordinates the purchase and service of all insurance policies and administers the Department's self-insurance program. The Office of Chief Counsel consists of two bureaus: Legal Services and Claims.

Office of Finance and Administration

The Office of Finance and Administration (OFA) is responsible for developing and administering the Department's budget, managing departmental personnel systems, providing accounting and auditing functions to ensure sound fiscal management, providing centralized business services functions and Department facilities management, and providing management information capabilities required to meet management and engineering needs. OFA consists of five bureaus: Business Services, Budget and Fiscal Management, Information Processing, Personnel Management and Investigations and Compliance.

Office of Internal Audit

The Office of Internal Audit directs and implements a comprehensive agency-wide internal audit program; conducts audits and reviews of agency programs, policies and procedures to evaluate their effectiveness; develops the Department's Annual Audit Plan; and monitors implementation of audit recommendations and finding. The Office also acts as liaison to external auditors and federal agencies conducting audits and reviews of the Department.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF TRANSPORTATION
BUDGET IMPASSE DISCLOSURES (UNAUDITED)
For the Two Years Ended June 30, 2016

Payment of Fiscal Year 2016 Costs in Future Fiscal Years

Article 74 of Public Act 99-0524 authorized the Illinois Department of Transportation (Department) to pay fiscal year 2016 costs using the Department's fiscal year 2017 appropriations for non-payroll expenditures. The following chart shows the Department's plan to expend its fiscal year 2017 appropriations to cover its fiscal year 2016 costs:

Outstanding Fiscal Year 2016 Invoices			
Fund No.	Fund Name	Number	Dollar Value
0012	Motor Fuel Tax	6	\$ 524
0011	Road	455	6,361,873

All fiscal year 2016 invoices were paid by December 31, 2016.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF TRANSPORTATION
**ALTERNATIVE FINANCING IN LIEU OF APPROPRIATIONS AND
PROGRAMS TO ADDRESS UNTIMELY PAYMENTS TO VENDORS (UNAUDITED)**
For the Year Ended June 30, 2016

Transactions Involving the Illinois Finance Authority

The Illinois Department of Transportation (Department) and its vendors did not participate in alternative financing in lieu of enacted appropriations involving the Illinois Finance Authority during fiscal year 2016.

Transactions Involving the Vendor Payment Program and Vendor Support Initiative Program

Vendor Payment Program (VPP)

In 2011, the State of Illinois (State) created the voluntary VPP in response to delays in payments for goods and services provided by the State's vendors arising from the State's cash flow deficit. The Department of Central Management Services (CMS) approved third party financing entities to act as "qualified purchasers" of accounts receivable from "participating vendors" who had submitted invoices which had not been paid by the State.

A participating vendor's accounts receivable is eligible for the VPP if it is from an invoice unpaid by the State that is (1) not for medical assistance payments; (2) where 90 days have passed since the proper bill date; which is (3) entitled to interest under the State Prompt Payment Act (30 ILCS 540) (Act); and, (4) free of any liens or encumbrances. Under the terms of an agreement between a qualified purchaser and the participating vendor, the participating vendor receives payment for 90% of the receivable balance. The participating vendor, in turn, assigns its rights to the interest due under the Act to the qualified purchaser. When the State Comptroller ultimately pays the invoice, the participating vendor receives the remaining 10% due (less any offsets).

Notably, while CMS approved the qualified purchasers and provided information to vendors about VPP, neither CMS nor the State are parties to the assignment agreements.

During fiscal year 2015 and fiscal year 2016, none of the Department's vendors participated in the Vendor Payment Program (VPP).

Vendor Support Initiative Program (VSI)

During fiscal year 2016, the State created the voluntary VSI as an alternative to the VPP for cases where the Department lacked an enacted appropriation or other legal expenditure authority to present invoices to the State Comptroller for payment. The VSI operated similarly to the VPP, although the Department was required to determine a participating vendor's invoice (1) would have met the requirements of the VPP, and (2) provided the proper bill date of invoice prior to the qualified purchaser and participating vendor entering into an agreement where the participating vendor received payment for 90% of the receivable balance. The participating vendor, in turn, assigned its rights to the interest due under the Act to the qualified purchaser. After the State Comptroller ultimately paid/pays the invoice after the Department receives/received appropriations or other legal expenditure authority to pay the invoice, the participating vendor receives/received the remaining 10% due (less any offsets).

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF TRANSPORTATION
**ALTERNATIVE FINANCING IN LIEU OF APPROPRIATIONS AND
PROGRAMS TO ADDRESS UNTIMELY PAYMENTS TO VENDORS (UNAUDITED)**
For the Year Ended June 30, 2016

During fiscal year 2016, the Department had 7 vendors participate in VSI for 225 invoices, totaling \$1,196,635. A summary of the amount of transactions by qualified purchaser follows:

TRANSACTIONS BY QUALIFIED PURCHASER

<u>Qualified Purchaser</u>	<u>Total</u>
Vendor A	\$ 959,709
Vendor B	3,828
Vendor C	<u>233,098</u>
	<u>\$ 1,196,635</u>

STATE OF ILLINOIS
 ILLINOIS DEPARTMENT OF TRANSPORTATION
INTEREST COSTS ON FISCAL YEAR 2016 INVOICES (Unaudited)
 For the Year Ended June 30, 2016

The Illinois Department of Transportation (Department) plans to calculate prompt payment interest due to vendors under the State Prompt Payment Act (30 ILCS 540) (Act) using the vendor's proper bill date through the date the State Comptroller issued a warrant to the vendor, regardless of when and if an enacted appropriation existed during fiscal year 2016. The Act (30 ILCS 540/3-2) and the Illinois Administrative Code (74 Ill. Adm. Code 900.100) require interest to be paid under a daily simple interest rate of .033% (1% over a 30-day period) for every day elapsed following the 90th day after a vendor submits an eligible proper bill to the Department. The following chart shows the Department's prompt payment interest incurred related to fiscal year 2016 invoices, calculated on the payment voucher, by fund:

Year Ended June 30, 2016				
Fund No.	Fund Name	Invoices	Vendors	Dollar Value
0011	Road Fund	18,958	2,074	\$ 1,245,206
0012	Motor Fuel Tax	49	18	7,947
0095	Federal/State/Local Airport Fund	4	4	584
0309	Air Transportation Revolving Fund	5	2	678
0310	Tax Recovery Fund	1	1	99
0433	Federal High Speed Rail Trust Fund	3	1	256,329
0554	Transportation Bond Series "B" Fund	14	4	114,268
0695	Transportation Bond Series "D" Fund	4	4	223
0902	State Construction Account Fund	31	15	4,084
	Total	19,069	2,123	\$ 1,629,418

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
AVERAGE NUMBER OF FULL TIME EMPLOYEES (UNAUDITED)
For Fiscal Years Ended June 30, 2016, 2015, and 2014

	<u>2016</u>	<u>2015</u>	<u>2014</u>
State Funded Positions:			
Cycle Rider Safety	1	2	2
Information Processing	62	68	69
Central Division of Highways	350	355	366
Day Labor	21	21	20
Central Administration & Planning	312	487	412
Traffic Safety	84	91	92
Aeronautics	59	69	71
Local Roads and Streets	84	87	83
District 1	1,101	1,124	1,192
District 2	352	355	373
District 3	340	339	347
District 4	344	324	324
District 5	281	273	277
District 6	371	363	371
District 7	299	304	306
District 8	508	504	510
District 9	284	283	301
Intelligent Transportation System (ITS)	-	1	1
Public Trans & Rail	35	38	39
Subtotal, State Funded Positions	<u>4,888</u>	<u>5,088</u>	<u>5,156</u>
Federally Funded Positions:			
Traffic Safety -			
Highway Safety	9	15	17
Motor Carrier Safety	24	29	30
Central Administration & Planning - Transportation Equity Act (TEA-21)	13	13	13
Subtotal, Federally Funded Positions	<u>46</u>	<u>57</u>	<u>60</u>
GRAND TOTAL	<u><u>4,934</u></u>	<u><u>5,145</u></u>	<u><u>5,216</u></u>

Note: The Department underwent a Department-wide reorganization in February 2016. The above categories do not necessarily reflect the reorganization because they still represent the manner in which the positions were funded during the engagement period.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
ANNUAL COST STATISTICS BY MAJOR OBJECT CLASSIFICATION (UNAUDITED)
For the Fiscal Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Operations	\$ 814,236,796	\$ 996,317,367
% of total expenditures	14.6%	17.3%
Personal services	421,281,251	448,168,767
% of operational expenditures	51.7%	45.0%
Other payroll costs (FICA, retirement)	222,685,237	225,027,103
% of operational expenditures	27.3%	22.6%
All Other operational items	170,270,308	323,121,497
% of operational expenditures	21.0%	32.4%
Grants	2,005,674,004	2,091,630,840
% of total expenditures	36.1%	36.4%
Construction	2,731,581,778	2,643,717,523
% of total expenditures	49.1%	46.0%
Capital improvements	11,539,587	15,072,929
% of total expenditures	<u>0.2%</u>	<u>0.3%</u>
Total expenditures (all funds)	<u>\$ 5,563,032,165</u>	<u>\$ 5,746,738,659</u>

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
EMERGENCY PURCHASES (UNAUDITED)
For the Fiscal Year Ended June 30, 2016

Description	Amount
Procurement of a contract with Advanced Asphalt Company for repairs to a field tile running under IL 26 which was creating a large void under the north bound lane.	\$ 165,968
Procurement of a contract with E.T. Simonds Construction for repairs to the Interstate 24 Bridge over the Ohio River in Massac County to fix large pot holes with a depth that was dangerous to the traveling public and was compromising the existing concrete deck.	452,235
Procurement of a contract with Quality Saw & Seal to correct the slope of the pavement in the area where Interstate 57 and Interstate 70 merge.	38,041
Procurement of a contract with Uretek USA, Inc. for repairs to an unstable bridge approach pavement at the south departing end of the structure carrying southbound Interstate 55 over BNSF RR north of Litchfield in Montgomery County.	24,210
Procurement of a contract with C.E. Mahoney Company for pavement repairs on Eldred/Hillview Road north of IL Rte. 108 in Greene County.	260,050
Procurement of a contract with Cross Construction for pavement repairs to Henning Road in Vermillion County due to damage by farming equipment.	36,912
Procurement of a contract with Concrete Specialties for repairs of a large hole in the pavement on Palmyra Road due to the failure of a stone culvert over a drainage ditch.	51,559
Procurement of a contract with Alpine Demolition Services to demolish a collapsed salt dome near the Interstate 94 off ramp to Augusta Boulevard near downtown Chicago.	36,504
Procurement of a contract with Bulk Storage Inc. to replace the roof panels of the collapsed salt dome near the Interstate 94 off ramp to Augusta Boulevard near downtown Chicago, since the footings and concrete walls were not damaged during the collapse and were 100% salvageable.	131,188
Procurement of a contract with Rayner Covering Systems for a temporary salt tarp in Elgin for the over-supply of salt to prevent runoff into the soil.	82,300
Total	<u>\$ 1,278,967</u>

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
EMERGENCY PURCHASES (UNAUDITED)
For the Fiscal Year Ended June 30, 2015

Description	Amount
Procurement of a contract with Benchmark Construction Co. to work on repairs to the failed catch basin on the right side of Interstate 290 eastbound at 25th Avenue, Bellwood.	\$ 22,063
Procurement of a contract with the Village of Glencoe for repairs of Sheridan Road at Hazel Avenue in northeastern Illinois due to flash flooding throughout the region. In order to ensure no further erosion and to re-open northbound Sheridan Road, the existing storm sewer must be repaired, the void filled, and the pavement replaced.	4,664
Procurement of a contract with Compass Minerals for 51,880 tons of salt for locations that did not receive bids when the Department of Central Management Services bid salt, to ensure the Department had an adequate supply to maintain safe roads during the winter. (1)	3,506,413
Procurement of a contract with Benchmark Construction Company to replace the entire length of the storm sewer along 26th Street in Chicago Heights, in order to preserve the condition of the payment along that street. According to the Department, this work needed to be completed quickly, prior to additional rains and winter weather.	333,762
Procurement of a contract with Sangamo Construction Co. for repairs to the rocker bearings of the major bridge carrying US 67/IL 100 over the Illinois River at Beardstown. (1)	1,529,037
Procurement of a contract with GA Rich & Sons to repair a leak in a sewer system which resulted in sewage from the pond into the ditch on the other side of a bermed edge of the lagoon.	<u>75,369</u>
Total	<u>\$ 5,471,308</u>

(1) An extension was filed with the Office of the Auditor General.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2016

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
AL03257	011-49442-7900-1011	LAND ACQUISITION, RELOCATION ASSISTANCE, AND RELOCATION CONSULTANTS @ CC&P/STEARNS ROAD IN KANE CO., IL. 98-00214-02-BR R-91-083-01 NOT TO EXCEED PER AGREEMENT FOR FEDERAL FUNDS	\$ 37,711,307	\$ -	\$ 298,404
AL05041	011-49442-7700-0026	CONSTRUCTION & CONSTRUCTION ENGINEERING FOR WPA STREETS SLEEPY HOLLOW PROJECT #2 CHICAGO 98-U8139-01-PV C-88-011-00	1,830,000	-	603
AL05044	011-49442-7700-0026 011-49442-7700-2027 011-49442-7900-0011 011-49442-7900-1011 695-49442-7700-0110	CONSTRUCTION & CONSTRUCTION ENGINEERING FOR 130TH ST AT TORRENCE AVE & 130TH ST AT NS TRACKS CHICAGO 99-B9369-02-PV C-88-025-04	135,521,917	24,159,938	23,779,346
AL05242	011-49442-7700-0026	PRELIMINARY ENGINEERING FOR 87TH ST FROM WESTERN AVE TO I-90/94 CHICAGO 04-B4103-00-TL P-88-013-05	250,000	-	76,465
AL05246	011-49442-7700-0026	PRELIMINARY ENGINEERING FOR CICERO AVE FROM PETERSON AVE TO LEXINGTON AVE CHICAGO 04-B4105-00-TL P-88-012-05	560,000	-	166,759
AL05286	011-49442-7700-0026	CONSTRUCTION, CONSTRUCTION ENGINEERING & FORCE ACCOUNT WORK ON RACINE AVE AND ON 37TH ST CHICAGO 99-U9136-00-RS C-88-056-99	3,580,000	-	122,829
AL99286	011-49442-7700-0026 553-49444-7700-0011 695-49442-7700-0110	PRELIMINARY ENGINEERING FOR THE SYSTEM OF ACCESS ROADS	17,770,000	-	9,991,872

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2016

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
AL042135	011-49442-7700-0026	PRELIMINARY ENGINEERING FOR LASALLE DRIVE FROM STOCKTON DR. TO LAKE SHORE DR. (PHASE II) CHICAGO 00-B0259-00-PV D-88-001-04	\$ 800,000	\$ -	\$ 24,290
JN100256	011-49442-7700-0026	FAU 3756 2000-060R COOK C-91-256-00 JOINT AGREEMENT. CONSTRUCTION OF NEW HIGHWAY TO BE KNOWN AS ORLAND PARKWAY	3,659,320	-	1,620
JN105520	902-49442-7700-0011	DEMOLISHING TWO (2) HOMES, FAP 338/ILLINOIS ROUTE 59 @ 100 & 102 CHANNAHON STREET IN WILL COUNTY, STATE JOB # C-91-222-05, SECTION # 2005-029DM	9,000	-	2,275
RR100326	902-49442-7700-0011	FAP 337(IL 22), SEC 19R-1, LAKE CO, C-91-326-00, FED PROJ#NHF-0337(006), PREPARE CIRCUIT DRAWINGS, ASSEMBLE, INSTALL OR RELOCATE WARNING DEVICES & THEIR OPERATING CIRCUITS	300,756	-	25,740
RR100327	902-49442-7700-0011	FAU 3504(OLD RAND RD), SEC 19R-1, LAKE COUNTY, C-91-326-00, FED PROJ #NHF-0337(006), PREPARE CIRCUIT DRAWINGS, PS&E, ASSEMBLE & INSTALL WARNING DEVICES, REMOVE XING, RAISE TRACK, ETC.	318,669	-	109,128
RR100328	011-49442-7700-0026 902-49442-7700-0011	FAP 337(IL 22), SEC 19R-1, LAKE CO, C-91-326-00, ALL TEMP AND PERM ALTERATIONS OR RELOCATIONS OF COMM & SIGNAL WIRE LINES, SIGNALS & APPURTENANCES, FURNISHING & PLACEMENT OF BALLAST, REMOVE TRACK	305,024	-	8,999
RR101013	902-49442-7700-0011	FAI 94(IL 394), SEC {(0204.1 & 0312-708W) & R-3}, COOK CO, C-91-013-01, RELOCATION OF COMM AND SIGNAL WIRE LINES, SIGNALS AND RAILROAD APPURTENANCES, ENGINEERING AND INSPECTION	75,356	-	4,500

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2016

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
RR103552	902-49442-7700-0011	FAP 337(IL 22), SEC 20R-5, LAKE CO, C-91-552-99, PREPARE CIRCUIT DRAWINGS, ESTIMATE AND SPECS, REMOVE EXISTING GRADE XING, RAISE TRACK, INSTALL PREFAB CROSSING, TRAFFIC CONTROL	\$ 361,795	\$ -	\$ 44,051
RR199249	011-49442-7700-0026 011-49442-7900-0011	FAP 351(US 6), SEC 3277R, COOK CO, C-91-249-99, REVIEW PS&E, REVIEW MAIN CONTRACT DESIGN PLANS, RELOCATE GAS HOUSE, MAKE TIE-INS, CONSTRUCTION INSPECTION, FLAGGING	1,987,139	-	1,185,969
UT104017	902-49442-7700-0011	FAP 870 (IL 53), SEC (22-5&533)WRS-2, DUPAGE CO, C-91-363-97, RELOCATION OF APP 720' OF 6" STEEL PIPE ALONG FULLERTON AVE AND 105' OF 6' STEEL PIPE ALONG IL 53	108,689	-	53,313
UT105004	902-49442-7700-0011	FAP 332 & FAI 94/ILLINOIS ROUTE 394/I-94 IN COOK COUNTY, INTERCHANGE & ROADWAY RECONSTRUCTION, NEW BRIDGE CONSTRUCTION AND RELOCATION OF FIBER OPTIC CABLES	167,292	-	90,767
UT105007	902-49442-7700-0011	FAP ROUTE 337/ILLINOIS ROUTE 22 FROM WEST OF U.S. ROUTE 12 TO EAST OF BUESCHING ROAD. MAKING ADJUSTMENTS TO EXISTING FACILITIES LOCATED WITHIN LIMITS. STATE JOB #C-91-326-00, SECTION #19R-1	217,396	-	51,211
UT105009	902-49442-7700-0011	FAP ROUTE 337/ILLINOIS ROUTE 22: WEST OF U.S. ROUTE 12 TO EAST OF BUESCHING ROAD IN LAKE COUNTY. RELOCATION OF AERIAL FACILITIES, SECTION 19R-1 STATE JOB # C-91-326-00	16,990	-	16,990

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2016

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
UT105012	902-49442-7700-0011	FAP 870/ILLINOIS ROUTE 53: ARMY TRAIL ROAD TO ILLINOIS ROUTE 64 RELOCATION OF 670 LF OF BURIED CABLE, DUPAGE COUNTY, SECTION # (22.5-533)WRS-2, STATE JOB # C-91-363-97	\$ 17,961	\$ -	\$ 17,961
UT105015	902-49442-7700-0011	FAU 1487, SEC 66R, DUPAGE COUNTY, C-91-025-02, RELOCATING SANITARY SEWERS AND REPLACING MAN-HOLES	207,753	-	4,501
UT105017	902-49442-7700-0011	UTILITY ADJUSTMENTS FOR FAP 575/U.S. ROUTE 30 FROM STATEVILLE ROAD/ESSINGTON ROAD TO LARKIN AVENUE IN WILL COUNTY, STATE JOB # C-91-217-00, SECTION #(B & 14)R-3	42,791	-	17,322
UT105018	902-49442-7700-0011	UTILITY ADJUSTMENTS FOR FAP 337/ILLINOIS ROUTE 22 FROM EAST OF BUESCHING ROAD TO EAST OF QUENTIN ROAD IN LAKE COUNTY, STATE JOB # C-91-431-00, SECTION # 20WRS-6	98,880	-	7,254
UT106001	902-49442-7700-0011	UTILITY ADJUSTMENTS FOR FAP 575/U.S. ROUTE 30 AT LILY CACHE ROAD AND AT LILY CACHE CREEK IN WILL COUNTY, STATE JOB # C-91-002-01, SECTION #14-B-R-1 & 15N-3	27,470	-	3,175
PTB108037	902-49405-7700-0025	PTB 108-037, START-UP AGR. PHSE I. IL-53, P-99, DUPAGE. COMBINED DESIGN REPORT AND ECAD IMPROVEMENT OF IL-53 FROM IL-64 TO S OF IL-56 PAGE CO.	2,921,052	-	526
PTB117006	011-49405-7700-0026 011-49442-7900-0011 902-49405-7700-0025	PTB 117-006, PHASE II, START-UP AGR. D-91-012-01 FAI-94/FAP-332, COOK, ENGINEERING FOR CONTRACT PLANS FOR RECONSTRUCTION OF 4-LANE EXPRESSWAY	11,905,028	-	76,536
PTB118022	011-49405-7700-0026	PTB 118-022, PRIME AGR. PHASE II, R-91-069-00 FAP-870 DUPAGE PROFESSIONAL SERVICES - FIELD AND OFFICE ASSISTANCE FOR LAND SURVEYING	446,648	-	13,150

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2016

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
PTB120002	011-49405-7700-0026 011-49442-7900-0012	PTB 120-002, PHASE I, START-UP AGR. P-91-065-01 US-45, LAKE CO. PHASE I STUDY	\$ 2,441,019	\$ -	\$ 61,472
PTB120004	011-49442-7900-0011	PTB 120-004 STARTUP AGR. PREP OF PLANS FOR I-90/94 FROM 16TH ST TO 70TH ST.	29,168,064	-	33,395
PTB120006	011-49405-7700-0026 011-49442-7900-0011	PTB 120-006, PHASE II, START-UP AGR. D-91-397-97 FAP 870 (IL-53), DUPAGE CO. PROFESSIONAL SERVICES FOR RECONSTRUCTION OF IL-53 FROM ARMY TRAIL ROAD TO ELGIN O'HARE EXPRESSWAY	3,085,738	-	16,081
PTB122005	011-49405-7700-0026	PTB 122-005, PH 2 STARTUP, D-91-025-02, FAU 1487, DUPAGE CO, RECONSTRUCTION OF MAPLE AVE FROM CUMNOR RD TO IL 83 TO INCLUDE SUPPLEMENTAL SURVEY AND PRELIMINARY PLAN PREPARATION	944,463	-	39,072
PTB123005	011-49442-7900-0011	PTB 123-005, PHASE II, START-UP AGR. D-91-127-02 FAP 365, DUPAGE CO. CONTRACT PLANS FOR RECONSTRUCTION AND WIDENING OF IL-56	1,867,902	-	50,066
PTB125004	011-49442-7900-0011	PTB 125-004, PH 1, PRIME AGMT, P-91-016-02, I-57 STUENKEL ROAD, WILL COUNTY, LOCATION/DESIGN REPORT FOR IMPROVEMENT OF I-57 AT STUENKEL RD	1,506,362	-	4,953
PTB125016	011-49405-7700-0026	PTB 125-016 PH 1&2 STARTUP, D-96-009-03, VARIOUS COUNTIES AND ROUTES, MISCELLANEOUS ENGINEERING	500,000	-	550
PTB125017	011-49405-7700-0026	PTB 125-017 PH 2 STARTUP, D-96-010-03, VARIOUS RTS VARIOUS COUNTIES IN D-6. MISCELLANEOUS ENG. FOR VARIOUS WORK ORDER PROJECTS	500,000	-	9,007

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2016

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
PTB126002	011-49405-7700-0026 011-49442-7900-0011 902-49405-7700-0025	PTB 126-002, PH 2, STARTUP, D-91-351-02, FAP 336 (IL 31), SEC 112R-N, MCHENRY CO, RECONSTRUCTION & WIDENING OF IL 31 AT IL 176 & AT TERRA COTTA RD	\$ 795,122	\$ 1,058	\$ 20,536
PTB126003	902-49405-7700-0025	PTB 126-003, PH 2, STARTUP AGMT, D-91-356-02, FAP 348(IL 43) OVER I-94 SPUR, SEC 3271B-R, COOK CO, PS&E TO REPLACE BRIDGE DECK	459,376	-	33
PTB126020	011-49405-7700-0026	PTB 126-020, PH 1, PRIME AGREEMENT, P-30-013-03, VARIOUS ROUTES, SECTIONS AND COUNTIES, PERFORM NOISE ANALYSES STATEWIDE	225,000	-	9,428
PTB127001	902-49405-7700-0025	PTB 127-001, PHASE III, C-91-512-01, FAI-80/94 START-UP AGREEMENT, CONSTRUCTION ENGINEERING	5,521,062	-	105,227
PTB127024	011-49405-7700-0026	PTB 127-024, PHASE II, START-UP AGR. D-96-024-03 MISCELLANEOUS ENGINEERING VARIOUS PROJECT, VARIOUS ROUTES, WORK ORDERS	200,000	-	12,583
PTB128001	011-49442-7900-0011	PTB 128-001, PH 3, STARTUP AGMT,C-91-085-03, CONSTRUCTION ENGINEERING FOR THE RECONSTRUCTION OF I-94/90: 31ST TO I-57	12,009,518	-	17
PTB128002	011-49405-7700-0026 902-49405-7700-0025	PTB 128-002, PH 3, STARTUP, I-94/90: 31ST TO I-57, SEC (1919&1919.15A)K/2323-R-1, ETC., COOK COUNTY CONSTRUCTION ENGINEERING FOR RECONSTRUCTION OF I-94/90, C-91-092-03	8,665,864	-	3,294
PTB128003	902-49405-7700-0025	PTB 128-003, PH 3, STARTUP, I-94/90, 31ST ST TO I-57, SEC 2003-032T/(1717 & 1818)K, COOK CO., C-91-093-03 & C-91-096-03, CONSTRUCTION ENGINEERING FOR THE RECONSTRUCTION OF I-94/90	5,184,037	-	679,346

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2016

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
PTB130010	902-49405-7700-0025	PTB 130-010, PH 2 STARTUP, D-96-008-04, VARIOUS ROUTES, SECTIONS & COUNTIES, WORK ORDERS FOR MISCELLANEOUS ENGINEERING SERVICES IN D-6.	\$ 500,000	\$ -	\$ -
PTB132003	902-49405-7700-0025	PTB 132-003, PH 3, PRIME AGMT, C-91-019-01, COOK CO, FAI 80/94, SEC 2626.2-R-1/2626.2-R-2, PARTIAL OBLIGATION, REMAINING BALANCE = \$4,141,537.00 CONSTRUCTION INSPECTION FOR KINGERY MAINLINE	6,646,591	-	11,045
PTB133013	902-49405-7700-0025	PTB 133-013, PH 3, PRIME AGREEMENT, C-94-010-02, FAI 74(I-74), SEC (90-11)R-2,90(13,14,14-1)R-1, PEORIA CO, CONSTRUCTION INSPECTION, PARTIAL OB ON PRIME, BALANCE OF PRIME = \$2,754,507.00	3,354,507	-	200,364
PTB134002	902-49405-7700-0025	PTB 134-002, PH 3, PRIME, C-91-064-05, FAP 305 (PALATINE RD OVER IL 83), COOK CO, SEC 0913.1 RS-1 CONSTRUCTION INSPECTION	297,736	-	25,755
PTB135001	902-49405-7700-0025	PTB 135-001, PH 3, STARTUP, C-91-217-00, US-30/ LINCOLN HIGHWAY, SEC (B&14)R-3, WILL CO, CONSTRUCTION INSPECTION	1,066,727	-	-
PTB135018	011-49442-7900-0011	PTB 135-018, STARTUP, PH 2, VARIOUS RTES, COS AND SECS, D-96-511-05, WORK ORDERS, MISCELLANEOUS ENGINEERING FOR VARIOUS PROJECTS IN D-6	600,000	-	11
PTB136003	011-49405-7700-0026 902-49405-7700-0025	PTB 136-003, PH 3, STARTUP, C-91-552-99, FAP337 (IL-22/HALF DAY ROAD) SEC 20R-5, LAKE COUNTY, CONSTRUCTION INSPECTION FOR IMPROVEMENT OF IL-22 FROM E OF IL-83 TO W OF US-45/IL-21	2,002,868	-	30,013

STATE OF ILLINOIS
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SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2016

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
PTB139012	011-49442-7900-0027	PTB 139-012, PH 1, STARTUP, R-92-121-01, FAP 303 (US BR 20), SEC (40R, 41)R, WINNEBAGO CO, R.O.W. PLATS, ETC., FOR PROJECT ON US BR 20 FROM APP 1000 FEET W OF PIERPONT AVE TO KILBURN AVE IN ROCKFORD	\$ 1,051,690	\$ 31,838	\$ 458,950
PTB140004	011-49442-7900-0027	PTB 140-004, PH 3, STARTUP, C-91-207-01, US-6 EAST OF PARK AVE UNDER CANADIAN NAT'L RR BRIDGE, COOK CO, SEC 3277R, CONSTRUCTION ENGINEERING	760,807	-	25
			<u>\$ 310,572,686</u>	<u>\$ 24,192,834</u>	<u>\$ 37,966,779</u>

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2015

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
AL03257	011-49442-7900-1010	LAND ACQUISITION, RELOCATION ASSISTANCE, AND RELOCATION CONSULTANTS @ CC&P/STEARNS ROAD IN KANE CO., IL. 98-00214-02-BR R-91-083-01 NOT TO EXCEED PER AGREEMENT FOR FEDERAL FUNDS	\$ 37,711,307	\$ -	\$ 298,404
AL05041	011-49442-7700-0026	CONSTRUCTION & CONSTRUCTION ENGINEERING FOR WPA STREETS SLEEPY HOLLOW PROJECT #2 CHICAGO 98-U8139-01-PV C-88-011-00	1,830,000	-	603
AL05044	011-49442-7700-2027 011-49442-7900-0010 011-49442-7900-1010 695-49442-7700-0110	CONSTRUCTION & CONSTRUCTION ENGINEERING FOR 130TH ST AT TORRENCE AVE & 130TH ST AT NS TRACKS CHICAGO 99-B9369-02-PV C-88-025-04	139,092,287	13,104,827	51,509,654
AL05242	011-49442-7700-0026	PRELIMINARY ENGINEERING FOR 87TH ST FROM WESTERN AVE TO I-90/94 CHICAGO 04-B4103-00-TL P-88-013-05	250,000	-	76,465
AL05246	011-49442-7700-0026	PRELIMINARY ENGINEERING FOR CICERO AVE FROM PETERSON AVE TO LEXINGTON AVE CHICAGO 04-B4105-00-TL P-88-012-05	560,000	-	166,759
AL05286	011-49442-7700-0026	CONSTRUCTION, CONSTRUCTION ENGINEERING & FORCE ACCOUNT WORK ON RACINE AVE AND ON 37TH ST CHICAGO 99-U9136-00-RS C-88-056-99	3,580,000	28,833	122,829
AL99286	011-49442-7700-0026 553-49444-7700-0011 695-49442-7700-0110	PRELIMINARY ENGINEERING FOR THE SYSTEM OF ACCESS ROADS	17,770,000	-	9,991,872
607980	902-49442-7700-0010	CONSTRUCTION AT FAP-559 & 341, 2.7MI OF IL 58 & 2M I OF IL 72; W OF MOON LAKE RD TO ROSELLE RD & W OF FAIRMOND RD TO ROSELLE RD.	596,419	38,529	-

STATE OF ILLINOIS
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For the Year Ended June 30, 2015

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
626640	553-49444-7700-0011	CONSTRUCTION AT FAI-80, VILLAGE OF LANSING (COOK CO) & HAMMOND & MUENSTER (LAKE CO) FROM IL 394 IN IL TO US 41 IN INDIANA	\$ 17,304,725	\$ 5	\$ -
837820	011-49442-7700-0026	CONSTRUCTION AT INTERSECTIONS OF ILLINOIS ROUTE 64 AT RANDALL ROAD AND AT DEAN STREET	15,878,581	75,675	-
AL042135	011-49442-7700-0026	PRELIMINARY ENGINEERING FOR LASALLE DRIVE FROM STOCKTON DR. TO LAKE SHORE DR. (PHASE II) CHICAGO 00-B0259-00-PV D-88-001-04	800,000	-	24,290
JN100256	011-49442-7700-0026	FAU 3756 2000-060R COOK C-91-256-00 JOINT AGREEMENT. CONSTRUCTION OF NEW HIGHWAY TO BE KNOWN AS ORLAND PARKWAY	3,659,320	-	1,620
JN105520	902-49442-7700-0010	DEMOLISHING TWO (2) HOMES, FAP 338/ILLINOIS ROUTE 59 @ 100 & 102 CHANNAHON STREET IN WILL COUNTY, STATE JOB # C-91-222-05, SECTION # 2005-029DM	9,000	-	2,275
RR100326	902-49442-7700-0010	FAP 337(IL 22), SEC 19R-1, LAKE CO, C-91-326-00, FED PROJ#NHF-0337(006), PREPARE CIRCUIT DRAWINGS, ASSEMBLE, INSTALL OR RELOCATE WARNING DEVICES & THEIR OPERATING CIRCUITS	300,756	-	25,740
RR100327	902-49442-7700-0010	FAU 3504(OLD RAND RD), SEC 19R-1, LAKE COUNTY, C-91-326-00, FED PROJ #NHF-0337(006), PREPARE CIRCUIT DRAWINGS, PS&E, ASSEMBLE & INSTALL WARNING DEVICES, REMOVE XING, RAISE TRACK, ETC.	318,669	-	109,128
RR100328	011-49442-7700-0026 902-49442-7700-0010	FAP 337(IL 22), SEC 19R-1, LAKE CO, C-91-326-00, ALL TEMP AND PERM ALTERATIONS OR RELOCATIONS OF COMM & SIGNAL WIRE LINES, SIGNALS & APPURTENANCES, FURNISHING & PLACEMENT OF BALLAST, REMOVE TRACK	305,024	-	8,999

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2015

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
RR101013	902-49442-7700-0010	FAI 94(IL 394), SEC {(0204.1 & 0312-708W) & R-3}, COOK CO, C-91-013-01, RELOCATION OF COMM AND SIGNAL WIRE LINES, SIGNALS AND RAILROAD APPURTENANCES, ENGINEERING AND INSPECTION	\$ 75,356	\$ -	\$ 4,500
RR103552	902-49442-7700-0010	FAP 337(IL 22), SEC 20R-5, LAKE CO, C-91-552-99, PREPARE CIRCUIT DRAWINGS, ESTIMATE AND SPECS, REMOVE EXISTING GRADE XING, RAISE TRACK, INSTALL PREFAB CROSSING, TRAFFIC CONTROL	361,795	-	44,051
RR199249	011-49442-7700-0026 011-49442-7900-0010	FAP 351(US 6), SEC 3277R, COOK CO, C-91-249-99, REVIEW PS&E, REVIEW MAIN CONTRACT DESIGN PLANS, RELOCATE GAS HOUSE, MAKE TIE-INS, CONSTRUCTION INSPECTION, FLAGGING	1,987,139	-	1,185,969
UT104017	902-49442-7700-0010	FAP 870 (IL 53), SEC (22-5&533)WRS-2, DUPAGE CO, C-91-363-97, RELOCATION OF APP 720' OF 6" STEEL PIPE ALONG FULLERTON AVE AND 105' OF 6' STEEL PIPE ALONG IL 53	108,689	-	53,313
UT105004	902-49442-7700-0010	FAP 332 & FAI 94/ILLINOIS ROUTE 394/I-94 IN COOK COUNTY, INTERCHANGE & ROADWAY RECONSTRUCTION, NEW BRIDGE CONSTRUCTION AND RELOCATION OF FIBER OPTIC CABLES	167,292	-	90,767
UT105007	902-49442-7700-0010	FAP ROUTE 337/ILLINOIS ROUTE 22 FROM WEST OF U.S. ROUTE 12 TO EAST OF BUESCHING ROAD. MAKING ADJUSTMENTS TO EXISTING FACILITIES LOCATED WITHIN LIMITS. STATE JOB #C-91-326-00, SECTION #19R-1	217,396	-	51,211

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2015

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
UT105009	902-49442-7700-0010	FAP ROUTE 337/ILLINOIS ROUTE 22: WEST OF U.S. ROUTE 12 TO EAST OF BUESCHING ROAD IN LAKE COUNTY. RELOCATION OF AERIAL FACILITIES, SECTION 19R-1 STATE JOB # C-91-326-00	\$ 16,990	\$ -	\$ 16,990
UT105012	902-49442-7700-0010	FAP 870/ILLINOIS ROUTE 53: ARMY TRAIL ROAD TO ILLINOIS ROUTE 64 RELOCATION OF 670 LF OF BURIED CABLE, DUPAGE COUNTY, SECTION # (22.5-533)WRS-2, STATE JOB # C-91-363-97	17,961	-	17,961
UT105015	902-49442-7700-0010	FAU 1487, SEC 66R, DUPAGE COUNTY, C-91-025-02, RELOCATING SANITARY SEWERS AND REPLACING MAN-HOLES	207,753	-	4,501
UT105017	902-49442-7700-0010	UTILITY ADJUSTMENTS FOR FAP 575/U.S. ROUTE 30 FROM STATEVILLE ROAD/ESSINGTON ROAD TO LARKIN AVENUE IN WILL COUNTY, STATE JOB # C-91-217-00, SECTION # (B & 14)R-3	42,791	-	17,322
UT105018	902-49442-7700-0010	UTILITY ADJUSTMENTS FOR FAP 337/ILLINOIS ROUTE 22 FROM EAST OF BUESCHING ROAD TO EAST OF QUENTIN ROAD IN LAKE COUNTY, STATE JOB # C-91-431-00, SECTION # 20WRS-6	98,880	-	7,254
UT106001	902-49442-7700-0010	UTILITY ADJUSTMENTS FOR FAP 575/U.S. ROUTE 30 AT LILY CACHE ROAD AND AT LILY CACHE CREEK IN WILL COUNTY, STATE JOB # C-91-002-01, SECTION # 14-B-R-1 & 15N-3	27,470	-	3,175
PSB114046	011-49405-7700-0026 902-49405-7700-0025	PTB 114-046, PH 2, STARTUP, D-97-057-05, FAP 805 (IL 161), SEC (101, 102)R, MARION CO, CONTRACT PLANS/SPECS AND R.O.W. PLATS/PLANS FOR UPGRADING THE EXISTING 2 LANES TO MULTI LANES	1,486,338	-	351,181

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2015

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
PTB108037	902-49405-7700-0025	PTB 108-037, START-UP AGR. PHSE I. IL-53, P-99, DUPAGE. COMBINED DESIGN REPORT AND ECAD IMPROVEMENT OF IL-53 FROM IL-64 TO S OF IL-56 DUPAGE CO.	\$ 2,921,052	\$ -	\$ 526
PTB117004	902-49405-7700-0025	PTB 117-004, PHASE II, START-UP AGR. D-91-015-01 COOK. CONTRACT PLANS FOR RECONSTRUCTION OF KINGERY EXPRESSWAY.	13,422,051	-	4,177
PTB117006	011-49405-7700-0026 011-49442-7900-0010 902-49405-7700-0025	PTB 117-006, PHASE II, START-UP AGR. D-91-012-01 FAI-94/FAP-332, COOK, ENGINEERING FOR CONTRACT PLANS FOR RECONSTRUCTION OF 4-LANE EXPRESSWAY	11,905,028	-	76,536
PTB118022	011-49405-7700-0026	PTB 118-022, PRIME AGR. PHASE II, R-91-069-00 FAP-870 DUPAGE PROFESSIONAL SERVICES - FIELD AND OFFICE ASSISTANCE FOR LAND SURVEYING	446,648	-	13,150
PTB120002	011-49442-7700-0026 011-49442-7900-0012	PTB 120-002, PHASE I, START-UP AGR. P-91-065-01 US-45, LAKE CO. PHASE I STUDY	2,441,019	-	61,472
PTB120004	011-49442-7900-0010	PTB 120-004 STARTUP AGR. PREP OF PLANS FOR I-90/94 FROM 16TH ST TO 70TH ST.	29,168,064	-	33,395
PTB120005	011-49405-7700-0026 011-49442-7900-0010 902-49405-7700-0025	PTB 120-005, PH 2 STARTUP AGR. D-91-421-01, COOK CO, I-94, PLANS, SPECS ESTIMATES FOR COLLECTOR DISTRIBUTOR ROADWAY, DAN RYAN EXPRESSWAY	16,359,151	-	987,350
PTB120006	011-49405-7700-0026 011-49442-7900-0011	PTB 120-006, PHASE II, START-UP AGR. D-91-397-97 FAP 870 (IL-53), DUPAGE CO. PROFESSIONAL SERVICES FOR RECONSTRUCTION OF IL-53 FROM ARMY TRAIL ROAD TO ELGIN O'HARE EXPRESSWAY	3,085,738	-	16,081

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2015

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
PTB120007	011-49442-7900-0012 695-49442-7700-0110	PTB 120-007, PHASE II, START-UP AGR. COOK CO D-91-285-01, FAU 2710. ENGINEERING AND GEOTECHNICAL INVESTIGATION AND REPORT, SURVEY, TS&L'S AND PLAN PREPARATION	\$ 2,521,370	\$ -	\$ 40,268
PTB120009	011-49405-7700-0026 011-49442-7700-0026	PTB 120-009, PHASE II, START-UP AGR. D-91-384-01 PLANS, TS&L PLANS, DRAINAGE PLANS, SURVEY, TRAFFIC STAGING, LIGHTING FOR REHAB OF IL-43	959,586	-	87,121
PTB122005	011-49405-7700-0026	PTB 122-005, PH 2 STARTUP, D-91-025-02, FAU 1487, DUPAGE CO, RECONSTRUCTION OF MAPLE AVE FROM CUMNOR RD TO IL 83 TO INCLUDE SUPPLEMENTAL SURVEY AND PRELIMINARY PLAN PREPARATION	944,463	-	39,072
PTB123005	011-49405-7700-0026 011-49442-7900-0011	PTB 123-005, PHASE II, START-UP AGR. D-91-127-02 FAP 365, DUPAGE CO. CONTRACT PLANS FOR RECONSTRUCTION AND WIDENING OF IL-56	1,870,699	-	52,863
PTB125004	011-49405-7700-0026 011-49442-7900-0011	PTB 125-004, PH 1, PRIME AGMT, P-91-016-02, I-57 STUENKEL ROAD, WILL COUNTY, LOCATION/DESIGN REPORT FOR IMPROVEMENT OF I-57 AT STUENKEL RD	1,508,819	-	7,410
PTB125016	011-49405-7700-0026	PTB 125-016 PH 1&2 STARTUP, D-96-009-03, VARIOUS COUNTIES AND ROUTES, MISCELLANEOUS ENGINEERING	500,000	-	550
PTB125017	011-49405-7700-0026	PTB 125-017 PH 2 STARTUP, D-96-010-03, VARIOUS RTS VARIOUS COUNTIES IN D-6. MISCELLANEOUS ENG. FOR VARIOUS WORK ORDER PROJECTS	500,000	-	9,007
PTB126002	011-49405-7700-0026 011-49442-7900-0011 902-49405-7700-0025	PTB 126-002, PH 2, STARTUP, D-91-351-02, FAP 336 (IL 31), SEC 112R-N, MCHENRY CO, RECONSTRUCTION & WIDENING OF IL 31 AT IL 176 & AT TERRA COTTA RD	795,122	-	21,594

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2015

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
PTB126003	902-49405-7700-0025	PTB 126-003, PH 2, STARTUP AGMT, D-91-356-02, FAP 348(IL 43) OVER I-94 SPUR, SEC 3271B-R, COOK CO, PS&E TO REPLACE BRIDGE DECK	\$ 459,376	\$ -	\$ 33
PTB126020	011-49405-7700-0026	PTB 126-020, PH 1, PRIME AGREEMENT, P-30-013-03, VARIOUS ROUTES, SECTIONS AND COUNTIES, PERFORM NOISE ANALYSES STATEWIDE	225,000	-	9,428
PTB127001	902-49405-7700-0025	PTB 127-001, PHASE III, C-91-512-01, FAI-80/94 START-UP AGREEMENT. CONSTRUCTION ENGINEERING	5,521,062	-	105,227
PTB127024	011-49405-7700-0026	PTB 127-024, PHASE II, START-UP AGR. D-96-024-03 MISCELLANEOUS ENGINEERING VARIOUS PROJECTS, VARIOUS ROUTES, WORK ORDERS	200,000	-	12,583
PTB128001	011-49442-7900-0010	PTB 128-001, PH 3, STARTUP AGMT,C-91-085-03, CONSTRUCTION ENGINEERING FOR THE RECONSTRUCTION OF I-94/90: 31ST TO I-57	12,009,518	-	17
PTB128002	011-49405-7700-0026 902-49405-7700-0025	PTB 128-002, PH 3, STARTUP, I-94/90: 31ST TO I-57, SEC (1919&1919.15A)K/2323-R-1, ETC., COOK COUNTY CONSTRUCTION ENGINEERING FOR RECONSTRUCTION OF I-94/90, C-91-092-03	8,665,864	-	3,294
PTB128003	902-49405-7700-0025	PTB 128-003, PH 3, STARTUP, I-94/90, 31ST ST TO I-57, SEC 2003-032T/(1717 & 1818)K, COOK CO., C-91-093-03 & C-91-096-03, CONSTRUCTION ENGINEERING FOR THE RECONSTRUCTION OF I-94/90	5,184,037	-	679,346
PTB129013	011-49405-7700-0026	PTB 129-013, PH 3, STARTUP, C-94-007-02, I-74, SEC 72(7,8,9,9-1)R-2, PEORIA COUNTY, INSPECTION, SUPERVISION, CHECKING OF CONST STAKING, LAYOUT, QA FIELD MATERIALS INSPECTION, DOCUMENTATION, ETC	6,070,732	-	126,146

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2015

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
PTB130010	902-49405-7700-0025	PTB 130-010, PH 2 STARTUP, D-96-008-04, VARIOUS ROUTES, SECTIONS & COUNTIES, WORK ORDERS FOR MISCELLANEOUS ENGINEERING SERVICES IN D-6.	\$ 500,000	\$ -	\$ -
PTB131018	902-49405-7700-0025	PTB 131-018, PH 1, STARTUP, P-98-017-04, VARIOUS RTES, SEC & COS, WORK ORDERS, MISCELLANEOUS SURVEY WORK, VARIOUS LOCATIONS IN D-8	200,000	-	9,830
PTB132003	902-49405-7700-0025	PTB 132-003, PH 3, PRIME AGMT, C-91-019-01, COOK CO, FAI 80/94, SEC 2626.2-R-1/2626.2-R-2, PARTIAL OBLIGATION, REMAINING BALANCE = \$4,141,537.00 CONSTRUCTION INSPECTION FOR KINGERY MAINLINE	6,646,591	-	11,045
PTB133013	902-49405-7700-0025	PTB 133-013, PH 3, PRIME AGREEMENT, C-94-010-02, FAI 74(I-74), SEC (90-11)R-2,90(13,14,14-1)R-1, PEORIA CO, CONSTRUCTION INSPECTION, PARTIAL OB ON PRIME, BALANCE OF PRIME = \$2,754,507.00	3,354,507	-	200,364
PTB134002	902-49405-7700-0025	PTB 134-002, PH 3, PRIME, C-91-064-05, FAP 305 (PALATINE RD OVER IL 83), COOK CO, SEC 0913.1 RS-1 CONSTRUCTION INSPECTION	297,736	-	25,755
PTB135001	902-49405-7700-0025	PTB 135-001, PH 3, STARTUP, C-91-217-00, US-30/ LINCOLN HIGHWAY, SEC (B&14)R-3, WILL CO, CONSTRUCTION INSPECTION	1,066,727	-	-
PTB135018	011-49442-7900-0010	PTB 135-018, STARTUP, PH 2, VARIOUS RTES, COS AND SECS, D-96-511-05, WORK ORDERS, MISCELLANEOUS ENGINEERING FOR VARIOUS PROJECTS IN D-6	600,000	-	11
PTB135027	902-49405-7700-0025	PTB 135-027, PH I, PRIME AGMT, VARIOUS RTES, SECS, COS, P-98-003-05, LAND AND ROUTE SURVEYS FOR VARIOUS WORK ORDER PROJECTS IN D-8	250,000	-	124

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SCHEDULE OF ILLINOIS FIRST PROJECTS (UNAUDITED)
For the Year Ended June 30, 2015

Project Identification Number	Appropriation Account Code	Brief Description of Project per Appropriation	Project Award Amount	Amount	
				Current Year Expended	Reappropriated
PTB136003	011-49405-7700-0026 902-49405-7700-0025	PTB 136-003, PH 3, STARTUP, C-91-552-99, FAP337 (IL-22/HALF DAY ROAD) SEC 20R-5, LAKE COUNTRY, CONSTRUCTION INSPECTION FOR IMPROVEMENT OF IL-22 FROM E OF IL-83 TO W OF US-45/IL-21	\$ 2,002,868	\$ -	\$ 30,013
PTB139012	011-49442-7900-0010	PTB 139-012, PH 1, STARTUP, R-92-121-01, FAP 303 (US BR 20), SEC (40R, 41)R, WINNEBAGO CO, R.O.W. PLATS, ETC., FOR PROJECT ON US BR 20 FROM APP 1000 FEET W OF PIERPONT AVE TO KILBURN AVE IN ROCKFORD	1,051,690	15,173	490,789
PTB140004	011-49442-7900-0010	PTB 140-004, PH 3, STARTUP, C-91-207-01, US-6 EAST OF PARK AVE UNDER CANADIAN NAT'L RR BRIDGE, COOK CO, SEC 3277R, CONSTRUCTION ENGINEERING	760,807	-	25
UT6007003	011-49442-7900-0010	UTILITY AGREEMENT FAU ROUTE 8071 (MACARTHUR BLVD) SECTION (84-9-4) HBK, BY,BY-1 JOB NO C96-523-04 SANGAMON COUNTY RELOCATING AND REPLACING OF FIBER OPTIC LINE	17,366	-	5,719
			<u>\$ 389,214,629</u>	<u>\$ 13,263,042</u>	<u>\$ 67,347,154</u>

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
MEMORANDUMS OF UNDERSTANDING (UNAUDITED)
For the Fiscal Years Ended June 30, 2016 and 2015

The Illinois Department of Transportation (Department) enters into many memorandums of understanding (MOU) on an ongoing basis. The MOU is utilized if the Department is involved in a project with other states, State agencies or local governments. The memorandum assigns responsibilities in the early planning stages of a project and, as the project develops, the Department would execute one or more agreements with specific costs based on the MOU. Due to the large number of memorandums in which the Department enters into, the details of some of the significant agreements during the engagement period are provided below:

INDIANA DEPARTMENT OF TRANSPORTATION

The Department entered into a MOU with the Indiana Department of Transportation to collaborate on the construction of a new highway (the Illiana Expressway) connecting Interstate 55 in Northern Illinois to Interstate 65 in Lake County, Indiana.

ILLINOIS COMMUNITY COLLEGE BOARD

The Department entered into a MOU with the Illinois Community College Board to clarify various sections of the renewed intergovernmental agreement regarding the Highway Construction Careers Training Program (HCCTP). The MOU clarified the documentation required for each HCCTP invoice received by the Department.

ILLINOIS DEPARTMENT OF NATURAL RESOURCES

The Department entered into a MOU with the Illinois Department of Natural Resources to examine potential impacts to protected natural resources required under the Illinois Endangered Species Act, the Illinois Natural Areas Preservation Act, and the Interagency Wetland Policy Act of 1989.

IOWA INTERSTATE RAILROAD

The Department entered into a MOU with the Iowa Interstate Railroad to collaborate on the construction and installation of improvements necessary to permit the operation of two train pairs per day from Chicago, IL to Moline, IL.

The Department entered into an additional MOU with the Iowa Interstate Railroad to collaborate on the construction and installation of improvements necessary to permit the operation of intercity passenger rail between Wyanet, IL and Moline, IL.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY

The Department entered into a MOU with the Illinois State Toll Highway Authority to collaborate on the construction of a new access controlled highway around the western side of O'Hare International Airport connecting Interstate 90 with Interstate 294 ("West Bypass") and widening and extending the existing Elgin O-Hare Expressway.

The Department entered into an additional MOU with the Illinois State Toll Highway Authority for the construction of an interchange at the Interstate 57 overpass of Interstate 294.

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SERVICE EFFORTS AND ACCOMPLISHMENTS (UNAUDITED)
For the Fiscal Years Ended June 30, 2016 and 2015

Department of Transportation
(Appropriated Spending in Thousands)

<u>Reporting Programs</u>	<u>FY2015</u>		<u>FY2016</u>	
	<u>Expenditures</u>	<u>Headcount</u>	<u>Expenditures</u>	<u>Headcount</u>
Highway Construction	\$3,759,983.9	2,523.0	\$3,908,835.9	2,471.0
Public Transportation	\$988,149.9	24.0	\$927,043.1	26.0
Rail	\$320,397.6	12.0	\$363,438.4	10.0
Roadway Maintenance/Repair	\$534,598.5	2,297.0	\$238,306.7	2,219.0
Aeronautics	\$95,539.2	65.0	\$101,210.7	58.0
Traffic Safety	\$48,069.6	120.0	\$24,197.4	98.0
<u>Non-Reporting Programs</u>				
Totals	\$5,746,738.7	5,041.0	\$5,563,032.2	4,882.0

The accompanying performance report for the Illinois Department of Transportation (IDOT) outlines and encompasses the performance of the entire agency as defined among six program categories: Aeronautics, Highway Construction, Public Transportation, Rail, Roadway Maintenance, and Transportation Safety.

The six programs all support the ongoing mission of IDOT: To provide safe, cost-effective transportation for Illinois in ways that enhance quality of life, promote economic prosperity and demonstrate respect for our environment. Goals and objectives outlined in the report are designed to meet IDOT's statutory mandates and performance expectations under state and federal law, including requirements for all four modal divisions - Aeronautics, Highways, Public and Intermodal Transportation, and Transportation Safety. More than 65 percent of the state's transportation related resources for the highway program are directed to maintain and improve the state system of highways and bridges. The department is responsible for nearly 16,000 highway miles, including 2,100 miles of Interstate highway and 7,847 state bridges. IDOT's annual highway improvement program for fiscal year 2016 totaled approximately \$3.610 billion and helped create or support thousands of private-sector jobs in construction and related categories across the state.

Fiscal year 2016 outcomes show that IDOT's highway construction and maintenance activities are not adequate to ensure that state roads and bridges remain rated in acceptable condition. The department's goal is to keep at least 93 percent of state bridges in acceptable condition or better, and at least 90 percent of state roadway pavements in acceptable condition or better. System conditions after fiscal year 2016 were 79 percent of roadway miles and 92 percent of state bridges designated acceptable condition. IDOT in 2016 improved 674 miles of pavement on the state system and 66 state system bridges. Pavement condition is measured through the use of the state's Condition Rating Survey and a computerized estimate of deteriorating. This rating system takes into account factors such as pavement roughness, rutting and faulting and incorporates predominant pavement distresses. The average rating for all state highways in fiscal year 2016 places the state's overall road system in the "good" descriptive category.

IDOT's support-service goals in areas such as aeronautics, rail and public transportation target the efficient delivery of state and federal transportation grants and other funds to eligible local and regional service providers across Illinois. Outcome indicators for these areas show generally strong levels of service regarding the availability, reliability and public use of airports, passenger rail and public transit services. IDOT also promotes highway safety through programs providing extra enforcement and educational activities to encourage safe driving and the use of safety belts and child safety seats, and to discourage driving under the influence of alcohol and drugs. Challenges for the future primarily center on ensuring the consistency and growth of resources to meet increasing statewide transportation needs. These include the federal discussion of future revenues going to states for surface transportation improvements, along with the Illinois challenge to provide sufficient state resources to match all available federal revenues and continue the statewide effort to rebuild and preserve the state transportation system, including roads, bridges, transit, rail and aviation facilities.

Aeronautics

Mission Statement: The Division of Aeronautics will encourage and provide the necessary assistance to maintain a safe, efficient and effective aviation system for Illinois that enhances economic growth, offers mobility for people and goods, and ensures environmental quality.

- Program Goals:**
- Objectives:**
1. To maintain and improve the quality and capacity of airport landing facilities.
 - a. To perform operational safety inspections for Illinois public-use airports each year.
 - b. To ensure that as many programmed airport improvement projects as possible are under contract by the end of the fiscal year.
 - c. To ensure that a minimum condition rating score of 75% (satisfactory rating) is maintained on all runways, taxiways and aprons by the end of the fiscal year.
 2. To provide safe and effective air transportation services in support of state programs and operations.
 - a. To meet and satisfy all rules for air service under Parts 91 and 135 of Federal Aviation Administration (FAA) standards with no violations reported by FAA. (Parts 91 and 135 pertain to rules governing the maintenance of aircraft and the training of pilots.)

Source of Funds: General Revenue Fund, Road Fund, Aeronautics Fund, Federal/State/Local Airport Fund., Air Transportation Revolving Fund, Transportation Bond Series B Fund

Statutory Authority: 620 ILCS 5/1et seq; 25/1et seq

	<i>Fiscal Year 2014 Actual</i>	<i>Fiscal Year 2015 Actual</i>	<i>Fiscal Year 2016 Target/Projected</i>	<i>Fiscal Year 2016 Actual</i>	<i>Fiscal Year 2017 Target/Projected</i>
<u>Input Indicators</u>					
* Total expenditures - all sources (in thousands)	\$130,801.9	\$95,539.2	\$0	\$101,210.7	\$131,487.6
* Total expenditures - state appropriated funds (in thousands)	\$130,801.9	\$95,539.2	\$0	\$101,210.7	\$131,487.6
* Average monthly full-time equivalents	70.0	65.0	0.0	58.0	59.0
<u>Output Indicators</u>					
* Airport safety inspections	172.0	225.0	0.0	262.0	250.0
* Percent of annual airport program under contract	68 %	29 %	0 %	45 %	50 %
* Total airport improvement projects under contract	46.0	23.0	0.0	34.0	0.0
<u>Outcome Indicators</u>					
* Commercial air passengers enplaned at Chicago airports	42,198,891	44,155,422	0.0	47,136,518	47,200,000
* Commercial air passengers enplaned outside Chicago	1,205,683	1,258,623	0.0	1,228,352	1,300,000
* Percent of public airport runway pavements rated satisfactory or better	67 %	67 %	0 %	70 %	72 %
* Percent of taxiways rated satisfactory or better	76 %	76 %	0 %	75 %	80 %
* Percent of airport aprons rated satisfactory or better	80 %	80 %	0 %	80 %	85 %
* Air operations (takeoffs/landings) at Chicago airports	1,135,413	1,138,613	0.0	1,028,950	1,050,000
* Air operations (takeoffs/landings) at public airports with traffic control towers other than Chicago O'Hare and Midway	787,953	729,411	0.0	697,439	700,000
* Percent compliance following IDOT airport safety inspections	73 %	65 %	0 %	73 %	75 %
<u>Efficiency/Cost-Effectiveness Indicators</u>					
* State capital investment per commercial air passenger (in dollars)	\$3.01	\$2.10	\$0.00	\$2.10	\$2.10

Highway Construction

Mission Statement: The mission of the Division of Highways is to plan, design, construct and maintain a safe highway system with a diverse and professional work force, within available resources, and to the highest nationwide standards for all of the citizens of Illinois.

- Program Goals:**
- Objectives:**
1. To preserve and modernize the Illinois highway system to make it safe and efficient for motorists.
 - a. To utilize available resources to ensure that at least 82% of Illinois state highways and 93% of state bridges are in acceptable condition or better.
 - b. To use cost-efficient, effective and creative procedures and technologies to design and construct high-quality roads and bridges that will last longer and serve users satisfactorily.
 - c. To provide professional, courteous and service-oriented performance by coordinating with state, regional and local stakeholders, communicating better with highway users, and annually seeking feedback to measure motorist satisfaction and further improve service.
 - d. To coordinate with trade associations to develop better standards and policies for safe, cost-effective roads and bridges.
 - e. To place under contract at least 85% of the annual construction program by the end of the program year.
 2. To improve highway infrastructure to help communities and regions provide for economic prosperity and jobs.
 - a. To coordinate with elected officials, the public, local governments and agencies in programming and developing improvements by: 1) Helping to research, understand and outline area priorities; 2) Helping to evaluate public opinion on target priorities; 3) Helping to seek and develop funding for local and regional priorities.

Source of Funds: Road Fund, Motor Fuel Tax - State Fund, Grade Crossing Protection Fund, Transportation Bond Series A Fund, Transportation Bond Series D Fund, State Construction Account Fund, Build Illinois Bond Fund

Statutory Authority: 605 ILCS 5/1-101;30 ILCS 500

	<i>Fiscal Year 2014 Actual</i>	<i>Fiscal Year 2015 Actual</i>	<i>Fiscal Year 2016 Target/Projected</i>	<i>Fiscal Year 2016 Actual</i>	<i>Fiscal Year 2017 Target/Projected</i>
<u>Input Indicators</u>					
* Total expenditures - all sources (in thousands)	\$3,623,123.3	\$3,759,983.9	\$0.0	\$3,908,835.9	\$4,173,007.0
* Total expenditures - state appropriated funds (in thousands)	\$3,623,123.3	\$3,759,983.9	\$0.0	\$3,908,835.9	\$4,173,007.0
* Average monthly full-time equivalents	2,715.0	2,523.0	0.0	2,471.0	2,791.0
<u>Output Indicators</u>					
* Highway safety improvements accomplished	147.0	120.0	0.0	174.0	64.0
* Miles of pavement maintained/improved	894.0	1,379	0.0	674.0	376.0
* Number of bridges maintained/improved	222.0	188.0	0.0	66.0	77.0
* Percent of annual program under contract	82 %	86 %	0 %	83 %	85 %
<u>Outcome Indicators</u>					
* Percent of state roads in acceptable condition	82 %	79 %	0 %	79 %	77 %
* Percent of roads in need of repair	18 %	21 %	0 %	21 %	23 %
* Percent of bridges in acceptable condition	93 %	92 %	0 %	92 %	91 %
* Percent of bridges in need of repair	7 %	8 %	0 %	8 %	9 %

Public Transportation

Mission Statement: To provide support for eligible local and regional agencies operating public transportation services for customers in Northeast Illinois and urban downstate Illinois communities.

- Program Goals:**
1. To improve transit customer service, safety and convenience.
 - a. To provide grant funds and support for local agencies to replace or rehabilitate rolling stock within the program year.
 - b. To provide grant funds and support for track and structure improvements within the program year.
 - c. To provide grant funds and support for station improvements within the program year.
 2. To improve transit services in rural areas.
 - a. To provide support for rural transit agencies needing technical repair assistance within the program year.

Source of Funds: General Revenue Fund, Transportation Bond Series B Fund, Public Transportation Fund, Downstate Public Transportation Fund, Metro-East Public Transportation Fund, Federal Mass Transit Trust Fund, Build Illinois Fund

Statutory Authority: 30 ILCS 740; 20 ILCS 2705/49.1

	<i>Fiscal Year 2014 Actual</i>	<i>Fiscal Year 2015 Actual</i>	<i>Fiscal Year 2016 Target/Projected</i>	<i>Fiscal Year 2016 Actual</i>	<i>Fiscal Year 2017 Target/Projected</i>
<u>Input Indicators</u>					
* Total expenditures - all sources (in thousands)	\$1,128,392.5	\$988,149.9	\$975,001.0	\$927,043.1	\$1,056,689.0
* Total expenditures - state appropriated funds (in thousands)	\$1,128,392.5	\$988,149.9	\$955,888.0	\$927,043.1	\$1,056,689.0
* Average monthly full-time equivalents	28.0	24.0	12.0	26.0	34.0
<u>Output Indicators</u>					
* Capital/operating expenditures (Northeast Illinois) (in thousands)	\$1,135,000.0	\$754,815.0	\$775,000.0	\$732,912.0	\$672,000.0
* Capital/operating expenditures (Downstate Illinois) (in thousands)	\$241,000.0	\$215,971.0	\$200,000.0	\$188,010.0	\$198,726.0
* Percent of annual program complete	100 %	100 %	100 %	100 %	100 %
<u>Outcome Indicators</u>					
* Overall bus and rail ridership (Northeast Illinois, millions)	649.0	635.1	640.0	670.6	671.3
* Bus ridership (Northeast Illinois, millions)	356.0	313.6	315.0	305.1	300.0
* Rail ridership (Northeast Illinois, millions)	274.0	321.5	325.0	323.9	327.2
* Bus ridership (Downstate Illinois, millions)	44.0	44.6	45.0	38.7	41.0
* Rail-car miles (Northeast Illinois, millions)	114.0	114.3	115.0	114.9	116.0
* Bus miles (Northeast Illinois, millions)	134.0	123.6	125.0	124.2	125.4
* Bus miles (Downstate Illinois, millions)	47.0	48.2	50.0	45.9	48.1
<u>Efficiency/Cost-Effectiveness Indicators</u>					
* Overall capital/operating investment per bus and rail rider in Northeastern Illinois (in dollars)	\$1.63	\$1.76	N/A	\$1.16	\$1.07
* Overall operating assistance per rider in Downstate Illinois (in dollars)	\$0.00	\$0.00	N/A	\$4.52	\$4.51

Rail

Mission Statement: To plan and implement rail freight and rail passenger programs for Illinois.

- Program Goals:**
- Objectives:**
1. To improve the speed, reliability and convenience of Illinois rail passenger service.
 - a. To place under contract track planning and construction improvements for the high-speed rail passenger service line between Chicago and St. Louis by the end of the programmed fiscal year.
 - b. To place under contract track planning and construction improvements for the extension of conventional rail passenger service between Chicago and Quad Cities, and between Chicago and Rockford, by the end of the programmed fiscal year.
 - c. To ensure on-time rail passenger service by Amtrak for at least 60% of all departures.
 2. To reduce rail freight congestion, especially in the Chicago area, through funding for projects to add track and yard capacity, to reduce congestion, to better coordinate train control, and to improve communications.
 - a. To have all programmed rail freight projects under contract by the end of the programmed fiscal year.
 - b. To implement and accomplish all CREATE program rail capital improvements programmed for letting during the fiscal year.

Source of Funds: General Revenue Fund, State Rail Freight Loan Repayment Fund, Federal High Speed Rail Trust Fund, Transportation Bond Series B Fund, Rail Freight Loan Repayment Fund

Statutory Authority: 20 ILCS 2705/49.25d, 49.25g-1

	<i>Fiscal Year 2014 Actual</i>	<i>Fiscal Year 2015 Actual</i>	<i>Fiscal Year 2016 Target/Projected</i>	<i>Fiscal Year 2016 Actual</i>	<i>Fiscal Year 2017 Target/Projected</i>
<u>Input Indicators</u>					
* Total expenditures - all sources (in thousands)	\$231,721.5	\$320,397.6	\$0	\$363,438.4	\$388,721.0
* Total expenditures - state appropriated funds (in thousands)	\$231,721.5	\$320,397.6	\$0	\$363,438.4	\$388,721.0
* Average monthly full-time equivalents	12.0	12.0	0.0	10.0	11.0
<u>Output Indicators</u>					
* High-speed rail track improvements (Chicago-St. Louis route planning and construction; work beginning in fiscal year 2011) (in thousands)	\$120,000.0	\$222,000.0	\$300,000.0	\$316,500.0	\$637,000.0
* Conventional passenger rail service expansions (Extends Amtrak service to Quad Cities/Iowa City and Rockford/Dubuque; work beginning in fiscal year 2011) (in thousands)	\$10,000.0	\$13,400.0	\$8,500.0	\$3,823.0	\$10,000.0
* CREATE rail-freight congestion reduction projects accomplished (as a percent of CREATE projects planned for the fiscal year)	100 %	100 %	100 %	N/A	N/A
* Percent of annual program under contract	100 %	100 %	100 %	100 %	100 %
* State operations investments in Amtrak downstate service (in thousands)	\$38,000.0	\$42,000.0	\$38,000.0	\$36,820.0	\$50,000.0
<u>Outcome Indicators</u>					
* On-time performance of passenger rail service (Amtrak)	68 %	58.6 %	60 %	63.8 %	66 %
* Amtrak ridership on state-supported routes	1,975,000	1,916,944	1,950,000	1,813,873	1,868,780
<u>Efficiency/Cost-Effectiveness Indicators</u>					
* State capital investment per Amtrak rider (in dollars)	\$19.20	\$21.90	\$19.50	\$20.30	\$26.75

Roadway Maintenance/Repair

Mission Statement: The mission of the Division of Highways is to plan, design, construct and maintain a safe highway system with a diverse and professional work force, within available resources, and to the highest nationwide standards for all of the citizens of Illinois.

- Program Goals:**
- Objectives:**
1. To preserve and improve the Illinois highway system to make it safer and better for motorists.
 - a. To maximize the percentage of state highway lane miles rated "fair" to "excellent."
 - b. To maximize the percentage of state bridges rated "fair" to "excellent."
 - c. To perform snow and ice control on state roads from beginning to end during a winter weather event, and to continue working to clear pavements as quickly as possible following weather events.
 - d. To perform 24-hour roadway maintenance and to monitor road conditions, clear debris and other driving hazards, and provide for temporary repairs on pavements as needed, beginning immediately after reports of problems are received and continuing until pavements are safe for traffic.
 - e. To perform traffic management including sign maintenance and traffic patrol in a cost-effective manner and within annual maintenance budget.
 - f. To perform roadside management services, including mowing, litter pickup, and rest area services in a cost-effective manner within annual maintenance budget.
 - g. To monitor motorist satisfaction with maintenance activities and strive to improve motorist satisfaction.
 2. To coordinate with state and local agencies to provide local support and emergency response during times of disaster or emergencies.
 - a. To provide support and aid in emergency maintenance and cleanup activities as appropriate and necessary during and after disasters and emergencies.

Source of Funds: Road Fund

Statutory Authority: 605 ILCS 5/1-101;225
ILCS 440/

	<i>Fiscal Year 2014 Actual</i>	<i>Fiscal Year 2015 Actual</i>	<i>Fiscal Year 2016 Target/Projected</i>	<i>Fiscal Year 2016 Actual</i>	<i>Fiscal Year 2017 Target/Projected</i>
<u>Input Indicators</u>					
* Total expenditures - all sources (in thousands)	\$535,184.3	\$534,598.5	\$0	\$238,306.7	\$428,526.0
* Total expenditures - state appropriated funds (in thousands)	\$535,184.3	\$534,598.5	\$0	\$238,306.7	\$428,526.0
* Average monthly full-time equivalents	2,211.0	2,297.0	0.0	2,219.0	2,331.0
<u>Output Indicators</u>					
* Acres mowed	264,131	181,185	0.0	210,936	230,179
* Tons of asphalt applied for pavement repair	20,216	17,518	0.0	14,214	12,797
* Tons of road salt applied (snow/ice control)	800,021	464,196	0.0	316,877	165,943
* Number of lane miles of pavement maintained	43,002	44,334	0.0	43,086	44,334
<u>Outcome Indicators</u>					
* Percent of roads rated in acceptable condition	82 %	79 %	0 %	79 %	77 %
* Percent of bridges rated in acceptable condition	93 %	92 %	0 %	92 %	91 %
<u>Efficiency/Cost-Effectiveness Indicators</u>					
* Roadway maintenance cost per lane mile (in dollars)	\$5,721.00	\$4,390.00	N/A	\$6,058.00	\$7,949.00
* Snow removal cost per lane mile (in dollars)	\$2,879.00	\$1,569.00	N/A	\$1,215.00	\$823.00
* Mowing cost per lane mile (in dollars)	\$347.00	\$336.00	N/A	\$412.00	\$503.00

Traffic Safety

Mission Statement: To formulate, coordinate and deliver information, services and programs which will mobilize public and private resources to establish effective public policy and integrated programs to improve highway safety in Illinois.

- Program Goals:**
- Objectives:**
1. To improve highway safety for motorists and passengers.
 - a. To carry out as many motor-carrier and hazmat compliance reviews/Notice of Apparent Violation (NAV) reviews as possible each year and issue appropriate citations as needed to ensure that commercial trucking firms comply with motor-carrier safety and hazardous materials (hazmat) safety regulations.
 - b. Maintain occupant restraint usage rate at a minimum of 94% statewide by providing resources to our traffic safety partners.
 - c. Increase overall awareness of occupant protection related traffic safety issues in Illinois.
 - d. Provide resources to IDOT's traffic safety partners sufficient to reduce alcohol-related crash fatalities by at least 5 percent for fiscal year 2015 in Illinois.
 - e. Increase overall awareness of alcohol-related traffic safety issues in Illinois.

Source of Funds: General Revenue Fund, Road Fund, Cycle Rider Safety Training Fund

Statutory Authority: 625 ILCS 5/1-100; 430 ILCS 30/

	<i>Fiscal Year 2014 Actual</i>	<i>Fiscal Year 2015 Actual</i>	<i>Fiscal Year 2016 Target/Projected</i>	<i>Fiscal Year 2016 Actual</i>	<i>Fiscal Year 2017 Target/Projected</i>
<u>Input Indicators</u>					
* Total expenditures - all sources (in thousands)	\$45,306.5	\$48,069.6	\$0	\$24,197.4	\$43,841.0
* Total expenditures - state appropriated funds (in thousands)	\$45,306.5	\$48,069.6	\$0	\$24,197.4	\$43,841.0
* Average monthly full-time equivalents	144.0	120.0	0.0	98.0	74.0
<u>Output Indicators</u>					
* Commitments from law enforcement agencies within specified counties during mobilizations (STEP, LAP and mini mobilization grantees)	253.0	183.0	0.0	157.0	160.0
* Total commitments from law enforcement agencies during holiday mobilizations (grantees plus incentive agencies)	350.0	350.0	0.0	157.0	160.0
* Number of school bus inspections at testing stations	48,062	49,140	0.0	52,330	52,500
* Number of non-scheduled school bus inspections	5,200	1,670	0.0	3,500	3,500
* Number of motorcycle riders trained	17,500	16,134	0.0	15,594	16,000
* Number of motor carrier compliance reviews and inspections	2,990	1,670	0.0	1,517	1,725
<u>Outcome Indicators</u>					
* Statewide safety belt usage rate in Illinois	94.1 %	95.2 %	0 %	93 %	94 %
* Overall Illinois traffic fatalities	950.0	1,017	0.0	987.0	900.0
* Alcohol-related fatalities in Illinois	300.0	N/A	0.0	263.0	235.0
* Percent of Illinoisans who have seen/heard about safety belts during safety belt mobilizations	92 %	90 %	0 %	88 %	95 %
* Percent of Illinoisans who have seen/heard about safety belt slogan during safety belt mobilizations	92 %	92 %	0 %	88 %	95 %
* Percent of Illinoisans who have seen/heard about impaired driving during alcohol mobilizations	73 %	75 %	0 %	45 %	50 %
* Percent of Illinoisans who have seen/heard anti-impaired driving slogan during alcohol mobilizations	46 %	57 %	0 %	45 %	50 %
<u>Efficiency/Cost-Effectiveness Indicators</u>					
* Percent change in traffic fatalities compared to previous 5-year average in Illinois	-5 %	8.8 %	0 %	5.8 %	-5 %
* Percent change in alcohol-related fatal crashes compared to previous 5-year average in Illinois	5 %	N/A	0 %	-14.2 %	-15 %

STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION
SUMMARY OF MAJOR PROJECTS (UNAUDITED)
For the Fiscal Years Ended June 30, 2016 and 2015

ILLIANA EXPRESSWAY

The Illinois Department of Transportation (Department) and the Indiana Department of Transportation (INDOT), with leadership from the Illinois and Indiana governors, partnered to lead the Illiana Corridor Study, following federal National Environmental Policy Act (NEPA) requirements. The corridor would be designed to provide the area with a new four-lane route between Interstate 55 in Illinois, on the west, to Interstate 65 in Indiana, on the east. When built, the expressway would be an invaluable regional asset for the south suburbs, the State and the broader Midwest, promoting and supporting the business environment, workforce, local and global economy, and quality of life. During fiscal year 2015 the NEPA study was completed. The Illiana Corridor was intended to be procured as a Public Private Partnership (P3) with a concessionaire to design, build, finance, operate and maintain the 47-mile corridor facility. It was the determination of the Department that the project costs exceed currently available resources. As a result, the Department removed the Illiana portion of funding from its current multi-year plan. The Department, in fiscal year 2015, suspended all existing Illiana contracts and procurements.

SOUTH SUBURBAN AIRPORT (SSA)

Located in Will County, the SSA will be a new green-field airport and will serve a vital role in the region by providing convenient and accessible venues for commercial passenger service, cargo operations, as well as corporate and general aviation activities. The Department expects SSA will employ more than 11,000 workers throughout construction of the airport and thousands more when operational. SSA's 9,500-foot runway will be designed to routinely handle aircraft such as the Boeing 737 and Airbus A320, but will also be able to accommodate limited operations of larger, wide-body aircraft like the Boeing 777, Airbus A340 and Boeing 747. With future expansion driven by market demand, the Department expects SSA to eventually grow to become a global air cargo hub.