

AN ACT concerning local government.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Governmental Account Audit Act is amended by changing Sections 1, 2, 4, 5, and 6 as follows:

(50 ILCS 310/1) (from Ch. 85, par. 701)

Sec. 1. Definitions. As used in this Act, unless the context otherwise indicates:

"Governmental unit" or "unit" includes all municipal corporations in and political subdivisions of this State that appropriate more than \$5,000 for a fiscal year, with the amount to increase or decrease by the amount of the Consumer Price Index (CPI) as reported on January 1 of each year, except the following:

(1) School districts.

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

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

(4) Counties subject to the County Auditing Law.

(5) Any other municipal corporations in or political

subdivisions of this State, the accounts of which are required by law to be audited by or under the direction of the Auditor General.

(6) (Blank).

(7) A drainage district, established under the Illinois Drainage Code (70 ILCS 605), that did not receive or expend any moneys during the immediately preceding fiscal year or obtains approval for assessments and expenditures through the circuit court.

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

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

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

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

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

"Audit report" means the written report of the auditor ~~licensed public accountant~~ and all appended statements and

schedules relating to that report, presenting or recording the findings of an examination or audit of the financial transactions, affairs, or conditions of a governmental unit.

"Auditor" means a licensed certified public accountant, as that term is defined in Section 0.03 of the Illinois Public Accounting Act, or the substantial equivalent of a licensed CPA, as provided under Section 5.2 of the Illinois Public Accounting Act, who performs an audit of governmental unit financial statements and records and expresses an assurance or disclaims an opinion on the audited financial statements.

"Report" includes both audit reports and reports filed instead of an audit report by a governmental unit receiving revenue of less than \$850,000 during any fiscal year to which the reports relate.

"Generally accepted accounting principles" means accounting principles generally accepted in the United States.

"Generally accepted auditing standards" means auditing standards generally accepted in the United States.

(Source: P.A. 100-837, eff. 8-13-18.)

(50 ILCS 310/2) (from Ch. 85, par. 702)

Sec. 2. Except as otherwise provided in Section 3, the governing body of each governmental unit shall cause an audit of the accounts of the unit to be made by an auditor or auditors ~~a licensed public accountant~~. Such audit shall be performed ~~made~~ annually and shall cover the immediately

preceding fiscal year of the governmental unit. The audit shall include all the accounts and funds of the governmental unit, including the accounts of any officer of the governmental unit who receives fees or handles funds of the unit or who spends money of the unit. The audit shall begin as soon as possible after the close of the last fiscal year to which it pertains, and shall be completed and the audit report filed with the Comptroller within 180 days after the close of such fiscal year unless an extension of time is granted by the Comptroller in writing. An audit report which fails to meet the requirements of this Act shall be rejected by the Comptroller and returned to the governing body of the governmental unit for corrective action. The auditor or auditors performing ~~licensed public accountant making~~ the audit shall submit not less than 3 copies of the audit report to the governing body of the governmental unit being audited.

All audits to be filed with the Comptroller under this Section must be submitted electronically and the Comptroller must post the audit reports on the Internet no later than 45 days after they are received. If the governmental unit provides the Comptroller's Office with sufficient evidence that the audit report cannot be filed electronically, the Comptroller may waive this requirement. The Comptroller must also post a list of governmental units that are not in compliance with the reporting requirements set forth in this Section.

Any financial report under this Section shall include the

name of the purchasing agent who oversees all competitively bid contracts. If there is no purchasing agent, the name of the person responsible for oversight of all competitively bid contracts shall be listed.

(Source: P.A. 99-459, eff. 8-25-15.)

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

Sec. 4. Overdue report.

(a) If the required report for a governmental unit is not filed with the Comptroller in accordance with Section 2 or Section 3, whichever is applicable, within 180 days after the close of the fiscal year of the governmental unit, the Comptroller shall notify the governing body of that unit in writing that the report is due and may also grant a 60 day extension for the filing of the audit report. If the required report is not filed within the time specified in such written notice, the Comptroller shall cause an audit to be made by a auditor ~~licensed public accountant~~, and the governmental unit shall pay to the Comptroller actual compensation and expenses to reimburse him for the cost of preparing or completing such report.

(b) The Comptroller may decline to order an audit and the preparation of an audit report (i) if an initial examination of the books and records of the governmental unit indicates that the books and records of the governmental unit are inadequate or unavailable due to the passage of time or the occurrence of

a natural disaster or (ii) if the Comptroller determines that the cost of an audit would impose an unreasonable financial burden on the governmental unit.

(c) The State Comptroller may grant extensions for delinquent audits or reports. The Comptroller may charge a governmental unit a fee for a delinquent audit or report of \$5 per day for the first 15 days past due, \$10 per day for 16 through 30 days past due, \$15 per day for 31 through 45 days past due, and \$20 per day for the 46th day and every day thereafter. These amounts may be reduced at the Comptroller's discretion. All fees collected under this subsection (c) shall be deposited into the Comptroller's Administrative Fund.

(Source: P.A. 98-922, eff. 8-15-14; 99-459, eff. 8-25-15.)

(50 ILCS 310/5) (from Ch. 85, par. 705)

Sec. 5. (a) Prior to fiscal year 2019, the audit report shall contain statements that conform with generally accepted accounting principles or other comprehensive basis of accounting and that set forth the financial position and results of financial operations for each fund of the governmental unit. Each audit report shall include only financial information, findings, and conclusions that are adequately supported by evidence in the auditor's working papers to demonstrate or prove, when called upon, the basis for the matters reported and their correctness and reasonableness. In connection with this, each governmental unit shall retain

the right of inspection of the auditor's working papers and shall make them available to the Comptroller, or his or her designee, upon request. The audit report shall also include the professional opinion of the auditor or auditors with respect to the financial statements or, if an opinion cannot be expressed, a declaration that he or she is unable to express such opinion and an explanation of the reasons he or she cannot do so. Each audit report shall include the certification of the auditor or auditors making the audit that the audit has been performed in compliance with generally accepted auditing standards.

(b) For fiscal year 2019 and each fiscal year thereafter, the audit report shall contain statements that set forth the financial position and results of financial operations for financial statements for governmental activities, business-type activities, discretely presented component units, and each major fund and aggregated nonmajor fund ~~each fund of the governmental unit~~. Each audit report shall include only financial information, findings, and conclusions that are adequately supported by evidence in the auditor's working papers to demonstrate or prove, when called upon, the basis for the matters reported and their correctness and reasonableness. In connection with this, each governmental unit shall retain the right of inspection of the auditor's working papers and shall make them available to the Comptroller, or his or her designee, upon request. The audit report shall also include the professional opinion of the auditor or auditors with respect to

the financial statements or, if an opinion cannot be expressed, a declaration that he or she is unable to express an opinion and an explanation of the reasons he or she cannot do so. Each audit report shall include a representation by ~~the certification~~ of the auditor or auditors conducting ~~making~~ the audit that the audit has been performed in accordance ~~compliance~~ with generally accepted auditing standards.

(c) For fiscal year 2019 and each fiscal year thereafter, audit reports shall contain financial statements prepared in accordance ~~conformity~~ with generally accepted accounting principles and audited in accordance ~~conformity~~ with generally accepted auditing standards if the last audit report filed preceding fiscal year 2019 expressed an unmodified or modified opinion by the ~~independent~~ auditor pertaining to ~~that~~ the financial statements that were prepared ~~presented~~ in accordance ~~conformity~~ with generally accepted accounting principles.

(d) For fiscal year 2019 and each fiscal year thereafter, audit reports containing financial statements prepared in accordance ~~conformity~~ with an other comprehensive basis of accounting may follow the best practices and guidelines as outlined by the American Institute of Certified Public Accountants and shall be audited in accordance ~~conformity~~ with generally accepted auditing standards. If the governing body of a governmental unit submits an audit report containing financial statements prepared in accordance ~~conformity~~ with



generally accepted accounting principles, thereafter all future audit reports shall also contain financial statements prepared ~~presented~~ in accordance ~~conformity~~ with generally accepted accounting principles.

(e) Audits may be performed ~~made~~ on financial statements prepared using either an accrual or cash basis of accounting, depending upon the system followed by the governmental unit, and audit reports shall comply with this Section.

(Source: P.A. 100-837, eff. 8-13-18.)

(50 ILCS 310/6) (from Ch. 85, par. 706)

Sec. 6. When the audit is completed the auditor ~~licensed public accountant~~ making such audit shall make and sign at least 3 copies of the report of the audit and immediately file them with the governmental unit audited. Governmental units receiving revenue of \$850,000 or more for any fiscal year shall immediately make one copy of the audit report and one copy of the financial report required by Section 3 of this Act a part of its public record. Governmental units receiving revenue of less than \$850,000 shall immediately make one copy of the audit report, or one copy of the report authorized by Section 3 of this Act to be filed instead of the audit report, a part of its public record. These copies shall be open to public inspection. In addition, the governmental unit shall file one copy of the report with the Comptroller and with the county clerk of the county in which the principal office of the governmental unit

is located. A governmental unit may, in filing its audit report with the Comptroller, transmit with such report any comment or explanation that it wishes to make concerning the report.

(Source: P.A. 92-582, eff. 7-1-02.)

Section 10. The Counties Code is amended by changing Sections 6-31002, 6-31003, 6-31004, 6-31005, 6-31006, and 6-31008 as follows:

(55 ILCS 5/6-31002) (from Ch. 34, par. 6-31002)

Sec. 6-31002. Definitions. As used in this Division, unless the context otherwise requires:

1. "Comptroller" means the Comptroller of the State of Illinois;

2. (Blank); ~~"Accountant" or "accountants" means and includes all persons authorized to practice public accounting under the laws of this State;~~

3. "Funds and accounts" means all funds of a county derived from property taxes and all funds and accounts derived from sources other than property taxes, including the receipts and expenditures of the fee earnings of each county fee officer;

4. "Audit report" means the written report of the auditor or auditors ~~accountant or accountants~~ and all appended statements and schedules relating thereto, presenting or recording the findings of an examination or audit of the financial transactions, affairs and condition of a county;

5. "Population" means the number of persons residing in a county according to the last preceding federal decennial census;

6. "Auditor" means a licensed certified public accountant, as that term is defined in Section 0.03 of the Illinois Public Accounting Act, or the substantial equivalent of a licensed CPA, as provided under Section 5.2 of the Illinois Public Accounting Act, who performs an audit of county financial statements and records and expresses an assurance or disclaims an opinion on the audited financial statements; "auditor" does not include a county auditor elected or appointed under Division 3-1 of the Counties Code.

7. "Generally accepted accounting principles" means accounting principles generally accepted in the United States.

8. "Generally accepted auditing standards" means auditing standards generally accepted in the United States.

(Source: P.A. 100-837, eff. 8-13-18.)

(55 ILCS 5/6-31003) (from Ch. 34, par. 6-31003)

Sec. 6-31003. Annual audits and reports. The county board of each county shall cause an audit of all of the funds and accounts of the county to be performed ~~made~~ annually by an auditor or auditors ~~accountant or accountants~~ chosen by the county board or by an auditor or auditors ~~accountant or accountants~~ retained by the Comptroller, as hereinafter provided. In addition, each county shall file with the

Comptroller a financial report containing information required by the Comptroller. Such financial report shall be on a form so designed by the Comptroller as not to require professional accounting services for its preparation. All audits and reports to be filed with the Comptroller under this Section must be submitted electronically and the Comptroller must post the audits and reports on the Internet no later than 45 days after they are received. If the county provides the Comptroller's Office with sufficient evidence that the audit or report cannot be filed electronically, the Comptroller may waive this requirement. The Comptroller must also post a list of counties that are not in compliance with the reporting requirements set forth in this Section.

Any financial report under this Section shall include the name of the purchasing agent who oversees all competitively bid contracts. If there is no purchasing agent, the name of the person responsible for oversight of all competitively bid contracts shall be listed.

The audit shall commence as soon as possible after the close of each fiscal year and shall be completed within 180 days after the close of such fiscal year, unless an extension of time is granted by the Comptroller in writing. Such extension of time shall not exceed 60 days. When the auditor or auditors ~~accountant or accountants~~ have completed the audit a full report thereof shall be made and not less than 2 copies of each audit report shall be submitted to the county board. Each

audit report shall be signed by the auditor performing ~~accountant making~~ the audit and shall include only financial information, findings and conclusions that are adequately supported by evidence in the auditor's working papers to demonstrate or prove, when called upon, the basis for the matters reported and their correctness and reasonableness. In connection with this, each county board shall retain the right of inspection of the auditor's working papers and shall make them available to the Comptroller, or his designee, upon request.

Within 60 days of receipt of an audit report, each county board shall file one copy of each audit report and each financial report with the Comptroller and any comment or explanation that the county board may desire to make concerning such audit report may be attached thereto. An audit report which fails to meet the requirements of this Division shall be rejected by the Comptroller and returned to the county board for corrective action. One copy of each such report shall be filed with the county clerk of the county so audited.

This Section is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule counties of powers and functions exercised by the State.

(Source: P.A. 99-459, eff. 8-25-15.)

Sec. 6-31004. Overdue reports.

(a) In the event the required reports for a county are not filed with the Comptroller in accordance with Section 6-31003 within 180 days after the close of the fiscal year of the county, the Comptroller shall notify the county board in writing that the reports are due, and may also grant an extension of time of up to 60 days for the filing of the reports. In the event the required reports are not filed within the time specified in such written notice, the Comptroller shall cause the audit to be performed ~~made~~ and the audit report prepared by an auditor or auditors ~~accountant or accountants~~.

(b) The Comptroller may decline to order an audit and the preparation of an audit report if an initial examination of the books and records of the governmental unit indicates that the books and records of the governmental unit are inadequate or unavailable due to the passage of time or the occurrence of a natural disaster.

(c) The State Comptroller may grant extensions for delinquent audits or reports. The Comptroller may charge a county a fee for a delinquent audit or report of \$5 per day for the first 15 days past due, \$10 per day for 16 through 30 days past due, \$15 per day for 31 through 45 days past due, and \$20 per day for the 46th day and every day thereafter. These amounts may be reduced at the Comptroller's discretion. All fees collected under this subsection (c) shall be deposited into the Comptroller's Administrative Fund.

(Source: P.A. 98-922, eff. 8-15-14; 99-459, eff. 8-25-15.)

(55 ILCS 5/6-31005) (from Ch. 34, par. 6-31005)

Sec. 6-31005. Funds managed by county officials. In addition to any other audit required by this Division, the County Board shall cause an audit to be made of all funds and accounts under the management or control of a county official as soon as possible after such official leaves office for any reason. The audit shall be filed with the county board not later than 180 days after the official leaves office. The audit shall be performed ~~conducted~~ and the audit report shall be prepared and filed with the Chairman of the County Board by an auditor ~~a person lawfully qualified to practice public accounting as regulated by "An Act to regulate the practice of public accounting and to repeal certain acts therein named", approved July 22, 1943 as amended.~~

As used in this Section, "county official" means any elected county officer or any officer appointed by the county board who is charged with the management or control of any county funds; and "audit" means a post facto examination of books, documents, records, and other evidence relating to the obligation, receipt, expenditure or use of public funds of the county, including governmental operations relating to such obligations, receipt, expenditure or use.

(Source: P.A. 99-459, eff. 8-25-15.)

(55 ILCS 5/6-31006) (from Ch. 34, par. 6-31006)

Sec. 6-31006. Audit report.

(a) Prior to fiscal year 2019, the audit report shall contain statements that are in conformity with generally accepted public accounting principles or other comprehensive basis of accounting and shall set forth the financial position and the results of financial operations for each fund, account, and office of the county government. The audit report shall also include the professional opinion of the auditor or auditors with respect to the financial status and operations or, if an opinion cannot be expressed, a declaration that such auditor is unable to express such opinion and an explanation of the reasons he or she cannot do so. Each audit report shall include the certification of the auditor or auditors making the audit that the audit has been performed in compliance with generally accepted auditing standards. Each audit report filed with the Comptroller shall be accompanied by a copy of each official statement or other offering of materials prepared in connection with the issuance of indebtedness of the county since the filing of the last audit report.

(b) For fiscal year 2019 and each fiscal year thereafter, the audit report shall contain statements that set forth the financial position and the results of financial operations for financial statements for governmental activities, business-type activities, discretely presented component units, and each major fund and aggregated nonmajor funds for



each fund, account, and office of the county government. The audit report shall ~~also~~ include the professional opinion or opinions of an auditor or auditors with respect to the financial status and statements ~~operations~~ or, if an opinion cannot be expressed, a declaration that the auditor is unable to express an opinion and an explanation of the reasons he or she cannot do so. Each auditor's ~~audit~~ report shall include the representation ~~certification~~ of the auditor or auditors conducting ~~making~~ the audit that the audit has been performed in accordance ~~compliance~~ with generally accepted auditing standards. Each audit report filed with the Comptroller shall be accompanied by a copy of each official statement or other offering of materials prepared in connection with the issuance of indebtedness of the county since the filing of the last audit report.

(c) For fiscal year 2019 and each fiscal year thereafter, audit reports shall contain financial statements prepared in accordance ~~conformity~~ with generally accepted accounting principles and audited in conformity with generally accepted auditing standards if the last audit report filed preceding fiscal year 2019 expressed an unmodified or modified opinion by the ~~independent~~ auditor that the financial statements were presented in accordance ~~conformity~~ with generally accepted accounting principles.

(d) For fiscal year 2019 and each fiscal year thereafter, audit reports containing financial statements prepared in

accordance ~~conformity~~ with an other comprehensive basis of accounting may follow the best practices and guidelines outlined by the American Institute of Certified Public Accountants and shall be audited in accordance ~~conformity~~ with generally accepted auditing standards. If the county board of a county submits an audit report containing financial statements prepared in accordance ~~conformity~~ with generally accepted accounting principles, thereafter all future audit reports shall also contain financial statements prepared in accordance ~~presented in conformity~~ with generally accepted accounting principles.

(e) Audits may be made on financial statements prepared using either an accrual or cash basis of accounting, depending upon the system followed by the county, and audit reports shall comply with this Section.

(Source: P.A. 100-837, eff. 8-13-18.)

(55 ILCS 5/6-31008) (from Ch. 34, par. 6-31008)

Sec. 6-31008. Expenses of audit. The expenses of conducting the audit and making the required audit report or financial statement for each county, whether ordered by the county board or the Comptroller, shall be paid by the county and the county board shall make provisions for such payment. If the audit is made by an auditor or auditors ~~accountant or accountants~~ retained by the Comptroller, the county, through the county board, shall pay to the Comptroller reasonable compensation and

expenses to reimburse him for the cost of making such audit. Moneys paid to the Comptroller pursuant to the preceding sentence shall be deposited into the Comptroller's Audit Expense Revolving Fund.

Such expenses shall be paid from the general corporate fund of the county.

Contracts for the performance of audits required by this Division may be entered into without competitive bidding.

(Source: P.A. 88-280.)

Section 15. The Illinois Municipal Code is amended by changing Sections 8-8-2, 8-8-3, 8-8-3.5, 8-8-4, 8-8-5, 8-8-7, and 8-8-8 as follows:

(65 ILCS 5/8-8-2) (from Ch. 24, par. 8-8-2)

Sec. 8-8-2. The following terms shall, unless the context otherwise indicates, have the following meanings:

(1) "Municipality" or "municipalities" means all cities, villages and incorporated towns having a population of less than 500,000 as determined by the last preceding Federal census.

(2) "Corporate authorities" means a city council, village board of trustees, library board, police and firemen's pension board, or any other body or officers having authority to levy taxes, make appropriations, or approve claims for any municipality.

(3) "Comptroller" means the Comptroller of the State of Illinois.

(4) (Blank). ~~"Accountant" or "accountants" means all persons licensed to practice public accounting under the laws of this State.~~

(5) "Audit report" means the written report of the auditor or auditors ~~accountant or accountants~~ and all appended statements and schedules relating thereto, presenting or recording the findings of an examination or audit of the financial transactions, affairs, or condition of a municipality.

(6) "Annual report" means the statement filed, in lieu of an audit report, by the municipalities of less than 800 population, which do not own or operate public utilities and do not have bonded debt.

(7) "Supplemental report" means the annual statement filed, in addition to any audit report provided for herein, by all municipalities, except municipalities of less than 800 population which do not own or operate public utilities and do not have bonded debt.

(8) "Auditor" means a licensed certified public accountant, as that term is defined in Section 0.03 of the Illinois Public Accounting Act, or the substantial equivalent of a licensed CPA, as provided under Section 5.2 of the Illinois Public Accounting Act, who performs an audit of municipal financial statements and records and expresses an

assurance or disclaims an opinion on the audited financial statements.

(9) "Generally accepted accounting principles" means accounting principles generally accepted in the United States.

(10) "Generally accepted auditing standards" means auditing standards generally accepted in the United States.

(Source: P.A. 100-837, eff. 8-13-18.)

(65 ILCS 5/8-8-3) (from Ch. 24, par. 8-8-3)

Sec. 8-8-3. Audit requirements.

(a) The corporate authorities of each municipality coming under the provisions of this Division 8 shall cause an audit of the funds and accounts of the municipality to be made by an auditor or auditors ~~accountant or accountants~~ employed by such municipality or by an auditor or auditors ~~accountant or accountants~~ retained by the Comptroller, as hereinafter provided.

(b) The accounts and funds of each municipality having a population of 800 or more or having a bonded debt or owning or operating any type of public utility shall be audited annually. The audit herein required shall include all of the accounts and funds of the municipality. Such audit shall be begun as soon as possible after the close of the fiscal year, and shall be completed and the report submitted within 180 days after the close of such fiscal year, unless an extension of time shall be granted by the Comptroller in writing. The auditor or auditors

perform ~~accountant or accountants making~~ the audit shall submit not less than 2 copies of the audit report to the corporate authorities of the municipality being audited. Municipalities not operating utilities may cause audits of the accounts of municipalities to be made more often than herein provided, by an auditor or auditors ~~accountant or accountants~~. The audit report of such audit when filed with the Comptroller together with an audit report covering the remainder of the period for which an audit is required to be filed hereunder shall satisfy the requirements of this section.

(c) Municipalities of less than 800 population which do not own or operate public utilities and do not have bonded debt, shall file annually with the Comptroller a financial report containing information required by the Comptroller. Such annual financial report shall be on forms devised by the Comptroller in such manner as to not require professional accounting services for its preparation.

(d) In addition to any audit report required, all municipalities, except municipalities of less than 800 population which do not own or operate public utilities and do not have bonded debt, shall file annually with the Comptroller a supplemental report on forms devised and approved by the Comptroller.

(e) Notwithstanding any provision of law to the contrary, if a municipality (i) has a population of less than 200, (ii) has bonded debt in the amount of \$50,000 or less, and (iii)

owns or operates a public utility, then the municipality shall cause an audit of the funds and accounts of the municipality to be performed ~~made~~ by an auditor ~~accountant~~ employed by the municipality or retained by the Comptroller for fiscal year 2011 and every fourth fiscal year thereafter or until the municipality has a population of 200 or more, has bonded debt in excess of \$50,000, or no longer owns or operates a public utility. Nothing in this subsection shall be construed as limiting the municipality's duty to file an annual financial report with the Comptroller or to comply with the filing requirements concerning the county clerk.

(f) All audits and reports to be filed with the Comptroller under this Section must be submitted electronically and the Comptroller must post the audits and reports on the Internet no later than 45 days after they are received. If the municipality provides the Comptroller's Office with sufficient evidence that the audit or report cannot be filed electronically, the Comptroller may waive this requirement. The Comptroller must also post a list of municipalities that are not in compliance with the reporting requirements set forth in this Section.

(g) Subsection (f) of this Section is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule municipalities of powers and functions exercised by the State.

(h) Any financial report under this Section shall include the name of the purchasing agent who oversees all competitively

bid contracts. If there is no purchasing agent, the name of the person responsible for oversight of all competitively bid contracts shall be listed.

(Source: P.A. 99-459, eff. 8-25-15.)

(65 ILCS 5/8-8-3.5)

Sec. 8-8-3.5. Tax Increment Financing Report. The reports filed under subsection (d) of Section 11-74.4-5 of the Tax Increment Allocation Redevelopment Act and the reports filed under subsection (d) of Section 11-74.6-22 of the Industrial Jobs Recovery Law in the Illinois Municipal Code must be separate from any other annual report filed with the Comptroller. The Comptroller must, in cooperation with reporting municipalities, create a format for the reporting of information described in paragraphs (1.5) and (5) and in subparagraph (G) of paragraph (7) of subsection (d) of Section 11-74.4-5 of the Tax Increment Allocation Redevelopment Act and the information described in paragraphs (1.5) and (5) and in subparagraph (G) of paragraph (7) of subsection (d) of Section 11-74.6-22 of the Industrial Jobs Recovery Law that facilitates consistent reporting among the reporting municipalities. The Comptroller may allow these reports to be filed electronically and may display the report, or portions of the report, electronically via the Internet. All reports filed under this Section must be made available for examination and copying by the public at all reasonable times. A Tax Increment Financing



Report must be filed electronically with the Comptroller within 180 days after the close of the municipal fiscal year or as soon thereafter as the audit for the redevelopment project area for that fiscal year becomes available. If the Tax Increment Finance administrator provides the Comptroller's office with sufficient evidence that the report is in the process of being completed by an auditor, the Comptroller may grant an extension. If the required report is not filed within the time extended by the Comptroller, the Comptroller shall notify the corporate authorities of that municipality that the audit report is past due. The Comptroller may charge a municipality a fee of \$5 per day for the first 15 days past due, \$10 per day for 16 through 30 days past due, \$15 per day for 31 through 45 days past due, and \$20 per day for the 46th day and every day thereafter. These amounts may be reduced at the Comptroller's discretion. In the event the required audit report is not filed within 60 days of such notice, the Comptroller shall cause such audit to be made by an auditor or auditors ~~accountant or accountants~~. The Comptroller may decline to order an audit and the preparation of an audit report if an initial examination of the books and records of the municipality indicates that books and records of the municipality are inadequate or unavailable to support the preparation of the audit report or the supplemental report due to the passage of time or the occurrence of a natural disaster. All fees collected pursuant to this Section shall be deposited into the Comptroller's

Administrative Fund. In the event the Comptroller causes an audit to be made in accordance with the requirements of this Section, the municipality shall pay to the Comptroller reasonable compensation and expenses to reimburse her for the cost of preparing or completing such report. Moneys paid to the Comptroller pursuant to the preceding sentence shall be deposited into the Comptroller's Audit Expense Revolving Fund. (Source: P.A. 98-497, eff. 8-16-13; 98-922, eff. 8-15-14.)

(65 ILCS 5/8-8-4) (from Ch. 24, par. 8-8-4)

Sec. 8-8-4. Overdue reports.

(a) In the event the required audit report for a municipality is not filed with the Comptroller in accordance with Section 8-8-7 within 180 days after the close of the fiscal year of the municipality, the Comptroller shall notify the corporate authorities of that municipality in writing that the audit report is due, and may also grant an extension of time of 60 days, for the filing of the audit report. In the event the required audit report is not filed within the time specified in such written notice, the Comptroller shall cause such audit to be made by an auditor or auditors ~~accountant or accountants~~. In the event the required annual or supplemental report for a municipality is not filed within 6 months after the close of the fiscal year of the municipality, the Comptroller shall notify the corporate authorities of that municipality in writing that the annual or supplemental report

is due and may grant an extension in time of 60 days for the filing of such annual or supplemental report.

(b) In the event the annual or supplemental report is not filed within the time extended by the Comptroller, the Comptroller shall cause such annual or supplemental report to be prepared or completed and the municipality shall pay to the Comptroller reasonable compensation and expenses to reimburse him for the cost of preparing or completing such annual or supplemental report. Moneys paid to the Comptroller pursuant to the preceding sentence shall be deposited into the Comptroller's Audit Expense Revolving Fund.

(c) The Comptroller may decline to order an audit or the completion of the supplemental report if an initial examination of the books and records of the municipality indicates that books and records of the municipality are inadequate or unavailable to support the preparation of the audit report or the supplemental report due to the passage of time or the occurrence of a natural disaster.

(d) The State Comptroller may grant extensions for delinquent audits or reports. The Comptroller may charge a municipality a fee for a delinquent audit or report of \$5 per day for the first 15 days past due, \$10 per day for 16 through 30 days past due, \$15 per day for 31 through 45 days past due, and \$20 per day for the 46th day and every day thereafter. These amounts may be reduced at the Comptroller's discretion. All fees collected under this subsection (d) shall be deposited

into the Comptroller's Administrative Fund.

(Source: P.A. 98-922, eff. 8-15-14; 99-459, eff. 8-25-15.)

(65 ILCS 5/8-8-5) (from Ch. 24, par. 8-8-5)

Sec. 8-8-5. (a) Prior to fiscal year 2019, the audit shall be made in accordance with generally accepted auditing standards. Reporting on the financial position and results of financial operations for each fund of the municipality shall be in accordance with generally accepted accounting principles or other comprehensive basis of accounting. Each audit report shall include only financial information, findings, and conclusions that are adequately supported by evidence in the auditor's working papers to demonstrate or prove, when called upon, the basis for the matters reported and their correctness and reasonableness. In connection with this, each municipality shall retain the right of inspection of the auditor's working papers and shall make them available to the Comptroller, or his or her designee, upon request. The audit report shall consist of the professional opinion of the auditor or auditors with respect to the financial statements or, if an opinion cannot be expressed, a declaration that the auditor is unable to express such opinion and an explanation of the reasons he or she cannot do so. Municipal authorities shall not impose limitations on the scope of the audit to the extent that the effect of such limitations will result in the qualification of the opinion of the auditor or auditors. Each audit report filed with the

Comptroller shall be accompanied by a copy of each official statement or other offering of materials prepared in connection with the issuance of indebtedness of the municipality since the filing of the last audit report.

(b) For fiscal year 2019 and each fiscal year thereafter, ~~the audit shall be made in accordance with generally accepted auditing standards. Each audit report shall include only financial information, findings, and conclusions that are adequately supported by evidence in the auditor's working papers to demonstrate or prove, when called upon, the basis for the matters reported and their correctness and reasonableness. In connection with this, each municipality shall retain the right of inspection of the auditor's working papers and shall make them available to the Comptroller, or his or her designee, upon request.~~ The audit report shall include the financial statements for governmental activities, business-type activities, discretely presented component units, and each major fund and aggregated nonmajor fund. The audit report shall also include ~~also consist of~~ the professional opinion or opinions of the ~~an~~ auditor or auditors with respect to the financial statements or, if an opinion cannot be expressed, a declaration that the auditor is unable to express an opinion and an explanation of the reasons he or she cannot do so. Each auditor's report shall include a representation by the auditor or auditors conducting the audit has been performed in accordance with generally accepted auditing standards.

Municipal authorities shall not impose limitations on the scope of the audit to the extent that the effect of the limitations will result in the modification ~~qualification~~ of the opinion or opinions of the auditor or auditors. Each audit report filed with the Comptroller shall be accompanied by a copy of each official statement or other offering of materials prepared in connection with the issuance of indebtedness of the municipality since the filing of the last audit report.

(c) For fiscal year 2019 and each fiscal year thereafter, audit reports shall contain financial statements prepared in accordance with generally accepted accounting principles and audited in accordance with generally accepted auditing standards if the last audit report filed preceding fiscal year 2019 expressed an unmodified or modified opinion by the ~~independent~~ auditor that the financial statements were prepared ~~presented~~ in accordance with generally accepted accounting principles.

(d) For fiscal year 2019 and each fiscal year thereafter, audit reports containing financial statements prepared in accordance with an other comprehensive basis of accounting may follow the best practices and guidelines outlined by the American Institute of Certified Public Accountants and shall be audited in accordance with generally accepted auditing standards. If the corporate authority of a municipality submits an audit report containing financial statements prepared in accordance with generally accepted accounting principles,

thereafter all future audit reports shall also contain financial statements prepared ~~presented~~ in accordance with generally accepted accounting principles.

(e) Audits may be made on financial statements prepared using either an accrual or cash basis of accounting, depending upon the system followed by the municipality, and audit reports shall comply with this Section.

(Source: P.A. 100-837, eff. 8-13-18.)

(65 ILCS 5/8-8-7) (from Ch. 24, par. 8-8-7)

Sec. 8-8-7. When the auditor or auditors ~~accountant or accountants~~ have completed the audit, not less than 2 copies of a report of the audit shall be made and signed by the ~~accountant~~ making such audit, and shall immediately be filed with the municipality audited. Each audit report shall include the certification of the auditor or auditors ~~accountant or accountants~~ making the audit that the audit has been performed in compliance with generally accepted auditing standards. The municipality shall immediately make one copy of the report, or one copy of the report authorized by this Division 8 in lieu of an audit report, a part of its public records and at all times thereafter this copy shall be open to public inspection. In addition, the municipality shall file one copy of the report with the Comptroller. An audit report which fails to meet the requirements of this Act shall be rejected by the Comptroller and returned to the municipal authorities for corrective

action. Nothing in this section shall be construed as preventing a municipality, in filing its audit report with the Comptroller, from transmitting with such report any comment or explanation that it may desire to make concerning that report. The audit report filed with the Comptroller, together with any accompanying comment or explanation, shall immediately become a part of his public records and shall at all times thereafter be open to public inspection. It shall be unlawful for the auditor ~~accountant~~ to make any disclosure of the result of any examination of any public account excepting as he does so directly to the corporate authorities of the municipality audited.

(Source: P.A. 85-1000.)

(65 ILCS 5/8-8-8) (from Ch. 24, par. 8-8-8)

Sec. 8-8-8. The expenses of the audit and investigation of public accounts provided for in Division 8, whether ordered by the corporate authorities or the Comptroller, shall be paid by the municipality for which the audit is made. Payment shall be ordered by the corporate authorities out of the funds of the municipality and it shall be the duty of such authorities to make provisions for payment. Contracts for the performance of audits required by this Division 8 may be entered into without competitive bidding. If the audit is made by an auditor or auditors ~~accountant or accountants~~ retained by the Comptroller, the municipality shall pay to the Comptroller



reasonable compensation and expenses to reimburse him for the cost of making such audit.

The corporate authorities of all municipalities coming under the provisions of this Division 8 shall have the power to annually levy a "Municipal Auditing Tax" upon all of the taxable property of the municipalities at the rate on the dollar which will produce an amount which will equal a sum sufficient to meet the cost of all auditing and reports thereunder. Such municipal auditing tax shall be held in a special fund and used for no other purpose than the payment of expenses occasioned by this Division 8.

The tax authorized by this Section shall be in addition to taxes for general corporate purposes authorized under Section 8-3-1 of this Act.

(Source: P.A. 81-824.)