

## OFFICE OF THE COMPTROLLER

Daniel W. Hynes is the sixth State Comptroller since the office was created in 1970 with the adoption of the new Illinois State Constitution. Prior to 1970, the financial reporting functions of the state were the responsibility of the Auditor of Public Accounts, an office dating back to 1812 when Illinois became a territory.

The Comptroller is the chief fiscal officer for Illinois' \$59 billion budget — comparable in size to that of a Fortune 100 corporation. Additionally, the Comptroller maintains all fiscal records, serves as a member of the Debt Collection Board and is a trustee of the Illinois State Employees' Retirement System.

The central mission of the Comptroller's office is to manage the state's financial accounts by recording transactions, processing data, pre-auditing expenditures and contracts, issuing financial reports and providing leadership on the fiscal affairs of the state. The office processes more than 15 million transactions annually. In this function, it performs a "watchdog" role to ensure that all state payments meet the requirements of the law.

A fundamental responsibility of the Comptroller's office is to provide accurate fiscal information and analyses to the Governor, the General Assembly, local government officials and the public. The Governor and members of the General Assembly must be provided with timely and accurate information in order to make effective decisions about the state's fiscal policy. The Comptroller's primary focus is on the management of funds — revenue receipts and spending. In addition, comprehensive simulations, impact analyses and other studies can be performed to assist the Governor and lawmakers in making better budget decisions.

### Fiscal Leadership & Financial Reporting

The Illinois State Constitution empowers the Comptroller to maintain the state's central fiscal accounts. The office also must provide meaningful and timely fiscal information to help state policymakers adopt effective fiscal policies.



Comptroller Dan Hynes addresses business and government leaders about the need to end "pay to play" politics, the practice of government officials awarding contracts to individuals and corporations that make large campaign contributions.



Comptroller Hynes believes more young people will choose public service as a career if given an opportunity. Students from Chicago's Cristo Rey High School work-study program are gaining real-world job experience in the Comptroller's office.

One measurement of the state's fiscal health is the rating issued by bond rating companies. Key components of the bond rating are cash balances and outstanding payables. The Comptroller is involved in the management of both components as well as the approval of any short-term borrowing by the state.

The office must keep current with technology advancements and continually seek new ways to improve how it serves the public. One such way includes the use of electronic commerce, which allows vendors, employees and retirees to receive electronic direct deposits to their bank accounts. Vendors also may check on the status of a payment due from the state on the Comptroller's Web site at [www.ioc.state.il.us](http://www.ioc.state.il.us).

Comptroller Hynes' commitment to putting more understandable fiscal information into the hands of taxpayers was demonstrated by his support of a law requiring the Department of Revenue to provide easy-to-understand budget summaries in the annual tax booklet mailed to millions of taxpayers each year.

The Comptroller's office is required to report periodically on the fiscal status of the state to the constitutional offices and the General Assembly. At the end of each year, the Comptroller's office prepares an account of the state's financial affairs called the *Comprehensive Annual Financial Report*. The report is published according to generally accepted accounting principles and standards set by the Government Accounting Standards Board.

Periodically, the Comptroller's office publishes *Fiscal Focus*, a newsletter containing updates of key state fiscal facts and in-depth articles about timely fiscal issues. The annual *Illinois Traditional Budgetary Financial Report* provides summaries of revenues, expenditures and year-end balances by fund and category. The *Tax Expenditures Report* highlights the more than \$6.7 billion in tax breaks each year, while the *Fiscal Responsibility Report Card* provides an annual report on the financial status of 5,200 units of local government in Illinois.

Other annual financial reports prepared by the Comptroller's office include the *Executive Summary*, the *Fee Imposition Report*, the *Detailed Annual Financial Report*, *Appropriations and Bonded Indebtedness* and the *Long-term Obligations Report*.

Since adoption of the Illinois State Collection Act of 1986, the Office of the Comptroller is required to report on receivables and establish collection procedures through its statewide accounting system. The Comptroller's *Receivables Report* provides a

compilation of the state's receivables and an analysis of debt collection efforts by agencies and the Comptroller's office. As a member of the Debt Collection Board (along with the Attorney General and the Department of Central Management Services), the office continues to look for new ways to increase the return of debt owed to the state.

### **Statewide Accounting**

As the state's chief fiscal office, the Comptroller's office records transactions and ensures proper payment and management of payables. The office processes more than 15 million transactions annually to fund necessary programs, pay state employees and issue more than 3.5 million state income tax refunds. The office utilizes state-of-the-art industry transmission formats for its electronic transactions, which have increased 90 percent under Hynes' leadership.

To ensure fiscal integrity, the office implements a pre-audit process prior to the payment of any invoice. This process ensures that a state agency does not exceed its appropriation authorized by the General Assembly and that the invoice has been properly approved for payment.

An integral part of the Statewide Accounting Management System is the Comptroller's Web site, an electronic warehouse that gives taxpayers online access to state financial information. The site provides immediate financial information to taxpayers and increases government accountability.

### **Serving Local Governments**

The Comptroller's office is the repository of local government fiscal information used for financial analysis, oversight and forecasting. The office collects and analyzes Annual Financial Reports (AFRs) that state law requires 5,200 units of local government to file. The Comptroller Connect Internet Filing program allows local governments to file



Comptroller Hynes monitors the Statewide Accounting Management System with staff member Zetta Pullen-Robinson. The Comptroller's office issues more than 15 million payments annually and has made a commitment to expanding and enhancing electronic commerce programs.



**Comptroller Hynes listens at a press conference where dozens of women across Illinois explained how their families have been hurt by a lack of available health care services. Hynes has advocated closing budget loopholes that allow Medicaid programs to be chronically underfunded, jeopardizing affordable health care.**

their AFRs online. Local governments with Tax Increment Financing (TIF) districts also are required to file annual reports for each TIF with the Comptroller's office.

The office actively looks for new ways to reach out to local governments. Comptroller Hynes has increased financial reporting compliance among local governments each year he has been in office through more aggressive follow-up and by offering technical support to smaller units of government. As part of his fiscal outreach effort, Hynes' office offers statewide training seminars for county treasurers. The division has a 30-member local government advisory board that offers valuable input from around the state.

### **Funeral Home, Cemetery & Crematory Oversight**

The Comptroller's office is responsible for the oversight of privately owned funeral homes and cemeteries in Illinois that sell goods and services to consumers on a pre-need basis. These businesses must hold an operating license from the Comptroller, which requires extensive background checks and financial disclosures, and file annual reports to account for their financial activities. These reports are examined and audited to ensure that cemeteries and funeral homes comply with the consumer-protection laws established by the Comptroller and enacted by the General Assembly.

To further protect Illinois consumers, Comptroller Hynes proposed successful legislation that increases his office's oversight of crematories in Illinois, a formerly unregulated industry. Crematories are now held to the same licensing and reporting standards as the rest of the death care industry, providing better business accountability and increased consumer protection.

The office provides an electronic filing system that allows cemeteries and funeral homes to submit their annual financial reports online. The office also is revamping its

Cemetery Care & Burial Trust portion of the office's Web site, ensuring that it will contain the most current industry information and is user-friendly for both consumers and licensees. Comptroller Hynes encourages Illinois consumers to contact the office regarding any complaints or allegations of cemetery, crematory or funeral home fraud at 877-203-3401 or [ccbt@mail.ioc.state.il.us](mailto:ccbt@mail.ioc.state.il.us).

## Public Accountability

Comptroller Hynes strongly believes that state government should be customer-oriented, provide the most efficient services possible and be accountable to taxpayers for what it spends. As part of its Public Accountability Project, the Comptroller's office surveys state agencies and publishes an annual report on program performance. The comprehensive reports provide a first-rate indication of what types of services the state is providing and whether these services are being provided efficiently and effectively.

The Public Accountability Project seeks to make Illinois Government more results-oriented, increase public awareness of the efficacy of state programs, facilitate informed decision-making on the allocation of state resources, and increase public accessibility to information on state programs and services. By compiling a taxpayer-friendly report on how the state uses taxpayer dollars and what results are achieved, the public will be better able to judge how state government performs for them. The annual reports are available on the Comptroller's Web site at [www.ioc.state.il.us](http://www.ioc.state.il.us).



Comptroller Hynes (right) testifies at a legislative hearing on the critical need for stem cell research. As a result of his efforts, Illinois became the first state in the Midwest to commit public funds to this lifesaving work.

## Comptroller's Staff Members



**Keith Taylor**  
*Chief of Staff*



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*Assistant Comptroller  
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**Carol Knowles**  
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*Legislative Liaison*

## Administrative Personnel

Alan Henry.....	<i>Director, Communications</i>
Steve Valasek .....	<i>Director, State Accounting &amp; GASB 34</i>
Percy Lucina .....	<i>Director, Cemetery Care &amp; Burial Trust</i>
Joseph Enright .....	<i>Director, Policy</i>
Frank Bilecki .....	<i>Director, Local Government</i>
Dave Griffith.....	<i>Director, Public Accountability Project</i>
Judith McAnarney.....	<i>Director, Human Resources</i>
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