

DEBT TRANSPARENCY REPORT SUMMARY

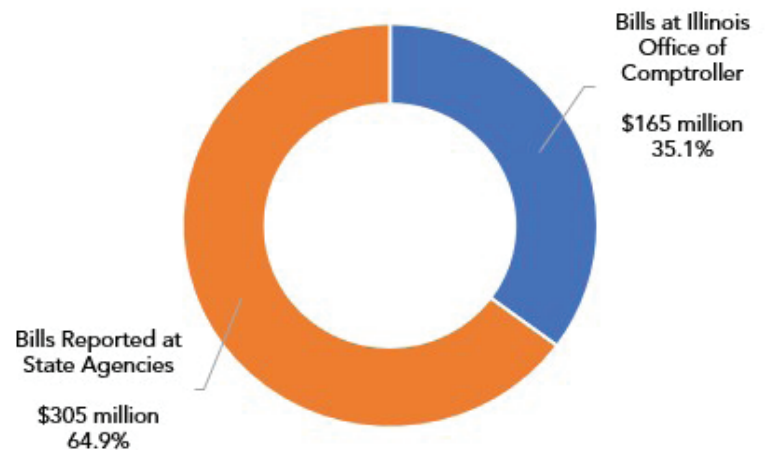
Vol. 9, No. 7

Period Ending June 30, 2026

SUMMARY

- Estimated 6/30/2026 General Funds and Health Insurance Reserve Fund (HIRF) accounts payable totaled \$471 million^{1,2}
- Agencies reported \$305 million in net General Funds and HIRF liabilities¹
- Net pending General Funds and HIRF vouchers and transfers at the Illinois Office of Comptroller totaled \$165 million¹
- Identifies approximately \$15 million in reported pending late payment interest penalties
- Oldest General Revenue Fund voucher pending at the Illinois Office of Comptroller at end of 6/30/2026 was 1 business day

Estimated General Funds Accounts Payable¹
as of June 30, 2026
Total = \$471 million



Debt Transparency Report Summary Vol. 9, No. 7 identifies liabilities from General Funds and the Health Insurance Reserve Fund (HIRF) for the state's total accounts payable.^{1,2} Liabilities and details of other state funds utilized by state agencies can be found in agencies' individual submissions available in the [Debt Transparency Reports](#) section at illinoiscomptroller.gov.

Sixty-eight state agencies and universities responded for the June 2026 reporting period in time for their data to be included in this publication. Due to the timeliness required of this monthly report, agencies not filing timely are not included. Six agencies reported zero liabilities.

¹ The General Funds accounts payable total is comprised of pending vouchers and transfers from the General Funds and the Health Insurance Reserve Fund (for state employee insurance costs) at the Illinois Office of Comptroller, adjusted for transfers pending from the General Funds to HIRF to eliminate double-counting, and net vouchers and late payment interest penalties reported as held at state agencies for the General Funds and HIRF. Amounts may not sum to total due to rounding.

² The General Funds pay for the state's primary operations and school funding obligations and have accounted for most of the state's payment delays. The General Revenue Fund (GRF) is the largest of the seven funds that make up this group. The HIRF is highly dependent on GRF transfers to fund insurance-related obligations. Vouchers payable from other non-General Funds are typically processed without delay if the funds have sufficient balances. Additional information on General Funds and other state funds is available at the [Comptroller's website](#).

AGENCY DTA SUBMISSIONS

Net Liabilities at State Agencies: \$305 Million

Agencies reported \$477 million in General Funds and HIRF liabilities and late payment interest penalties as of June 30, 2026. This amount reflects liabilities not sent to the Illinois Office of Comptroller (IOC) as of the end of the reporting period but eligible to be sent because the agencies approved invoices or pending interest payments.

After adjusting for amounts agencies reported have been or will be submitted to the IOC after the reporting period, net agency liabilities totaled \$305 million. The four state agencies with the largest net liabilities reported \$291 million in General Funds and HIRF liabilities, making up 95.4% of the total reported amount of net liabilities at agencies.

The Department of Central Management Services (CMS) reported

\$862,000 in HIRF liabilities for bills related to the state's Group Insurance Program and \$31,000 in obligations pending at the agency for late payment interest penalties from principal payments on HIRF bills that have already been made, while reporting that \$80 million in HIRF liabilities has been or will be submitted to the IOC.³

Reporting agencies' net liabilities, based on their net General Funds and HIRF liabilities, including late payment interest penalties owed on bills released for payment by the IOC, have been incorporated into the accounts payable reported daily on the IOC website and will remain as static input to this calculation until the next DTA monthly report.

After combining \$305 million in net agency liabilities with \$165 million in General Funds and HIRF payables at the IOC, the total estimated General Funds and HIRF accounts payable for June 30, 2026 was \$471 million.⁴

Insufficient Appropriations/Funding Shortfall

On June 1, the General Assembly passed a fiscal year 2027 budget, which included \$250 million in General Funds supplemental appropriations for fiscal year 2026. The largest supplemental appropriation was \$200 million from the General Revenue Fund (GRF) to address an expected shortfall in the State Employees' Retirement System's GRF state contribution. In previous years, this shortfall has been addressed by the state's continuing appropriation

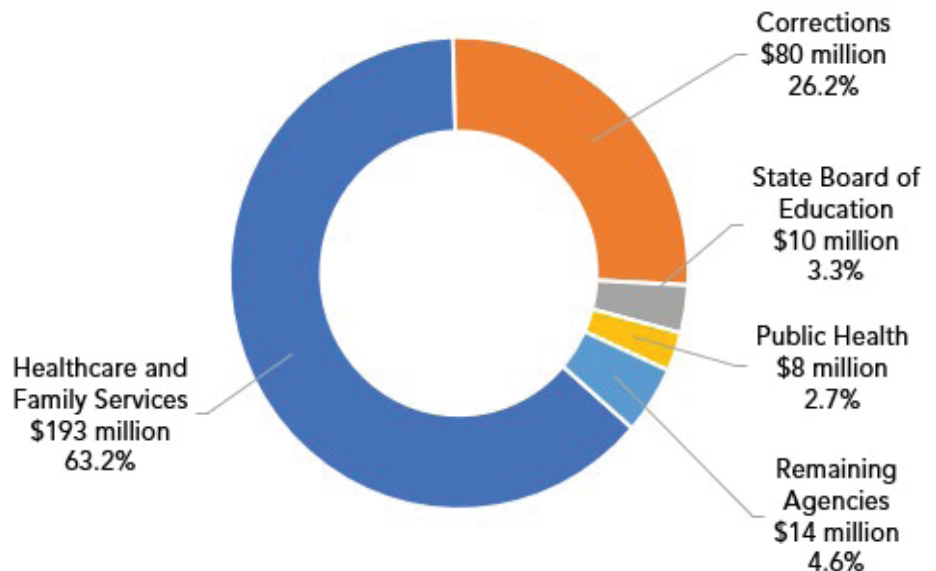
Net Agency General Funds/HIRF Liabilities Breakout

Includes Late Payment Interest Penalties

as of June 30, 2026

Total = \$305 million

Amounts may not sum to total or to 100% due to rounding.



³ At the end of the day June 30, 2026, the cash balance in the HIRF was \$120 million.

⁴ Amounts may not sum to total due to rounding.

process. Other General Funds supplemental appropriations included \$10 million to the Department of Commerce and Economic Opportunity for food insecurity programs, almost \$7 million to the Department of Public Health for local health provider services, \$5 million to the Department of Healthcare and Family Services for a medical debt relief pilot program, and almost \$2 million to the Department of Military Affairs for operational expenses.

Interest Penalties: \$15 Million

For the June 2026 period, state agencies reported \$4 million in late payment interest penalties for all funds and types, including amounts owed after the vendor received the original payment and estimated amounts based on what may have accumulated on vouchers still held by the agencies as of June 30.

Agencies reporting the largest late payment interest penalties, including estimated amounts on vouchers held by the agencies, were the departments of Healthcare and Family Services with more than \$1 million, Natural Resources with \$908,000, Military Affairs with \$464,000, and Juvenile Justice with \$444,000. As of June 30, 2026, \$13 million in late payment interest penalty vouchers from all funds was pending at the IOC, with no GRF or HIRF late payment interest penalties.

The aggregate of outstanding accrued and pending late payment interest penalties at agencies and the IOC totaled \$15 million for the reporting period, a decrease of \$4 million from the end of May, plus \$2 million in estimated late payment interest penalties on vouchers still held by agencies. As noted in *Vouchers and Transfers Pending at the Illinois Office of Comptroller*, \$13 million of the \$15 million in pending late payment interest penalties is owed from the Technology Management Revolving Fund (TMRF), which is not a General Fund.

The IOC paid \$4 million in late payment interest penalties in June and \$47 million during fiscal year 2026. TMRF interest vouchers accounted for \$18 million, or 38.0% of the \$47 million, and Community College Health Insurance Security Fund interest vouchers accounted for almost \$4 million, or 8.1%.⁵

Estimated Pending Liabilities

Agencies reported \$1.308 billion in liabilities incurred by the state for the General Funds and HIRF but not yet invoiced. These are estimates, not actual bills, so they are not reported in the IOC's amount of bills pending or in the agencies' estimated liabilities.

UNIVERSITY REPORTING

State universities reported that through June 2026, vouchers reflecting \$1.349 billion, or 98.7%, of the \$1.366 billion in fiscal year 2026 General Funds university appropriations had been sent to the IOC. Education Assistance Fund amounts under Article 117.5 in the fiscal year 2026 budget requiring prior approval in writing from the Governor (Public Act 104-0003) were released in June 2026.

Northeastern Illinois University and Western Illinois University each reported more than \$1 million in insufficient appropriations for fiscal year 2026. More information may be found in their submissions.

At the end of June, no General Funds payments for universities were pending at the IOC. No amounts for universities were included in state agency liability estimates.

⁵ Includes prompt pay interest penalties and timely pay interest penalties, including prompt pay interest penalties incurred paid out of a future year appropriation.

VOUCHERS AND TRANSFERS PENDING AT THE ILLINOIS OFFICE OF COMPTROLLER

Pending at IOC: \$165 Million

The amount of vouchers and transfers pending at the IOC changes every day as payments are made from the state's General Funds.

With no HIRF transfers from GRF pending at the IOC at the end of June, the net accounts payable and transfers on hold at the IOC totaled \$165 million, a net 73.1% decrease from the May 2026 IOC total.

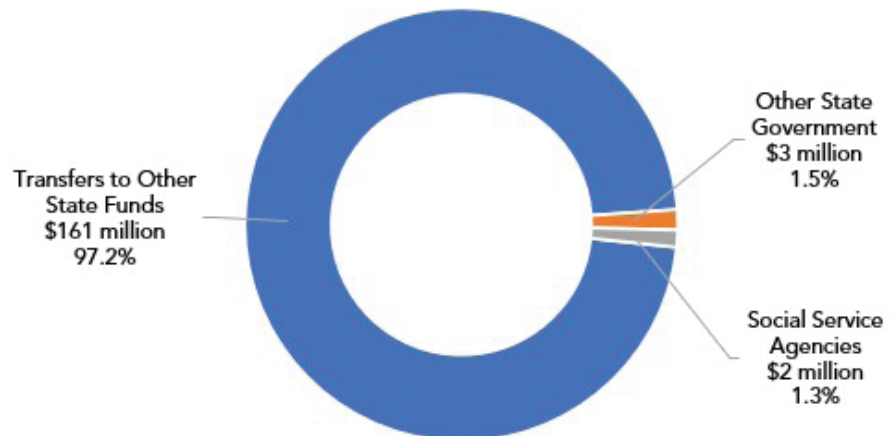
At the end of the day June 30, \$73 million in technology-related vouchers and transfers was pending at the IOC, an increase of 10.8% from May. The IOC had no interest-generating principal vouchers in TMRF and \$13 million in late payment interest penalties in the fund. The oldest voucher in TMRF for late payment interest penalties is less than 12 months, and two months for vendor-related vouchers, at a time when GRF commercial vouchers are being paid by the IOC within 30 days.⁶ Since payment for these technology-related vouchers is made from TMRF, a non-GRF fund with limited cash availability, the fund depends on revenue receipts from user agencies and/or special transfers enacted by the legislature.

Between fiscal years 2021 and 2025, the General Assembly approved supplemental appropriations totaling \$545 million in special transfers or deposits to TMRF. The Department of Innovation and Technology (DoIT) received a \$256 million GRF appropriation for fiscal year 2026, an increase of \$68 million from fiscal year 2025, of which \$25 million, or 10.0%, remains unexpended at the end of June. Because uncertainty remains regarding cash availability in the fund to adequately support agency expenditures, the IOC and DoIT must continue to manage the fund to pay vendor bills, address remaining late payment interest penalties, and sustain overall DoIT operations. The fiscal year 2027 budget approved by the General Assembly on June 1 includes a GRF increase of \$19 million for DoIT administrative and program expenses.

In addition, \$37 million in outstanding Community College Health Insurance Security Fund (CCHIS) vouchers and transfers was pending at the IOC at the end of June, of which an estimated \$28 million was for vouchers more than 90 days old. The fiscal year 2024 BIMP required community college employees to increase their contributions to the fund toward the cost of annuitant and survivor health care benefits, and required the IOC to transfer up to \$50 million from HIRF to assist with CCHIS cash-flow needs.⁷ The IOC transferred \$50 million on September 5, 2023.

Composition of Bills at the Illinois Office of Comptroller

as of June 30, 2026
Total = \$165 million
Amounts may not sum to total or to 100% due to rounding.



⁶ Interest-generating principal payments based on proper bill date, when the agency records the start of the prompt payment clock and before the agency has officially submitted the bill to the IOC in voucher form.

⁷ Public Act 103-0008.

Of the \$161 million in transfers pending at the IOC at the end of June, \$123 million was owed to the Teachers Health Insurance Security Fund from GRF. With an end-of-month cash balance of \$740 million, sufficient revenues exist in the CCHIS fund with no immediate need for a transfer of additional funds at a time when all payments are current.

Detailed breakouts are shown in the *Composition of Bills at the Illinois Office of Comptroller* chart.

Oldest GRF Voucher at IOC: 1 Business Day

At the end of the day June 30, the oldest GRF voucher at the IOC was 1 business day. This chart shows the changes to the GRF payment cycle over the past several years, beginning with fiscal year 2017, when the state was mired in what would become a period of 736 days without a budget, which ended July 6, 2017.

In addition to the General Funds accounts payable, the oldest GRF voucher at the IOC has been an important method of assessing the current financial condition of the state and the hardships faced by state vendors since September 2001, when a worsening economy began a consistent rise in the bill backlog. Steady improvement has been made to the bill payment cycle since December 2017, and today the payment cycle is within 30 days for vouchers sent to the IOC.

The 30-day payment cycle does not apply to net pending interfund transfers, which made up \$161 million, or 97.2%, of the IOC General Funds and HIRF payables as of June.

