

DEBT TRANSPARENCY REPORT SUMMARY

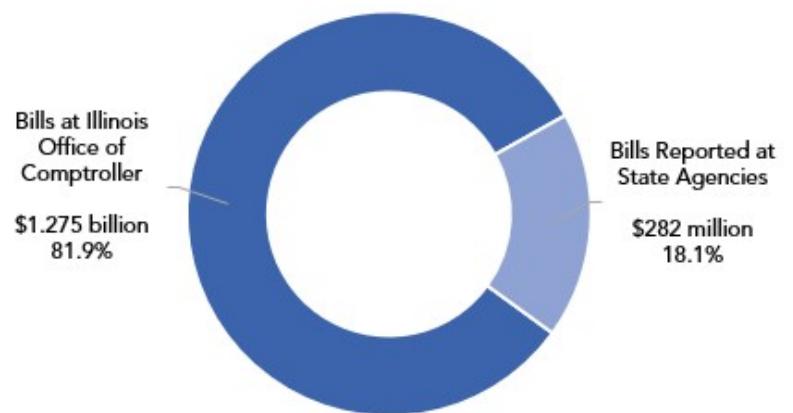
Vol. 7, No. 1

Period Ending December 31, 2023

SUMMARY

- Estimated 12/31/2023 accounts payable totaled \$1.556 billion for General Funds and Health Insurance Reserve Fund (HIRF)^{1,2}
- Agencies reported \$282 million in net General Funds and HIRF liabilities¹
- Net pending vouchers and transfers at the Illinois Office of Comptroller totaled \$1.275 billion¹
- Identifies approximately \$62 million in reported pending late payment interest penalties
- Oldest General Revenue Fund voucher pending at the Illinois Office of Comptroller at end of 12/31/2023 was 14 business days

Estimated General Funds Accounts Payable¹
as of December 31, 2023
Total = \$1.556 billion



Debt Transparency Report Summary Vol. 7, No. 1 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-five state agencies and universities responded for the December 2023 reporting period in time for their data to be included in this publication. Five agencies reported zero liabilities.

¹The 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.

²The 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: \$282 Million

Agencies reported \$462 million in General Funds and Health Insurance Reserve Fund liabilities and late payment interest penalties as of December 31, 2023. This amount reflects liabilities not sent to the Illinois Office of Comptroller 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, net agency liabilities totaled \$282 million. The three state agencies with the largest liabilities reported \$261 million in General Funds liabilities, making up 92.8% of the total reported amount of net liabilities at agencies.

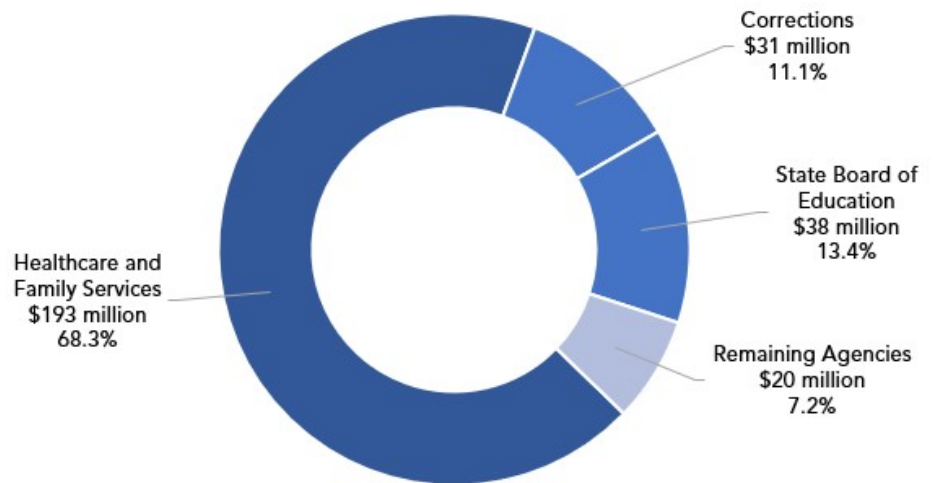
The Department of Central Management Services (CMS) reported \$11 million in HIRF liabilities for bills related to the state's Group Insurance Program and \$0 in obligations pending at the agency for late payment interest penalties from principal payments on HIRF bills that have already been made, while reporting that \$107 million in HIRF liabilities have been or will be submitted to the IOC.

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 Illinois Office of Comptroller, totaled \$282 million for the December 2023 period.³ This \$282 million in agency-reported total net liabilities has 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 this \$282 million with the \$1.275 billion in General Funds and HIRF payables at the Illinois Office of Comptroller, the total estimated General Funds and HIRF accounts payable for December 31, 2023 was \$1.556 billion.

Net Agency General Funds/HIRF Liabilities Breakout

Includes Late Payment Interest Penalties
as of December 31, 2023
Total = \$282 million
Amounts may not sum to total or to 100% due to rounding.



³At the end of the day December 31, 2023, the cash balance in the HIRF was \$43 million.

Interest Penalties: \$62 Million

For the December 2023 reporting 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 December 31.

Agencies reporting the largest late payment interest penalties, including estimated amounts on vouchers held by the agencies, were the departments of Natural Resources with \$777,000, CMS with \$747,000, and Innovation and Technology with \$711,000. As of December 31, 2023, another \$60 million in late payment interest penalty vouchers from all funds was pending at the IOC.

The aggregate of outstanding accrued and pending late payment interest penalties at agencies and the IOC totaled \$62 million for the reporting period, with almost \$2 million in additional estimated late payment interest penalties on vouchers still held by agencies. As noted in *Vouchers and Transfers Pending at the Illinois Office of Comptroller*, \$60 million of these pending late payment interest penalties is owed from the Technology Management Revolving Fund, which is not a General Fund.

Additionally, the IOC paid \$486,000 in late payment interest penalties in December 2023.⁴ Through December, the IOC has paid nearly \$5 million in late payment interest penalties in fiscal year 2024.

Estimated Pending Liabilities

Agencies reported \$1.439 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 the agencies' estimated liabilities.

UNIVERSITY REPORTING

State universities reported that through December 2023, vouchers reflecting \$1.087 billion, or 83.4%, of the \$1.304 billion in fiscal year 2024 General Funds university appropriations had been sent to the Illinois Office of Comptroller.

Northeastern Illinois University reported more than \$1 million in insufficient appropriations for the remainder of fiscal year 2024 and Western Illinois University reported \$794,000 in insufficient appropriations. More information may be found in each university's DTA submission.

At the end of December, \$227 million in General Funds payments for universities was pending at the IOC. No amounts for universities were included in state agency liability estimates.

⁴Includes 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: \$1.275 Billion

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 December, the net accounts payable and transfers on hold at the IOC totaled \$1.275 billion.

The IOC reported \$49 million in outstanding Community College Health Insurance Security Fund vouchers and transfers pending at the end of December, of which an estimated \$42 million was for vouchers more than 90 days old. Further, the enacted fiscal year 2024 BIMP requires community college employees to increase their contributions to the fund toward the cost of annuitant and survivor health care benefits.⁵

Also, \$262 million in technology-related vouchers from the Department of Innovation and Technology was pending at the IOC

at the end of December, of which an estimated \$105 million was for principal payment vouchers more than 90 days old, with \$60 million for late payment interest penalties. Additional resources are needed from user agencies and/or from appropriations into the Technology Management Revolving Fund to address these other non-GRF vouchers pending at the IOC.

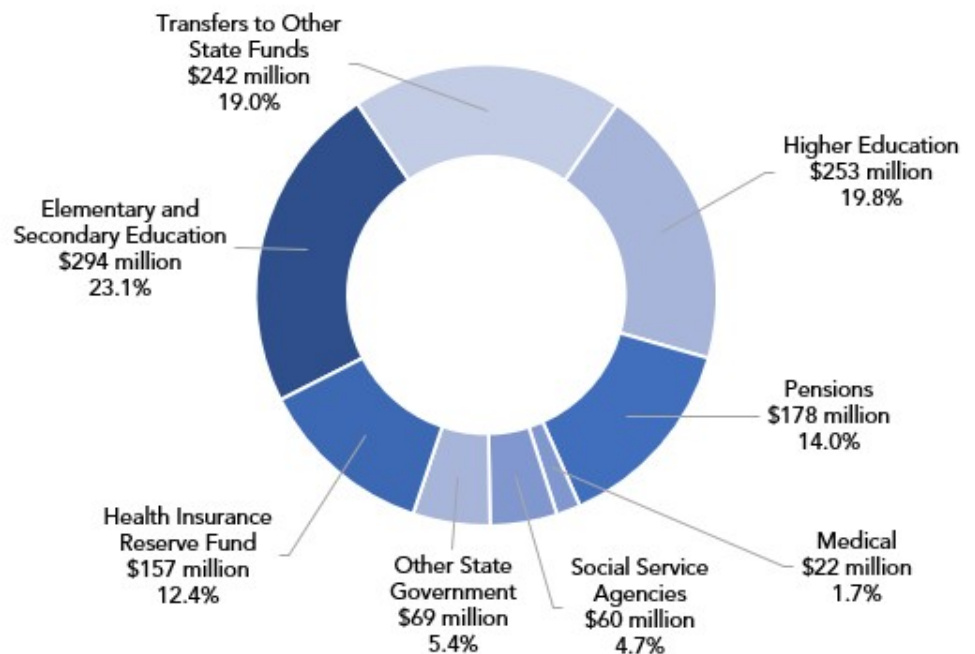
Detailed breakouts are shown in the *Composition of Bills at the Illinois Office of Comptroller* chart.

Composition of Bills at the Illinois Office of Comptroller

as of December 31, 2023

Total = \$1.275 billion

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



⁵ Public Act 103-0008.

Oldest General Revenue Fund Voucher at IOC: 14 Business Days

At the end of the day December 31, the oldest General Revenue Fund voucher at the Illinois Office of Comptroller was 14 business days. This chart shows where this compares to the end of the calendar year and the end of the fiscal year since fiscal year 2018.

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 interfund transfers, which made up \$242 million, or 19.0%, of the IOC General Funds and HIRF payables as of December 31.

IOC General Revenue Fund Payment Cycle History
October 2017 through December 2023
Oldest GRF voucher at end of day 12/31/2023: 14 business days

