SUSANA A. MENDOZA
ILLINOIS STATE COMPTROLLER

PAYROLL BULLETIN

TO: All State Agencies, Boards and Commissions

FROM: Sarah Robinson, Deputy Assistant Comptroller

DATE: September 18, 2025

SUBJECT: Payroll Fund Shortfalls & Transaction Exceptions

NUMBER: 2-25

Public Act 103-008 amended the State Finance Act (30 ILCS 105) by creating section 13.2(g) which allowed for transfers from the General Revenue Fund to fund payroll expenses that meet payroll transaction exception criteria. Under this amendment, transfers were required to be repaid within 7 days.

Subsequently, Public Act 104-0002 amended section 13.2(g) of the State Finance Act. Agencies that borrow from the General Revenue to fund payroll expenses must now transfer those funds back to the General Revenue Fund within 30 days. This change became effective June 16, 2025.

> **30 ILCS 105/13.2**
> (g) For State fiscal year 2024 and each fiscal year thereafter, if requested by an agency chief executive officer and authorized and approved by the Comptroller, the Comptroller may direct, and the Treasurer shall transfer funds from the General Revenue Fund to fund payroll expenses that meet the payroll transaction exception criteria as defined by the Comptroller in the Statewide Accounting Management System (SAMS) Manual. The agency shall then transfer these funds back to the General Revenue Fund within 30 days.

Additionally, the Illinois Office of Comptroller (IOC) has revised the criteria for Payroll Transaction Exceptions defined in SAMS Manual Procedure 23.50.10 to the following, “A payroll transaction exception occurs when a regularly scheduled payroll voucher rejects or will reject during processing due to a funding shortfall that would result in payroll payments issuing after the scheduled pay date.” In order for the payroll to be issued on its scheduled pay date, agencies must submit their fund transfer request on or before the IOC’s Pay Schedule due dates. Agencies may access their Pay Schedules on the IOC website.

If you have any questions concerning this bulletin, please contact Kaie Guy at Katie.Guy@illinoiscomptroller.gov. Agencies may access this and other Accounting, Payroll, and SAMS bulletins on the IOC website.