

**Office of the Comptroller
State of Illinois**

Receivables Report

Calendar Year Ended December 31, 1998

**Daniel W. Hynes
Comptroller**





A Message to Illinois Taxpayers

I would like to present to you the **1998 Receivables Report**. One of the duties of the Comptroller is to collect data from State agencies regarding their accounts receivable and to report on all delinquent debt owed to the State for the immediately preceding calendar year. This is the report compiling that information.

At December 31, 1998, the total amount owed to the State of Illinois was \$7.9 billion, an increase of \$465 million since December 31, 1997. This report focuses on how much the State is owed as well as on collection practices, such as targeting early intervention collection of delinquent accounts, use of the Comptroller's Offset System, and reporting on collection efforts of state agencies.

Receivables Collections. In the 1997 Receivables Report, it was estimated the State collected 49¢ of every dollar on which some type of credit was extended. For 1998, it is estimated that 35¢ of every dollar will be collected. Ten cents of the decrease is attributable to the first estimate of uncollectibles for non-assisted child support claims, i.e. child support collected for parents not on public assistance. The remainder of the decrease, 4¢, is a worsening of the collectibility, primarily attributable to the Department of Revenue and the University of Illinois Hospital.

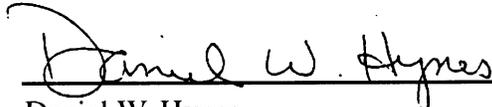
This worsening condition suggests that State government must renew its efforts to identify and collect from deadbeats. A better use of the Comptroller's Offset System and running credit checks on potential state contractors are just two ways the State should address this chronic problem.

Receivables Report. This year's report analyzes the management of Illinois' receivables by taking a close look at performance measures such as "aging" of receivables, the ten largest receivables agencies based upon net receivables volume, and comparisons of collectibility among state agencies. Besides reporting raw data, this report sets the stage for examining trends in agency receivable management by establishing best practices benchmarks.

Comptroller's Offset System. Under the Comptroller's Offset System, state agencies submit past due accounts that are then compared to warrants being issued. If during this process a person receiving a warrant (check) from the State is identified as owing money to the State, the Comptroller offsets the amount owed, in whole or in part, from the warrant. During 1998, legislation was implemented to accelerate the submission of debts to the Offset System from 1 year to 90 days for accounts over \$1,000. This new legislation assisted in achieving a 20% increase in amounts collected via offset.

As the State's chief fiscal control officer, it is the duty of my office to provide information and leadership to enhance collection of receivables that are not being aggressively managed. This is especially true today when government should be maximizing its collections to avoid enriching debtors at the

expense of Illinois taxpayers. This report and other receivable initiatives are critical steps in changing the way we manage receivables in Illinois and will facilitate improved collections of the receivable assets entrusted to state agencies by the taxpayers of Illinois.



Daniel W. Hynes
Comptroller

March 12, 1999

Date

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Introduction

The gross receivables balance for the State of Illinois at December 31, 1998 was \$7.9 billion. Of this amount, \$3.3 billion was *deferred receivables* and \$3.0 billion was estimated to be uncollectible. Thus, \$1.6 billion (20%) was estimated to be collectible within the short-term. Receivables over 180 days past due as of December 31, 1998 totaled \$3.0 billion. Of the \$7.9 billion of gross receivables, \$2.6 billion or 33% was over one year past due. This represents a large percentage of old accounts that are unlikely to be collected.

Receivable Comparison (in millions)

	December 31				Net Change ('97-'98)	
	1995	1996	1997	1998	Amount	Percent
Gross Receivables.....	\$ 7,321	\$ 7,266	\$ 7,465	\$ 7,930	\$ 465	6%
Less: Deferred Receivables.....	2,624	2,823	2,659	3,295	636	24%
Receivables Available for Collection.....	\$ 4,697	\$ 4,443	\$ 4,806	\$ 4,635	\$ (171)	(4%)
Less: Estimated Uncollectibles.....	2,745	2,483	2,467	3,023	556	23%
Net Receivables.....	\$ 1,952	\$ 1,960	\$ 2,339	\$ 1,612	\$ (727)	(31%)
Past Due Receivables:						
Over 180 days.....	\$ 3,054	\$ 2,831	\$ 2,922	\$ 3,051	\$ 129	4%
Over 1 year.....	\$ 2,617	\$ 2,395	\$ 2,510	\$ 2,624	\$ 114	5%

Gross Receivables

A receivable is created when the State provides a service (or individuals/entities self report a tax amount) prior to receiving compensation. Once a service is provided, the State bills the customer and payment terms then drive the time frame for expected payment. Once payment is received, the State will deposit the money and apply the remittance against the outstanding receivable. During the time period between the provision of service and receipt of payment, the outstanding amount owed is referred to as a receivable.

Gross receivables increased \$465 million or 6% from December 31, 1997 to December 31, 1998. The following agencies had the major increases (decreases) during 1998:

Agency	Amount
Illinois Student Assistance Comm.	\$168 million
Department of Public Aid	161 million
Teachers' Retirement System	116 million
Environmental Protection Agency	60 million
Department of Revenue	29 million

The increase at Illinois Student Assistance Commission was due to granting additional loans as well as the purchase of defaulted student loans from financial institutions during 1998.

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Child support claims receivables at the Department of Public Aid continue to increase as the number of client accounts increase along with increases in existing accounts. The significant increase at the Teachers' Retirement System is due to new legislation that provided teachers the opportunity to convert prior service, paid at lower rates, to the new 2.2% retirement formula. The increase at the Environmental Protection Agency is a result of new loans for water treatment plants. Finally, the increase at Department of Revenue is due to the strong economy resulting in an increase in both income and sales tax revenues.

Deferred/Installment Receivables

Several state agencies are authorized to issue loans to individuals or organizations for specific purposes. These loans are categorized as either *deferred* (no collection activity required until formally due e.g. installment agreements) or *receivables available for collection* (collection activity is legally enforceable).

Deferred receivables reported by agencies increased \$636 million in 1998. This increase is mostly attributable to the Illinois Student Assistance Commission evaluation of their aging methodology for installment receivables which resulted in more loans (\$399 million) to be classified as deferred (not currently due) and reducing the amount reported as receivables available for collection. The Environmental Protection Agency also reported an increase in installment receivables of \$60 million.

Receivables Available for Collection

Receivables available for collection when referenced in this report equal the gross receivables less the deferred receivables. Thus, these are the receivables for which collection efforts can be legally enforced.

Estimated Uncollectibles

Estimated uncollectibles represent the **agency's** estimate of outstanding receivables that are believed not to be collectible. The method of estimating the uncollectible portion of receivables varies by agency and type of receivable. Generally, the estimate of uncollectible accounts will be based upon the agency's experience with the type and the age of the receivable.

As of December 31, 1998, the estimated uncollectibles increased by \$556 million from the amount reported in 1997. The majority of this increase is attributable to the implementation by the Department of Public Aid of an estimated uncollectible amount for its child support claims receivables for non-assistance clients. This new policy resulted in the amount of \$452 million being reported. In addition, there was an increase of \$78 million for those child support claims where the custodial parent receives State assistance. In the past it was viewed that child support claims could not be written off due to federal regulations. New federal case closure requirements have been initiated which allows DPA to write off those claims that meet federal requirements, as staffing resources permit.

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Net Receivables (or Estimated Collectibles)

Net receivables equal receivables available for collection less an allowance for estimated uncollectibles. Once a receivable has been established, the collectibility of the amount becomes important. A portion of any receivable population may ultimately become uncollectible. Net receivables are the accounts the agency reasonably expects to collect in the short-term (i.e. 12 months or less).

Current vs. Past Due Receivables

A receivable is considered “current” (not past due) prior to the passage of its formal due date. When the debtor’s due date passes without payment; the debt becomes “past due” and must be aged according to the number of days beyond the due date that the debt has been outstanding.

Receivables over 180 days past due at December 31, 1998 were \$3.0 billion. Of this amount, \$2.6 billion are over one year past due. The Departments of Public Aid (\$1.2 billion or 46%) and Revenue (\$757 million or 29%) reported the majority of the \$2.6 billion. The large Public Aid amount is a backlog caused by the agency’s prior inability to write-off child support claims due to federal regulations and lack of staffing resources. Revenue’s large amount is due to a lack of an automated receivable write-off mechanism for all tax types. Thus, with over 1 million accounts to collect against, there is a large amount of old debt waiting final resolution.

Write-Offs

The actual process of writing-off an account usually varies by state agency based on unique requirements. Once an agency has determined that an account should be written-off, if the account is over \$1,000, it must be referred to the Attorney General’s Office for their review and approval. Those accounts \$1,000 or less can be written off at the discretion of the agency. Finally, although an account may be written-off for reporting purposes, the accounts can be maintained on a subsidiary ledger and reinstated in the event that the debtor makes a payment or the state becomes aware of resources that may resolve the account.

Fiduciary

The State works as a trustee to collect fiduciary receivables and then remits the proceeds to the appropriate party. The net fiduciary receivables total \$657 million (or 8%) of the receivables at December 31, 1998. The majority of net fiduciary receivables can be found in two primary sources — non-assistance child support accounts at the Department of Public Aid (\$275 million) and the contribution receivables for the conversion of prior teaching service at the Teachers’ Retirement System (\$264 million).

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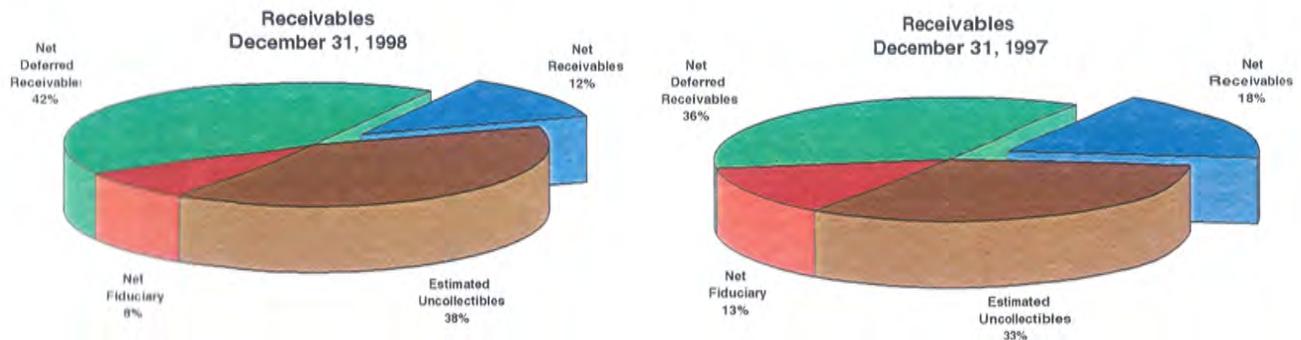
"In Protest" Receivables

Agencies report receivable amounts as either "in protest" or "not in protest." These categories allow agencies to separate those receivables that can be disputed from those that are final and not subject to dispute. The "in protest" status of these receivables defer any state management attempt at collection activity until the "due process" time period provided by state statute is completed. Thus, "in protest" receivables are not included in the analysis presented.

"In protest" receivables totaled \$252 million at December 31, 1998. Of this amount, \$200 million (79%) was estimated to be uncollectible. The majority of these "in protest" receivables (\$229 million) represents amounts due to the Department of Revenue for taxes.

Nature of the State's Receivables

Receivables are amounts or claims owed to the State by individuals, corporations, and other entities. Receivables represent assets waiting to be collected. Of the receivables, which the State holds, there are a variety of types or sources of revenue that created the receivable and, in many cases, drives the outcome of how cash receipts may be used once they are collected. At the same time, many receivables of the State have been on the books for an extended period of time, affecting the State's ability to collect the receivable. The following chart for 1998 indicates that of the \$7.9 billion of gross receivables, state agencies expect 12% or \$955 million (which excludes "fiduciary" receivables) to be eligible for collection and use by the State within the short term.



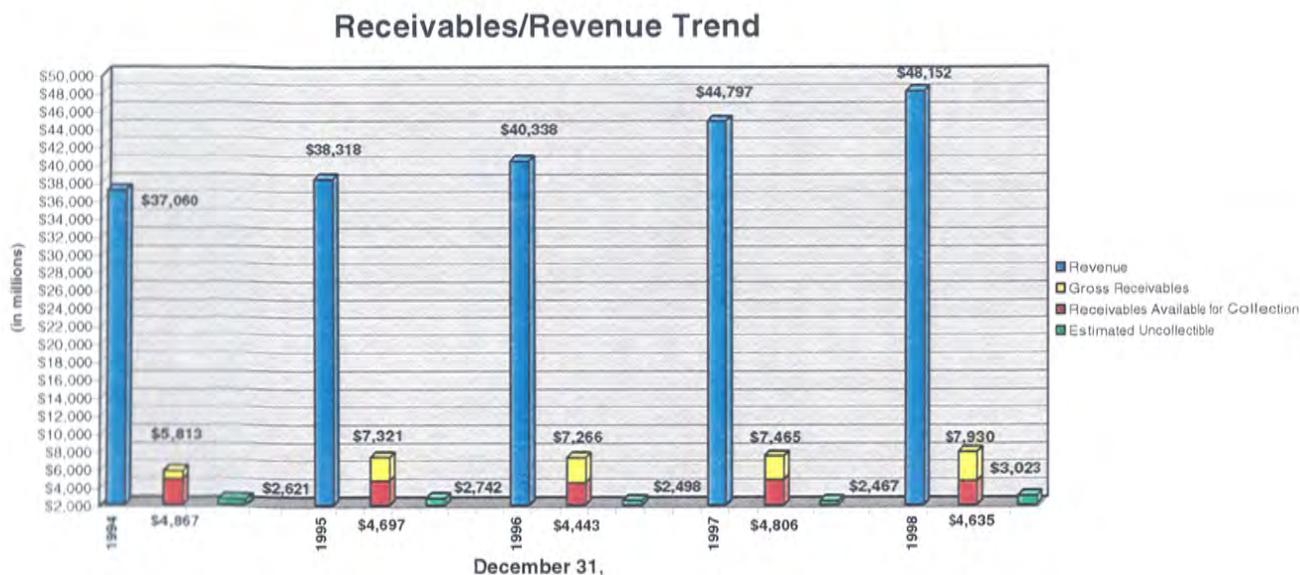
The above charts show that much of the State's receivables are not immediately available for use. For 1998:

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- 42% of gross receivables are actually deferred receivables that are not currently due. These are primarily loans by the Housing Development Authority, Illinois Student Assistance Commission and Environmental Protection Agency to provide funding for various initiatives including subsidized housing, student loans and water treatment plants, respectively.
- 8% are “fiduciary” accounts, which are dollars that the State holds in a trustee capacity, such as non-assisted child support claims. The State works as a trustee to collect these receivables and then remits the proceeds to the appropriate party. For these accounts, any dollars received are passed along and the State does not have access to use these funds.
- 38% of the State’s gross receivables are estimated to be uncollectible. Periodically, state agencies review their receivable portfolios and determine the percentage of the receivable that they feel they will reasonably collect. Agencies may have large balances of uncollectible receivables which include a large number of old, small balance accounts, which should be written off but they do not have adequate resources available to process the write-offs. To effectively monitor performance on receivable collection, most organizations continually purge their uncollectible accounts in order to provide management with a clearer picture of available assets and to allow collectors to focus on high opportunity accounts.

Trends in Receivables and Revenue

The following graph shows revenues and receivables for the past five years.

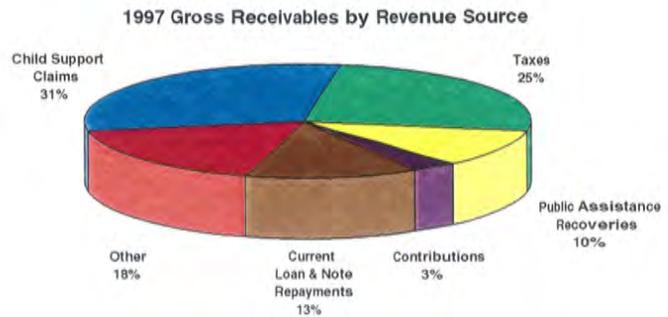
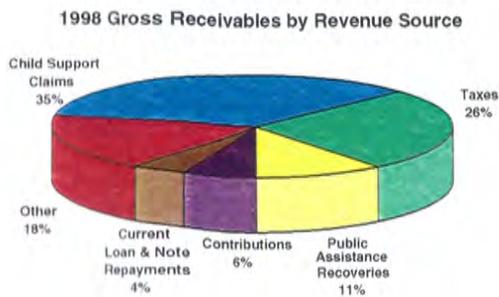


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The receivables available for collection were \$4.6 billion at December 31, 1998. This is a decrease of \$171 million or 4% since December 31, 1997. This decrease is primarily attributable to the Student Assistance Commission adopting their prior policy for the aging of receivables. The Commission is reporting installment receivables of 30 days or less past due in the “deferred receivable” classification. The graph also shows that annual revenue for the State of Illinois has steadily increased over the last five years with the largest increase from 1996 to 1997 of \$4.4 billion (11%). Receivables available for collection have remained relatively constant.

Revenue Sources

The following charts show the sources of revenue for the State’s receivable balance. The two largest categories of receivables for 1998 are child support claims and the various tax sources, which together comprise 61% of the State’s receivables.



Child Support

The Department of Public Aid (DPA) child support claims are the largest revenue source for 1998 totaling \$1.6 billion (35%) of the receivables available for collection. Of the \$1.6 billion, \$727 million (45%) are accounts the State collects in a trustee capacity for custodial parents not on public assistance. In prior years, the Department did not report an estimated uncollectible amount for non-assisted claims. This year, DPA estimated an uncollectible amount of \$452 million (62%). The remaining \$908 million, of the \$1.6 billion child support claims, represent amounts owed to custodial parents who are on public assistance. Collections of these receivables are used to either help enforce child support collection programs or reimburse the state and federal government. Of the \$908 million, \$828 million (91%) is estimated to be uncollectible.

Taxes

Tax receivables totaling \$1.2 billion (26%) is the second largest revenue source for 1998. Income and sales tax receivables reported by the Department of Revenue are \$515 million (11%) and \$432 million (9%), respectively. Also included in the \$1.2 billion of tax receiv-

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ables is \$132 million (3%) of unemployment taxes. The Department of Employment Security collects unemployment taxes from employers and transfers the monies to the State of Illinois account, held in the U.S. Treasury, for payment of unemployment benefits to claimants.

Other

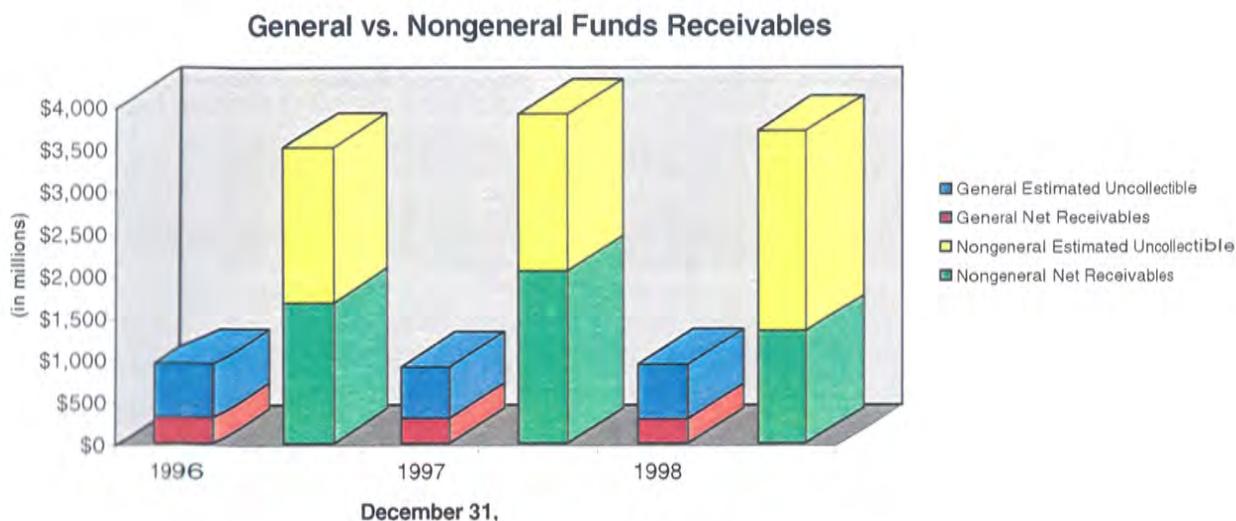
Other receivables totaling \$838 million (18%) include licenses and fees, unemployment insurance benefit overpayments, university activities, etc.

General vs. Nongeneral Funds Receivables

Individuals should not expect the “gross receivables” amount reported for all funds to produce revenue to pay for state government operations. Reported receivables do not necessarily represent expected revenue to the State. They represent, for the most part, regular operations of State government in collecting money from a myriad of sources such as taxes, licenses and fees, federal and local government reimbursement programs, current repayments of outstanding loans and notes, sales of goods and services by certain state operated enterprises, etc.

Receivables can be classified as those collected for general or nongeneral funds. The general fund accounts for resources obtained and used for those services traditionally provided by State government, which are not required to be accounted for in another fund. These services include, among others, social assistance, education, and health and social services.

Nongeneral funds consist of special revenue funds and proprietary, fiduciary and university fund types. Receivables collected for these funds are restricted for specific purposes.



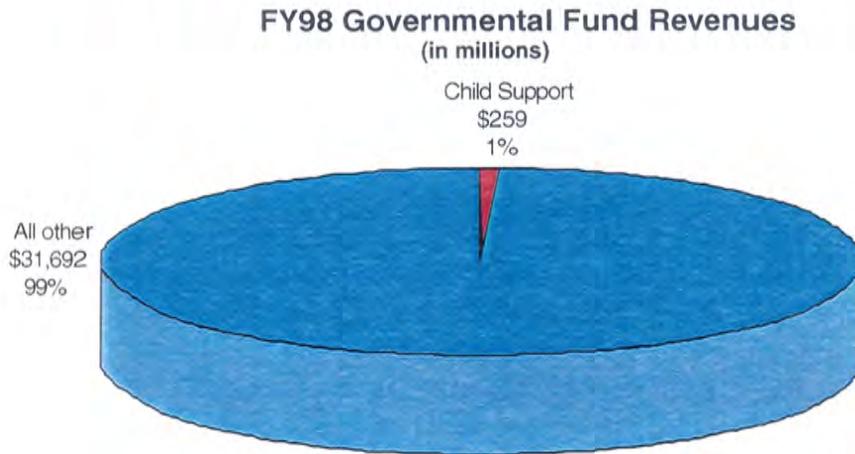
OVERVIEW

The State's General Fund had total gross receivables of \$931 million at December 31, 1998 with \$646 million (69%) estimated to be uncollectible. The majority of the \$931 million is taxes totaling \$790 million (85%). General Fund gross receivables increased \$30 million from December 31, 1997. This increase was due primarily to the increase in tax receivables from \$770 million at December 31, 1997 to \$790 million at December 31, 1998. Gross receivables due to nongeneral funds totaled \$3.7 billion at December 31, 1998 with \$2.4 billion (64%) estimated to be uncollectible. Public Aid child support claims of \$1.6 billion (43%), public assistance recoveries of \$ 491 million (13 %) and contributions receivable for the Teachers' Retirement System of \$264 million (7%) are the three largest gross receivable revenue sources.

Nongeneral fund gross receivables decreased \$200 million since December 31, 1997. The most significant decrease is due to deferred receivables, which decreased \$433 million from December 31, 1997 to December 31, 1998. This decrease is attributable to the Illinois Student Assistance Commission (ISAC) which revised their methodology used for aging of their accounts. The effect of the change was to switch the majority of the receivables from available for collection to deferred receivables.

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Child Support Receivables/Collection Efforts



The above chart was calculated from data contained in the State of Illinois' Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 1998. As can be noted from this chart, child support revenues make up only a very small portion of the total revenues for all governmental fund types (general, special revenue, capital projects, and debt service). Even though it is only a small portion of the total governmental revenues, it is the **largest** receivable type. The Department of Public Aid (DPA) is charged with the responsibility of administering the child support enforcement program for which total receivables are \$1.6 billion and account for 35% of the State of Illinois' receivables available for collection. The program serves State welfare clients and other Illinois citizens requesting collection assistance, helping single parents secure legally mandated child support awards.

The following information was reported by DPA in their Service Efforts and Accomplishments reporting for June 30, 1998. The U.S. Department of Health and Human Services for federal fiscal year (FFY) ending September 30, 1996 compiled the most recent data available of how Illinois compares with other states. Generally speaking, Illinois was extremely competitive in FFY 1996. It significantly outperformed both the region and the nation in child support collections distributed to users of the program's services. In Illinois, total collections distributed increased by 13.9% over FFY 1995, compared with 7.2% and 11% for the region and nation, respectively. Illinois' collections per dollar of administrative expenditures (an increase of 8.2%) compared favorably with the nation (up 9.5%) and significantly exceeded the region's performance (an increase of only 0.8%.)

However, Illinois lags in overall productivity. Its average collections per worker have lagged every state in the region, as well as the national average for both FFY 1995 and FFY 1996. The variances are significant. In FFY 1996, Illinois' collections, in the best case, were a third less (34.4%) than the national average and almost two-thirds less (61.2%) than the State of Michigan at the other extreme. Illinois is reasonably comparable with the region and nation on other measures of productivity, including establishing paternity.

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Also, the Department reports that the Illinois New Hire Reporting Law has been a success for child support collections since its implementation on October 1, 1997. The Department of Public Aid has made more than 100,000 matches using the State's new hire reporting lists. Illinois employers must report the names, addresses and Social Security numbers of newly hired workers to the Illinois Department of Employment Security (IDES) within 20 days of their hiring. Daily, DPA compares the lists of newly hired employees with names of non-custodial parents in its child support database. So far, employers have reported more than 1.2 million new hires to the IDES. Of that number, more than 40,000 matches have resulted in immediate income withholding, while the remaining matches have been used to locate parents to establish paternity and child support. The number of matches produced a hit rate of 8.3% for the first eight months in Illinois, which is better than the national average of 7%.

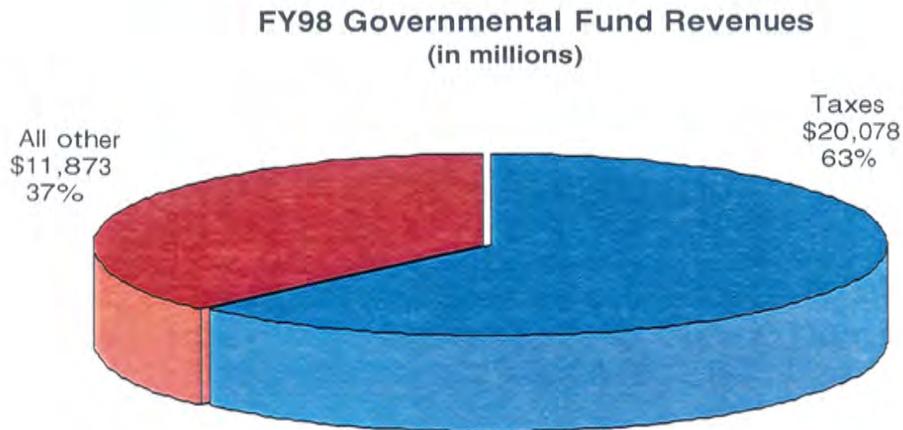
While the data above implies that Illinois is improving its results in collecting child support, there is room for more improvement. As indicated above, Illinois still lags behind the nation in collections per worker. This indicates current collection methods may not be as effective as they could be.

In examining the Child Support Division procedures, they show the use of certain cost effective collection tools (relatively no direct cost) i.e. the Comptroller Offset System is being used for most all of their receivables where no recent payment has been received. Also, these same receivables are being reported to the Federal Government to intercept Federal tax refunds, and a smaller percentage of child support claims are sent to the Department of Revenue to utilize their collection experience (See other FOCUS article). Another collection tool presently being considered is the submission of certain child support receivables to private collection agencies. With the development of the new Key Information Delivery System (KIDS) for processing and managing child support receivables/collections, DPA has been working on programs to determine the proper receivables to place with the private collection agencies. However, programming staff priorities for other KIDS requirements have put this project, as well as the project to report the collection activity statistics to this office, on hold.

With the significant amount of receivables in the Child Support Enforcement Program, this Office supports increased efforts to ensure that responsible individuals pay their court determined amounts. One way of support is to exclude these delinquent persons from benefiting in State and local government programs. Through improved statewide policies and Department collection efforts, the child support collection activity will be successful for the State and its citizens.

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Tax Receivables/Collection Efforts



As can be seen in the above chart (from the State of Illinois Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 1998), revenues from all tax sources represent 63% of the State's gross revenues for governmental fund types (general, special revenue, capital projects, and debt service). The Department of Revenue's (Department) primary function is to collect taxes for the State and units of local governments. In FY 1998, the Department collected over \$20 billion in tax revenues. Also, the Department reported tax receivables of \$1.2 billion, which accounts for 26% of the State of Illinois' receivables available for collection.

The more effective the Department is at collecting taxes, the greater the portion of tax monies that will be available to finance State programs. The Department's efficiency in collection will assist in this effort. Efficiency can be measured by the cost to the Department of collecting each \$1,000 in tax revenues. According to data submitted by the Department for Service, Efforts and Accomplishments (SEA) reporting, it cost \$6.52 to collect each \$1,000 in taxes during FY 1998. Collection costs have declined significantly since 1989 when the cost was \$9.29 per \$1,000 in tax collections.

The Department's SEA reporting also indicated that increased efficiency has been reflected in expanded automation and reduced employment levels from 3,309 in FY 1986 to 2,439 in FY 1998. Automation efforts include electronic and telephone filing of tax returns, electronic fund transfers as well as an automated calling system for tax collection.

In FY 1998, the delinquent tax program had a staff of 322 and direct operating expenses of \$16.8 million. The overall value of delinquent tax debt collected has more than doubled during the 1990's from \$147.9 million in FY 1991 to \$360.1 million in FY 1998. In FY 1998, \$21.45 was collected in delinquent taxes for each direct dollar of collection costs, up from \$17.63 in FY 1997.

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The Department's experience in collecting delinquent taxes has proven useful in dealing with the non-payment of child support problem. Since FY 1996, the Department of Public Aid has been authorized to certify past due child support claims to the Department, which utilizes delinquent tax collection methods to collect these receivables. In FY 1998, the Department spending of \$576,000 for delinquent child support yielded collections of \$12.2 million (or \$1.1 million per child support collection staff) and \$21.70 in collections for each dollar of direct program costs.

Even though collection efforts appear to be working quite well based on the above information, a large percentage of tax receivables are estimated to be uncollectible — 76%. In the past the Department has indicated that writing off uncollectible amounts was not a high priority. The Department's quarterly receivable reports show one account on their books going back to 1951. They have indicated that this account will be written off sometime this year. Maintaining balances on the books with little hopes of collecting the debt is not cost efficient. Department staff should be focusing their collection efforts on the debts where there is a greater probability of collection.

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Comptroller Offset System

The State Collection Act of 1986 required that State agencies place debts which exceed \$1,000 and are more than one year past due in the Comptroller's Offset System. The one year requirement was reduced to 90 days, effective January 1, 1998. The Offset System is a collection tool made available to agencies by the Comptroller's Office and used to intercept payments to debtors who owe the State money. The intercepted payment is then used to reduce the debt owed to the State. There was \$7.1 million recovered through the Offset System in calendar year 1997 and \$8.7 million in 1998 (an increase of 20%).

A Legislative Audit Commission Resolution directed the Auditor General to determine whether the ten agencies with the largest amount of net receivables were placing all eligible debts in the Offset System. A random sample of 100 receivables over \$1,000 and over one year old were examined at each of the ten agencies.

A review of these 1,000 receivables, which totaled \$35.7 million, showed a disappointing 52% of the receivables did not comply with the provisions of the State Collection Act. Of the 52%, 33% were not placed in the Comptroller Offset System at all and 19% were placed in the system after the one year time period established by the act. Also, for the receivables placed in the system after the one year time period, the average age of the debt was 3.7 years.

The audit disclosed that of the accounts placed in the Offset System, many contained inaccurate amounts. Some receivables were duplicated, some should never have been entered within the system, while others were under or overstated. While there are attempts to obtain proper identifying numbers for all entities owing money to the State, some are not available. Per the Auditor General's review, the State was unable to place \$684,000 of accounts receivable in the Offset System due to lack of Social Security Numbers or Employer Identification Numbers.

Had all receivables within the Auditor General's sample been properly submitted, it is estimated that over \$1 million may have been recovered. Based on a projection of this sample, potentially \$13.5 million could have been recovered if agencies had submitted all eligible accounts receivable that exceeded \$1,000 and were over one year old. With the change in legislation to 90 days effective January 1, 1998, this amount would be even higher. Agency compliance with the change to 90 days will definitely increase the number of receivables placed in the Offset System and provide higher collection results.

Some agencies indicated that it was not cost effective to submit all debts to the Offset System. For example, the Department of Revenue officials reported to the Auditor General that they do not refer all debts because of the resources (staff and computer time) needed to notify debtors and continually update balances in the Offset System. Rather, the Department obtains a Comptroller Office commercial warrant file and runs its account receivables against that file. If there is a match, then they send that receivable to the Offset System. However,

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single pay warrants or instances where the debtor receives Lottery winnings would be missed using Revenue's methodology.

One of the exemptions from submitting claims to the Offset System is if the agency "demonstrates to the Comptroller's satisfaction" that referral for offset is not cost effective. Documentation is required from an agency to demonstrate that submission of a receivable is not cost-effective. No agency has provided sufficient documentation to be granted this exemption. Those agencies who do not submit all receivables which are over \$1,000 and greater than 90 days past due are not in compliance with the State Collection Act. The Office of the Comptroller is currently considering changes to the quarterly accounts receivable reports that will more effectively monitor the compliance of the Offset System use. With increased compliance of Offset System use, the 20% increase from 1997 to 1998 recovered amounts should climb even higher. This means honest taxpayers, clients, etc. will not have to bear a heavier burden of subsidizing those who do not pay their fair share.

ANALYSIS OF RECEIVABLES

The primary purpose of this report is to provide a basis for the reader to analyze and assess the State's performance in managing its receivable assets. The next section provides an analysis of receivables in the following areas:

- Aging
- Ten Largest Receivables Agencies
- Collectibility as a Percentage of Gross Receivables
- Receivables Over 90 Days Past Due
- Days in Receivable
- Write-Offs
- Collection Activity Summary

Receivables Report Categories

Each of the above categories of analysis contain the following sections:

Explanation

- Summarizes and explains the purpose of the performance measure/analysis
- Provides conclusions which can be made from the data presented

Graph

- Summarizes the data presented in a graphical form
- Illustrates performance measure trends

Table

- Lists receivable measures by agency including state average where appropriate

Variance Analysis

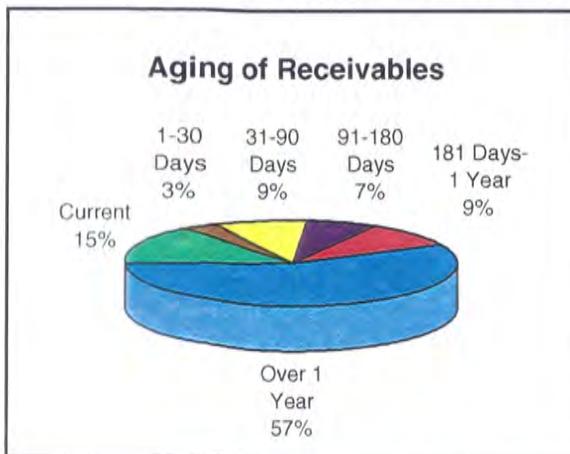
- Explains significant deviations

ANALYSIS OF RECEIVABLES

Aging

Many organizations consider internal collection efforts to be less cost effective after 90-120 days. For these aged receivables, many non-governmental organizations outsource additional efforts to third party collection agencies.

State agencies should use aggressive internal efforts including the combined use of a letter series and phone calls to collect receivables. The age of an agency's gross receivables is a good indicator of how successful it is at collecting its accounts. Agencies with a majority of their accounts 1-90 days past due generally have effective initial collection efforts. When accounts are over 90 days past due, the risk of not collecting the debt increases. Therefore, the collection effort becomes more costly and time-consuming.



Aging Summary			
Five Highest Percentages for 1998			
Agency*	1998		1997
	Gross Receivables	Amt Over 1 Year as a % of Gross	
Public Aid	\$1,706,986	69.5%	68.9%
Revenue	1,087,782	69.6%	74.2%
Employment Security	282,883	69.6%	73.6%
State Police	3,868	79.2%	42.7%
Insurance	1,632	68.3%	32.9%

* Agencies with gross receivables of \$1 million or more.

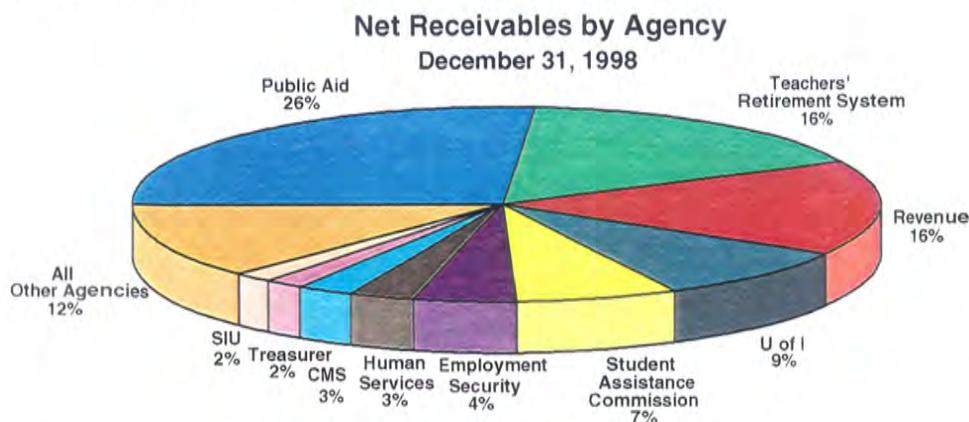
Variance Analysis

- The gross receivables of \$4.6 billion consist of 12% between 1 and 90 days past due. Accounts in this category are likely to be collected.
- Accounts between 91 days and 1 year past due are 16%. At this age, accounts should be in active collection efforts including outside collection agencies, litigation, and the Comptroller's Offset Program.
- Accounts over 1 year old comprise 57% of the receivables. Collection of these accounts may be doubtful because of their age. Agencies should concentrate on final resolution of these problem accounts.
- The Department of Revenue reported \$757 million of accounts over 1 year past due. Since Revenue does not currently have an automated receivable write-off mechanism for all tax systems, the process of determining the collectibility of these accounts is time consuming, especially with the lack of staffing resources in this area.
- The high percentage of receivables over 1 year past due at the Department of Public Aid is partially due to a prior federal restriction on the write-off of child support claims, which has resulted in a large backlog of claims to be written off.

ANALYSIS OF RECEIVABLES

Ten Largest Receivables Agencies

The ten largest receivable agencies comprise 88% of the State's net receivables for 1998. The remaining 12% of receivables are held by over 50 agencies. In order to have the most significant impact on the state's receivable balance, primary collection efforts should be focused on these ten agencies. While the state should not lessen its efforts at the remaining agencies, the greatest potential benefits in terms of reduced carrying costs and lower write-offs through improved collection exists at the top ten agencies. The receivables available for collection presented for these agencies exclude deferred receivables.



Ten Largest Receivables Agencies

(in millions)

Agency	December 31, 1998			December 31, 1997			Change in "Net"
	Available for	Estimated	Net	Available for	Estimated	Net	
	Collection	Uncollectibles		Collection	Uncollectibles		
Public Aid	\$ 1,707	\$ 1,283	\$ 424	\$ 1,546	\$ 752	\$ 794	(370)
Teachers' Retirement System	264	-	264	148	-	148	116
Revenue	1,088	829	259	1,059	780	279	(20)
University of Illinois (U of I)	286	146	140	279	140	139	1
Student Assistance Comm	131	16	115	530	16	514	(399)
Employment Security	283	215	68	305	226	79	(11)
Human Services	514	469	45	525	476	49	(4)
Central Mgmt Services (CMS)	43	2	41	41	3	38	3
Treasurer	29	-	29	22	-	22	7
Southern Illinois University (SIU)	32	7	25	28	7	21	4
Total Ten Largest Agencies	\$ 4,377	\$ 2,967	\$ 1,410	\$ 4,483	\$ 2,400	\$ 2,083	\$ (673)
Total All Other Agencies	258	56	202	323	67	256	(54)
Total of All Agencies	\$ 4,635	\$ 3,023	\$ 1,612	\$ 4,806	\$ 2,467	\$ 2,339	\$ (727)

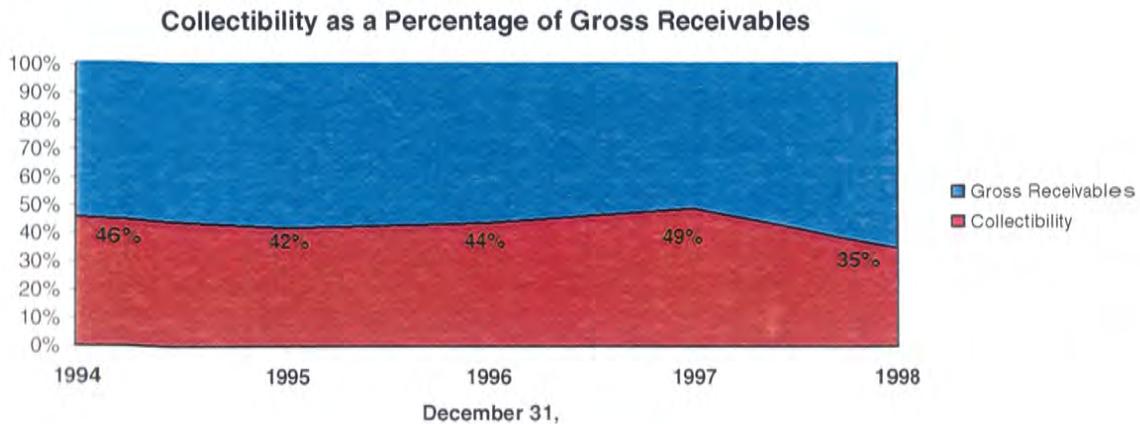
Variance Analysis

- The Student Assistance Commission net receivables decreased \$399 million. The majority of this decrease is due to a revision in the methodology for aging accounts which resulted in a smaller amount of loans to be reported as available for collection.
- The Department of Public Aid net receivables decreased by \$370 million due to a first time estimate of uncollectibles for non-assistance child support claims.

ANALYSIS OF RECEIVABLES

Collectibility as a Percentage of Gross Receivables

Collectibility as used in this analysis equates to gross receivables less an allowance for receivables estimated to be uncollectible. Collectible receivables are sometimes referred to as “net” receivables. Higher percentages are favorable and indicate that a greater percentage of gross receivables are expected to be collected. The graph illustrates the relationship between collectible and gross receivables and is an indication of the portion of receivables which the state expects to collect in the near future. At December 31, 1998, the statistic indicates that 35 cents out of every \$1 that has been recorded as a receivable by the State of Illinois is expected to be collected. Agencies determine the collectibility of their own receivables and report this information quarterly. Collectibility provides the reader with an estimate of funds available in the future and can also be used to identify subpopulations of receivables which need additional attention. Low collectibility may indicate the receivables population has many old problem accounts which should be targeted for more aggressive collection efforts or possibly written-off.



Variance Analysis

- The Department of Revenue’s collectibility rate is among the State’s lowest due to the large number of accounts that are waiting to be written off.
- The majority of The Department of Human Services’ receivables are reported in their Public Assistance Recoveries Trust Fund. A very high percentage of the grant and food stamp overpayment receivables has been estimated to be uncollectible.

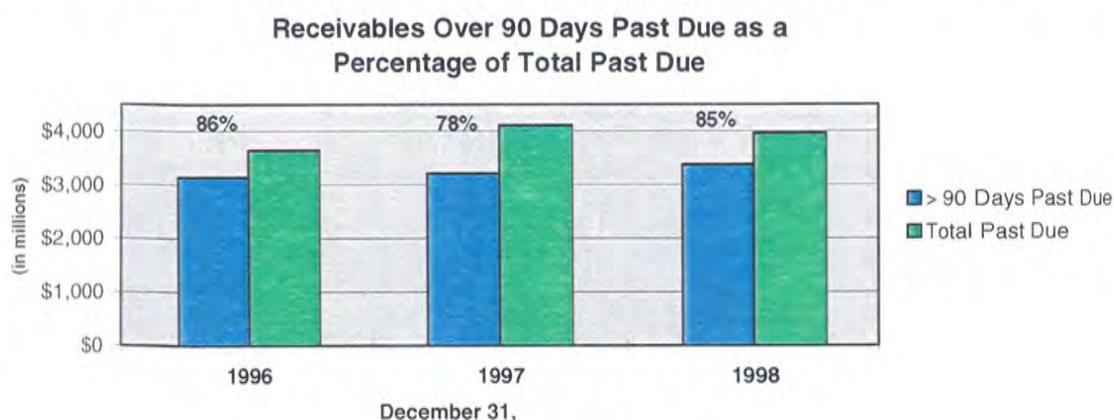
Collectibility as a % of Gross Receivables (in thousands)				
Five Lowest Percentages for 1998				
Agency*	1998			1997
	Gross Receivables	Collectibility	%	%
Revenue	\$ 1,087,782	\$ 258,793	24%	26%
Human Services	513,937	44,520	9%	9%
State Police	3,868	799	21%	57%
Development Finance	2,200	500	23%	43%
Insurance	1,632	314	19%	26%
State Average	35%			

*Agencies with \$1 million or more of gross receivables.

ANALYSIS OF RECEIVABLES

Receivables Over 90 Days Past Due as a Percentage of Total Past Due

Most organizations expect to collect the majority of their receivables in the first 90 days. However, some accounts will prove difficult to resolve and will extend past 90 days. This measurement is an indicator of the effectiveness of the agency at managing problem accounts and the use of collection tools to resolve such accounts. A lower percentage is desirable and should reflect that an agency is aggressively managing receivables internally and then making effective use of other tools including placement of the receivables with outside collection agencies when internal efforts no longer prove effective.



Variance Analysis

- The Student Assistance Commission has one of the lowest percentages over 90 days past due. They aggressively pursue collection of the student loans outstanding. In addition, most of their loans are guaranteed by the federal government.

Receivables Over 90 Days Past Due as a Percentage of Total Past Due
(in thousands)

Five Lowest Percentages for 1998

Agency*	1998		1997	
	Total Past Due	Amount Over 90 Days	%	%
Student Assistance Commission	\$ 117,938	\$ 52,661	45%	9%
Transportation	13,419	5,178	39%	52%
Illinois State University	11,918	6,136	51%	46%
Northeastern Illinois University	4,442	1,796	40%	73%
Criminal Justice Authority	1,167	98	8%	17%
State Average			85%	

*Agencies with \$1 million or more of receivables past due.

- The Department of Transportation's receivables are largely due from local governments. Although the payments are not made by the due date, most are paid within 90 days.

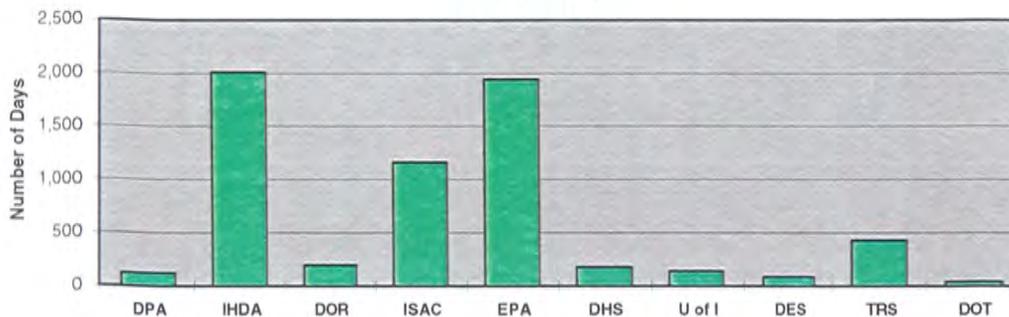
- As of December 31, 1998, 85% of the past due accounts are over 90 days past due. This percentage is higher than the 78% reported for 1997. This is not a good trend in the overall effectiveness of the State's expectation of receiving collection on its receivables. This trend indicates a potential for increased write-offs of State receivables assets in the future.

ANALYSIS OF RECEIVABLES

Days in Receivable

Days in receivable, to reflect a more meaningful analysis of government receivables, is calculated by dividing the total additions of new receivables for the year by 365. Then gross receivables at the end of the year are divided by the calculated daily receivable amount. Many agencies may reflect a large number of days in receivable due to a deferment granted, e.g. student loans do not become due and payable until after the student has graduated and started to work. The receivable, however, is booked at the date granted. Other agencies may not defer the whole receivable balance but rather offer an installment plan for payments. For comparison purposes, we calculated this metric for the ten agencies with the largest gross receivables.

Days in Receivable
December 31, 1998



Variance Analysis

- Low values for the Departments of Transportation and Public Aid number of “days in receivable” reflect that the clients they serve are less likely to pay on an installment basis.

Agency*	Gross Receivables	Number of Days	
		1997	1998
Public Aid	\$ 1,706,986	106	118
Housing Dev.	1,614,453	2,271	2,010
Revenue	1,087,782	210	200
Student Assist.	971,144	1,483	1,160
Environmental Prot	681,131	1,464	1,946
Human Services	513,937	198	177
Univ. of Illinois	331,149	136	139
Employment Sec.	282,883	90	82
Teachers' Ret	263,833	2,206	431
Transportation	80,603	42	39

* Ten agencies with the largest gross receivables.

- The higher values for Housing Development, Environmental Protection Agency and Student Assistance Commission reflect the fact that most of their receivables are deferred or installment receivables.

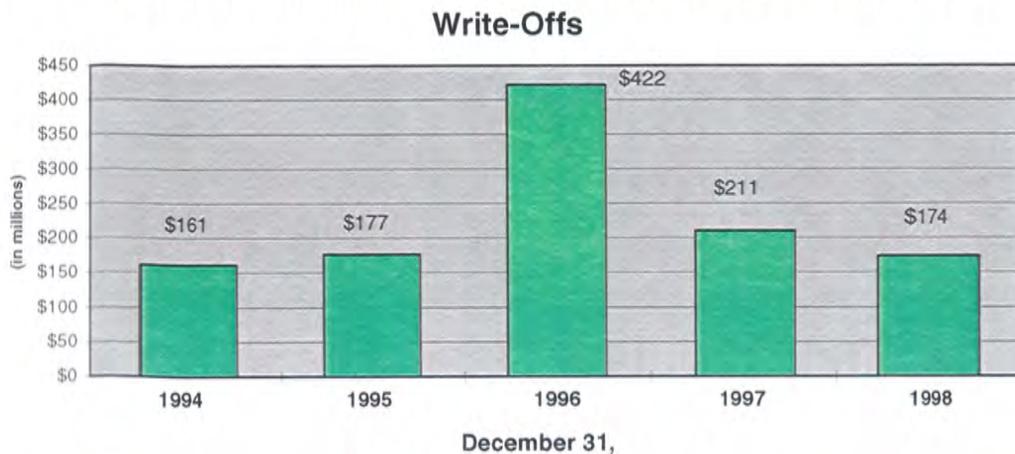
WRITE-OFF SUMMARY

Write-Offs as a Percentage of Gross Receivables

Write-offs as a percentage of gross receivables allow for evaluation of the agencies write-off policies. It is calculated as write-offs divided by gross receivables.

A certain percentage of any receivable is expected to become uncollectible. Agencies should monitor write-off activity to ensure that reasonable collection efforts are being made. Unusual variances may indicate process problems including the granting of credit as well as the quality of collection efforts.

Write-offs statewide for 1998 totaled \$174 million. In situations where collection efforts have indicated that the debtor has an inability to pay, write-offs are appropriate. In order to promote efficiency of collection personnel efforts, receivable accounts should regularly be purged of uncollectible accounts. By removing such accounts, collection staff are not distracted by low opportunity accounts and can instead focus their efforts on high opportunity accounts which often need minimal effort to resolve the account with the debtor.



Variance Analysis

- The Department of Employment Security experienced an increase of \$20 million in their write-offs for 1998. This was due to a clean up of old accounts. Many of these old accounts included companies that had closed.
- The Department of Revenue's write-offs decreased in 1998. In 1996, they cleaned up many old accounts causing the major fluctuation in the above graph. They currently have automated write-offs for sales tax only. They are in the process of automating write-offs for withholding and business taxes.

Agency*	Amount	%**
DES	\$ 66,012	23%
DOR	65,639	6%
U of I	31,493	10%
DHS	3,228	1%
DCFS	3,019	8%

* Agencies with write-offs of \$1 million or more during calendar year 1998.
** Write-Offs as a % of Gross Receivables

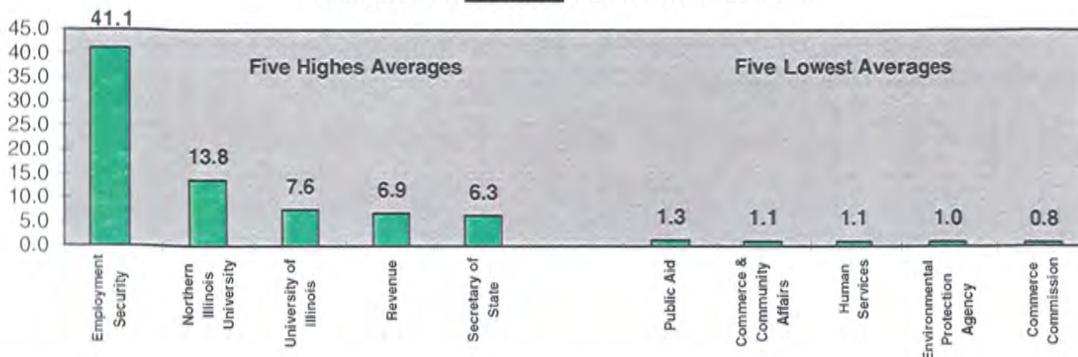
COLLECTION ACTIVITY SUMMARY

Number of Letters and Phone Calls Per Account

Individual agencies are responsible for the collection of the State's receivables generated within their agency. The initial step in collecting receivables usually begins with a letter series, which includes letters sent every 15-30 days for a total of 4-6 letters. Phone calls are often made to a prioritized list of accounts with high balances. The average number of letters sent to a debtor should be between 1 and 4. Most collection efforts include the use of various tools to communicate and work with debtors in order to resolve accounts.

Collection letters are just one tool and they quickly become ineffective when the debtor has a legitimate dispute or the inability to pay. In many cases, a debtor's non-payment on an aged account is due to a dispute or question which may require direct contact with the debtor to resolve. In such cases, a phone call is often the most effective method to resolve the account. State agencies should periodically evaluate their collection processes to ensure they are cost effective and at the same time aggressive enough to appropriately manage the State's receivable assets.

Number of Letters Sent Per Account



Number of Collection Calls Made Per Account

Five Highest Averages for 1998			Five Lowest Averages for 1998		
Agency	Avg. # of Calls per Account		Agency	Avg. # of Calls per Account	
	1998	1997		1998	1997
Revenue	9.1	7.0	Lottery	0.4	0.3
University of Illinois	6.6	4.2	Transportation	0.3	0.7
Medical District Commission	4.5	4.5	Human Services	0.3	--
Northern Illinois University	3.5	3.8	Commerce & Community Affairs	0.3	0.5
Secretary of State	2.7	2.3	Environmental Protection Agency	0.1	--

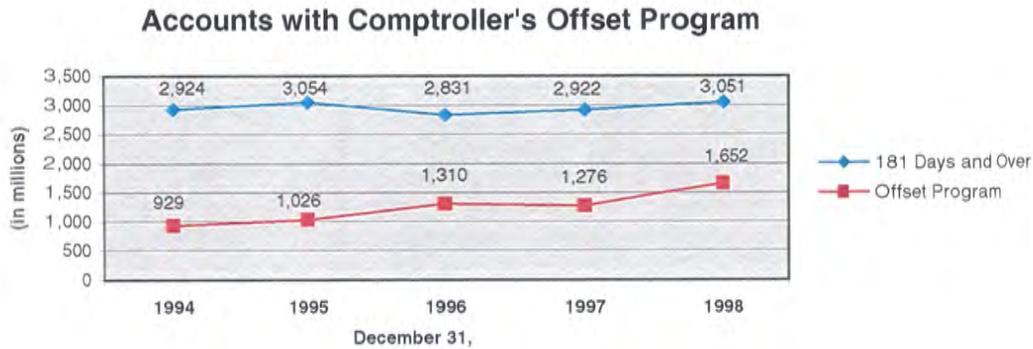
Variance Analysis

- The above data is based on information reported by agencies on accounts over \$15,000 and over 180 days past due. Aggressive collection techniques should be utilized on these accounts. Other techniques include: skip tracing, liens, Comptroller's Offset Program, etc.

COLLECTION ACTIVITY SUMMARY

Amount in Comptroller's Offset as a % of Accounts Over 180 Days Past Due

The Offset Program is a collection tool available to state agencies which deducts amounts from state warrants (payments) to individuals or businesses in order to pay bills owed to the agencies. Offset can be made with tax refunds and payments for goods and services. Effective January 1, 1998, debts greater than \$1,000 and 90 days old were required to be placed in the Offset Program. With few exceptions, the Comptroller's Office strongly encourages the use of the Offset Program as early in the collection process as is appropriate for agencies. Based on information submitted to the Comptroller's Office, the following data indicates the degree to which specific agencies use this collection tool on a proactive basis. The Offset Program can be effective for inexpensively locating debtors who have moved or to resolve problem accounts where the debtor may no longer have contact with an agency; and yet, the debtor is receiving payments from another state agency.



Variance Analysis

- 36 agencies are currently using the Comptroller Offset System. Of these 36 agencies, eight reported accounts which were over 180 days old and greater than \$15,000.

Amount in Comptroller's Offset as a % of Accounts Over 180 Days Past Due (in thousands)			
Five Highest Percentages			
Agency	Amount > 180 Days	Amount with Offset	%
Public Aid	\$1,381,666	\$1,241,335	90%
Northern Illinois University	5,458	4,068	75%
Attorney General	4,263	3,180	75%
Northeastern Il University	1,423	996	70%
Professional Regulation	43	31	72%
State Average			54%

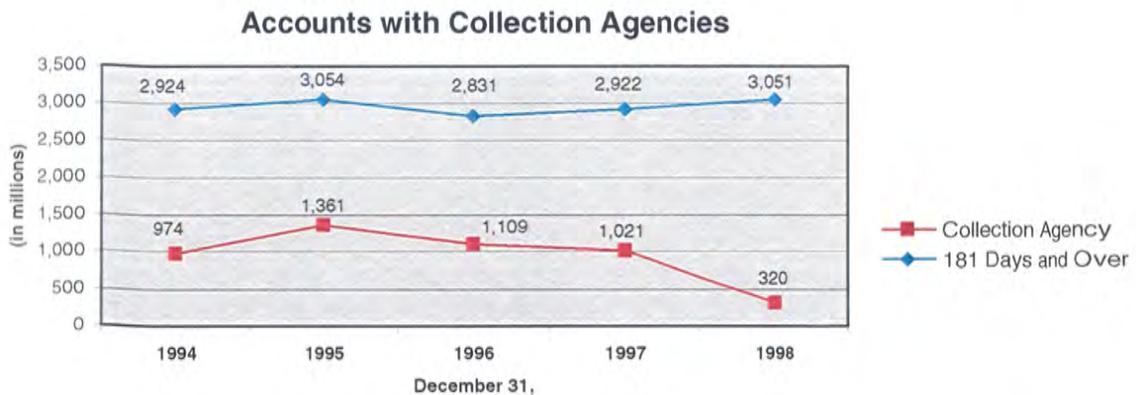
- \$10.2 million in payments were intercepted for accounts in the Offset System. Of this amount \$8.7 million actually reduced the amounts due the state agencies. The remainder was refunded to the individual/entity whose payment was intercepted.

- The Department of Public Aid has effectively used the Offset System. They submitted computer tapes with \$1.2 billion of accounts receivables.

COLLECTION ACTIVITY SUMMARY

Amount in Outside Collection Agencies as a % of Accounts Over 180 Days Past Due

In addition to internal collection efforts, most private businesses use collection agencies as another tool to facilitate resolution of problem accounts. Depending on the nature of a receivable population, many organizations will work accounts internally up to 90-120 days past due. At this point, when letters and/or telephone contact have not been successful, accounts will be placed with collection agencies. The following information for specific agencies selected for comparison purposes shows the varying degrees to which state agencies make use of collection agencies.



Variance Analysis

- The Department of Public Aid has the lowest percentage of accounts placed with private collection agencies. The conversion to their new system (KIDS) resulted in a large backlog of programming requests which required prioritization. Unfortunately, identification of accounts to be placed with private collection agencies has not been accomplished due to higher priorities.

Agency	Five Lowest % For 1998			1997
	Amount > 180 Days	Amount with Collection Agency	%	%
Public Aid	\$ 1,381,666	\$ 646	0.1%	55.2%
Revenue	825,888	50,946	6.2%	6.5%
Children & Family Services	25,445	827	3.3%	6.1%
Attorney General	4,263	260	6.1%	23.6%
State Police	3,283	92	2.8%	17.5%
State Average 10%				

- The Department of Revenue, while having a low percentage of accounts placed with private collection agencies, continues to exhibit a tremendous collection effort due to a large internal collection staff. The accounts placed with external agencies, as a last effort before writing-off, are primarily very old, low dollar amounts.

State of Illinois
Receivables Activity by Agency
For the Calendar Year Ended December 31, 1998
(In Thousands)

Agency*	Gross	Add:	Less:		Gross**	Estimated Uncollectible	Net Receivables
	Receivables 12/31/97	Additional Receivables	Collections	Write-Offs	Receivables 12/31/98		
Public Aid	\$1,545,952	\$4,971,644	\$4,810,610		1,706,986	\$1,283,114	\$423,872
Housing Development Authority	1,635,636	261,074	282,257		1,614,453	22,600	1,591,853
Revenue	1,058,770	895,023	800,372	\$65,639	1,087,782	828,989	258,793
Student Assistance Commission	802,622	321,065	152,543		971,144	15,877	955,267
Environmental Protection Agency	620,819	125,888	65,468	108	681,131	250	680,881
Human Services	524,661	1,052,883	1,060,379	3,228	513,937	469,417	44,520
University of Illinois	321,452	868,933	827,743	31,493	331,149	147,758	183,391
Employment Security	304,901	1,251,587	1,207,593	66,012	282,883	214,639	68,244
Teachers' Retirement System	147,821	223,446	107,390	44	263,833	50	263,783
Transportation	98,339	742,975	760,318	393	80,603	2,723	77,880
Central Management Services	41,011	208,449	206,465	79	42,916	2,435	40,481
Children & Family Services	40,950	20,800	18,919	3,019	39,812	27,049	12,763
Southern Illinois University	30,106	208,556	203,874	944	33,844	8,099	25,745
Commerce & Community Affairs	40,784	1,071	9,259	598	31,998	2,114	29,884
Treasurer	21,980	559,591	552,693		28,878		28,878
Illinois State University	21,269	196,929	193,476	52	24,670	838	23,832
Eastern Illinois University	23,046	14,688	14,641	34	23,059	436	22,623
Northern Illinois University	17,796	150,138	149,157	26	18,751	1,606	17,145
Capital Development Board	16,239	4,809	3,999		17,049	14,968	2,081
Chicago State University	14,705	19,739	19,982		14,462	3,120	11,342
Development Finance Authority	14,074	2,470	2,199		14,345	2,980	11,365
Toll Highway Authority	9,439	50,812	49,263	16	10,972	1,682	9,290
Northeastern Illinois University	9,115	19,596	18,750		9,961	1,676	8,285
Lottery	9,643	836,447	836,185	32	9,873	477	9,396
Secretary of State	7,605	16,426	14,699	100	9,232	929	8,303
Western Illinois University	8,894	87,813	87,844	628	8,235	922	7,313
Corrections	6,972	48,062	47,552		7,482		7,482
Governors State University	6,668	3,848	3,226		7,290	2,250	5,040
Attorney General	30,206	(19,912)	3,897	628	5,769	3,530	2,239
Environmental Protection Trust Fund	1,908	6,721	3,398	60	5,171	51	5,120
Office of Banks & Real Estate	4,970	15,731	15,856	2	4,843	911	3,932
Veterans' Affairs	4,420	27,863	27,549	1	4,733	621	4,112
Public Health	1,939	12,372	10,296	2	4,013		4,013
State Police	3,878	3,770	3,508	272	3,868	3,069	799
Natural Resources	2,405	48,828	48,300	92	2,841		2,841
State Employees' Retirement System	2,183	3,023	2,924	11	2,271		2,271

Agency*	Gross	Add:		Less:		Gross**	Estimated Uncollectible	Net Receivables
	Receivables 12/31/97	Additional Receivables	Collections	Write-Offs	12/31/98	Receivables 12/31/98		
Insurance	2,431	19,526	20,265	60	1,632	1,318	314	
Farm Development Authority	1,772	547	569	232	1,518	757	761	
Criminal Justice Information Authority	936	2,058	1,827		1,167		1,167	
Office of the State Fire Marshal	981	1,678	1,900		759	591	168	
Commerce Commission	793	77	53	110	707	478	229	
State Universities Retirement System	429	235	83		581	28	553	
State's Attorneys Appellate Prosecutor	671	1,105	1,206		570		570	
Nuclear Safety	594	4,298	4,359		533	3	530	
Agriculture	449	3,225	3,133	22	519	9	510	
Prairie State 2000 Authority	306	180	123	22	341	45	296	
Military Affairs	471	11,190	11,368		293		293	
Judges Retirement System	132	604	459		277		277	
Labor	262	1,940	1,961		241	20	221	
Medical District Commission	133	840	744		229	98	131	
Comptroller	222	648	573	71	226	81	145	
Professional Regulation	246	663	597	96	216	3	213	
Health Facilities Authority	51	1,762	1,700		113		113	
Financial Institutions	103	5,851	5,856		98		98	
Mathematics & Science Academy	97	578	579		96		96	
Supreme Court	72	408	410	1	69		69	
Emergency Management Agency	187	(146)	7		34		34	
Educational Facilities Authority	15	380	377		18		18	
Comprehensive Health Insurance Bd	106	19	112		13		13	
Pollution Control Board	1	10	10		1		1	
General Assembly Retirement System	7	44	50		1		1	
Health Care Cost Containment		12	12					
Office of the Governor	20	42	62					
Auditor General	177	1,296	1,473					
Legislative Information System		2	2					
Community College Board	47	(25)	22					
Total All Agencies	\$7,464,889	\$13,322,205	\$12,682,476	\$174,127	\$7,930,491	\$3,068,611	\$4,861,880	
Less Deferred Receivables						45,393	3,249,630	
						\$3,023,218	\$1,612,250	

* Descending order by gross receivables as of December 31, 1998.

**Gross Receivables includes the amount of deferred receivables.

State of Illinois
Past Due Receivables
General Funds
December 31, 1998

(In Thousands)

Agency and Revenue Source	1 - 90 Days	91 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Gross Receivables
Supreme Court						
Other Revenue	\$1	\$2	\$1	\$2	\$6	\$6
Licenses & Fees	59				59	63
Total Supreme Court.....	60	2	1	2	65	69
Attorney General						
Other Revenue	20	67	310	1,481	1,878	1,879
Total Attorney General.....	20	67	310	1,481	1,878	1,879
Secretary of State						
Other State Taxes	20	7	4	37	68	109
Licenses & Fees	43	5	15	301	364	365
Total Secretary of State.....	63	12	19	338	432	474
Comptroller						
Other Revenue	1	9	107	88	205	205
Total Comptroller.....	1	9	107	88	205	205
Treasurer						
Other State Taxes						2,896
Interest & Other Investment Income						25,982
Total Treasurer.....						28,878
Agriculture						
Licenses & Fees	16	7	4	9	36	59
Total Agriculture.....	16	7	4	9	36	59
Children & Family Services						
Other Revenue	1,004	4,984	3,618	2,603	12,209	16,415
Licenses & Fees	1,805	1,685	3,169	16,055	22,714	23,397
Total Children & Family Services.....	2,809	6,669	6,787	18,658	34,923	39,812
Commerce & Community Affairs						
Loan & Note Repayments	38	7			45	12,941
Total Commerce & Community Affairs.....	38	7			45	12,941
Human Services						
Other Revenue	4	135	190	1,904	2,233	2,240
Total Human Services.....	4	135	190	1,904	2,233	2,240
Insurance						
Other Revenue	18	11	63	203	295	316
Other State Taxes	11		209	892	1,112	1,258
Total Insurance.....	29	11	272	1,095	1,407	1,574

Agency and Revenue Source	1 - 90 Days	91 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Gross Receivables
Labor						
Licenses & Fees			1	1	2	14
Other Revenue		1		89	90	119
Total Labor.....		1	1	90	92	133
Professional Regulation						
Other Revenue						1
Total Professional Regulation.....						1
Public Aid						
Other Revenue	3,177	1,758	1,298	16,370	22,603	55,283
Total Public Aid.....	3,177	1,758	1,298	16,370	22,603	55,283
Public Health						
Licenses & Fees						1
Loan & Note Repayments	2	1	2	2	7	18
Federal Government Revenue						534
Total Public Health.....	2	1	2	2	7	553
Revenue						
Other State Taxes	10,394	1,284	2,701	24,157	38,536	38,536
Business Income Taxes	46,996	4,895	5,950	44,282	102,123	102,123
Withholding Income Taxes	20,627	8,829	7,482	89,086	126,024	126,024
Income Taxes	44,061	23,555	22,300	122,379	212,295	212,295
Sales Taxes	17,173	7,687	13,461	267,981	306,302	306,302
Total Revenue.....	139,251	46,250	51,894	547,885	785,280	785,280
State Police						
Other Revenue	5		106	122	233	252
Total State Police.....	5		106	122	233	252
Transportation						
Other Revenue			63		63	63
Federal Government Revenue	74				74	74
Loan & Note Repayments				37	37	2,262
Total Transportation.....	74		63	37	174	2,399
Capital Development Board						
Loan & Note Repayments						15,528
Total Capital Development Board.....						15,528
Environmental Protection Agency						
Other Revenue		1		26	27	27
Total Environmental Protection Agency.....		1		26	27	27
Prairie State 2000 Authority						
Loan & Note Repayments	17	6	68	214	305	341
Total Prairie State 2000 Authority.....	17	6	68	214	305	341

Agency and Revenue Source	1 - 90 Days	91 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Gross Receivables
Student Assistance Commission						
Loan & Note Repayments						11,453
<i>Total Student Assistance Commission.....</i>						11,453
Total General Funds.....	\$145,566	\$54,936	\$61,122	\$588,321	\$849,945	\$959,381

**State of Illinois
Past Due Receivables
Nongeneral Funds**

December 31, 1998
(In Thousands)

Agency and Revenue Source	1 - 90 Days	91 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Gross Receivables
General Assembly Retirement System						
Other Revenue						\$1
Total General Assembly Retirement System.....						1
Judges Retirement System						
Other Revenue				\$6	\$6	277
Total Judges Retirement System.....				6	6	277
State's Attorneys Appellate Prosecutor						
Other Revenue	\$15				15	570
Total State's Attorneys Appellate Prosecutor...	15				15	570
Attorney General						
Other Revenue	60	\$129	\$423	2,049	2,661	3,890
Total Attorney General.....	60	129	423	2,049	2,661	3,890
Secretary of State						
Other Revenue				2	2	2
Licenses & Fees	303	244	243	2,113	2,903	8,756
Total Secretary of State.....	303	244	243	2,115	2,905	8,758
Comptroller						
Licenses & Fees	2		2		4	4
Other Revenue	7	2		8	17	17
Total Comptroller.....	9	2	2	8	21	21
Agriculture						
Other Revenue	14	8	15	3	40	48
Loan & Note Repayments						125
Licenses & Fees	161	28	21	36	246	287
Total Agriculture.....	175	36	36	39	286	460
Central Management Services						
Other Revenue	135				135	147
Charges for Sales & Services	8,093	15,667			23,760	42,769
Total Central Management Services.....	8,228	15,667			23,895	42,916
Commerce & Community Affairs						
Licenses & Fees						259
Loan & Note Repayments	24		18	3,484	3,526	18,798
Total Commerce & Community Affairs.....	24		18	3,484	3,526	19,057

Agency and Revenue Source	1 - 90 Days	91 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Gross Receivables
Natural Resources						
Interest & Other Investment Income						103
Federal Government Revenue	360				360	363
Licenses & Fees	75	290	2	434	801	801
Other Revenue	55	62	203	828	1,148	1,574
Total Natural Resources.....	490	352	205	1,262	2,309	2,841
Corrections						
Charges for Sales & Services		667	1,419		2,086	7,482
Total Corrections.....		667	1,419		2,086	7,482
Employment Security						
Federal Government Revenue		2	5		7	7
Other Revenue	1,029	41	41	1,872	2,983	6,390
Unemployment Taxes	7,532	15,862	17,779	91,056	132,229	132,229
Unemployment Ins Benefit Ovrpymt	10,881	12,431	13,012	103,883	140,207	144,257
Total Employment Security.....	19,442	28,336	30,837	196,811	275,426	282,883
Financial Institutions						
Licenses & Fees	98				98	98
Total Financial Institutions.....	98				98	98
Human Services						
Federal Government Revenue	8	173	158	885	1,224	1,687
Other Revenue	27	1,911	2,398	17,073	21,409	25,775
Public Assistance Recoveries	36,529	25,031	64,942	280,433	406,935	484,235
Total Human Services.....	36,564	27,115	67,498	298,391	429,568	511,697
Insurance						
Other State Taxes				3	3	3
Other Revenue	6		1	13	20	21
Licenses & Fees	19		2	4	25	34
Total Insurance.....	25		3	20	48	58
Labor						
Other Revenue	33	12	12	30	87	108
Total Labor.....	33	12	12	30	87	108
Lottery						
Charges for Sales & Services	130	64	2,697		2,891	9,873
Total Lottery.....	130	64	2,697		2,891	9,873
Military Affairs						
Other Revenue			1		1	24
Federal Government Revenue						269
Total Military Affairs.....			1		1	293

Agency and Revenue Source	1 - 90 Days	91 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Gross Receivables
Nuclear Safety						
Other Revenue				2	2	2
Licenses & Fees	45	3		2	50	531
Total Nuclear Safety	45	3		4	52	533
Professional Regulation						
Licenses & Fees	3	1	5	6	15	15
Other Revenue	6	16	14	18	54	200
Total Professional Regulation	9	17	19	24	69	215
Public Aid						
Other Revenue				1	1	1
Public Assistance Recoveries	337	1	89	2,373	2,800	6,705
Licenses & Fees	1,555	397	78	757	2,787	9,537
Child Support Claims	158,633	116,114	194,656	1,166,044	1,635,447	1,635,460
Total Public Aid	160,525	116,512	194,823	1,169,175	1,641,035	1,651,703
Public Health						
Other State Taxes						66
Licenses & Fees	61	9	1		71	344
Other Revenue	21	51	75	86	233	804
Loan & Note Repayments	8	12	28	40	88	2,246
Total Public Health	90	72	104	126	392	3,460
Revenue						
Other State Taxes	16	8	18	9	51	14,804
Income Taxes	30,098	4,311	4,636	35,304	74,349	74,349
Motor Fuel Taxes	12,004	4,561	5,787	65,470	87,822	87,822
Sales Taxes	7,190	3,452	6,893	107,992	125,527	125,527
Total Revenue	49,308	12,332	17,334	208,775	287,749	302,502
State Police						
Licenses & Fees			25		25	25
Federal Government Revenue	6	14		1	21	36
Charges for Sales & Services	62	17	14	180	273	278
Other Revenue	319	63	76	2,759	3,217	3,277
Total State Police	387	94	115	2,940	3,536	3,616
Transportation						
Federal Government Revenue						4,837
Other Revenue	8,167	2,179	512	2,300	13,158	20,652
Loan & Note Repayments				87	87	52,715
Total Transportation	8,167	2,179	512	2,387	13,245	78,204

Agency and Revenue Source	1 - 90 Days	91 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Gross Receivables
Veterans' Affairs						
Interest & Other Investment Income						12
Licenses & Fees	11		2	3	16	74
Other Revenue						641
Federal Government Revenue						4,006
Total Veterans' Affairs.....	11		2	3	16	4,733
Office of Banks & Real Estate						
Licenses & Fees	10	1	5		16	26
Other Revenue	9	11	37	982	1,039	1,040
Charges for Sales & Services	1			8	9	3,777
Total Office of Banks & Real Estate.....	20	12	42	990	1,064	4,843
Capital Development Board						
Licenses & Fees	142				142	1,521
Total Capital Development Board.....	142				142	1,521
Commerce Commission						
Other Revenue	1	1	26	478	506	707
Total Commerce Commission.....	1	1	26	478	506	707
Comprehensive Health Insurance Bd						
Charges for Sales & Services						13
Total Comprehensive Health Insurance Bd....						13
Environmental Protection Trust Fund						
Other Revenue	97	703	1,384	829	3,013	5,171
Total Environmental Protection Trust Fund...	97	703	1,384	829	3,013	5,171
Environmental Protection Agency						
Licenses & Fees	94	82	66	319	561	3,295
Other Revenue	4	899	150	1,428	2,481	3,316
Loan & Note Repayments	21				21	674,493
Total Environmental Protection Agency.....	119	981	216	1,747	3,063	681,104
Farm Development Authority						
Other Revenue				18	18	1,518
Total Farm Development Authority.....				18	18	1,518
Health Facilities Authority						
Charges for Sales & Services	47	42			89	113
Total Health Facilities Authority.....	47	42			89	113
Criminal Justice Information Authority						
Other Revenue	1,069		32	66	1,167	1,167
Total Criminal Justice Information Authority.	1,069		32	66	1,167	1,167

Agency and Revenue Source	1 - 90 Days	91 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Gross Receivables
Educational Facilities Authority						
Charges for Sales & Services	9				9	18
Total Educational Facilities Authority.....	9				9	18
Development Finance Authority						
Loan & Note Repayments	22	6	4	1,476	1,508	14,345
Total Development Finance Authority.....	22	6	4	1,476	1,508	14,345
Housing Development Authority						
Loan & Note Repayments	839	1,176	365	676	3,056	1,614,453
Total Housing Development Authority.....	839	1,176	365	676	3,056	1,614,453
Toll Highway Authority						
Charges for Sales & Services	1,423	60			1,483	4,039
Other Revenue			2,643	2,760	5,403	6,933
Total Toll Highway Authority.....	1,423	60	2,643	2,760	6,886	10,972
Medical District Commission						
Other Revenue	60	12	18	96	186	229
Total Medical District Commission.....	60	12	18	96	186	229
Pollution Control Board						
Other Revenue						1
Total Pollution Control Board.....						1
Emergency Management Agency						
Federal Government Revenue		3		31	34	34
Total Emergency Management Agency.....		3		31	34	34
State Employees' Retirement System						
Contributions				133	133	133
Other Revenue	216	136	355	1,113	1,820	2,138
Total State Employees' Retirement System.....	216	136	355	1,246	1,953	2,271
Office of the State Fire Marshal						
Licenses & Fees	29	11	15	583	638	759
Total Office of the State Fire Marshal.....	29	11	15	583	638	759
Teachers' Retirement System						
Contributions	30		9	213	252	263,833
Total Teachers' Retirement System.....	30		9	213	252	263,833
Chicago State University						
State Grants and Contracts						184
Loans	49	36	76	825	986	1,701
Fed & Private Grants & Contracts	10	9			19	3,766
Student Accounts Receivable	1,591	463	742	1,656	4,452	8,811
Total Chicago State University.....	1,650	508	818	2,481	5,457	14,462

Agency and Revenue Source	1 - 90 Days	91 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Gross Receivables
Eastern Illinois University						
Private Gifts and Grants						63
General Accounts Receivable		3		11	14	101
Fed & Private Grants & Contracts						109
State Grants and Contracts						821
Loans	373	53	52	402	880	4,884
Student Accounts Receivable		1,039		2,302	3,341	17,081
Total Eastern Illinois University.....	373	1,095	52	2,715	4,235	23,059
Governors State University						
Tuition & Fees	137	214	228	1,654	2,233	3,624
Other		284	207	387	878	3,666
Total Governors State University.....	137	498	435	2,041	3,111	7,290
Northeastern Illinois University						
General Accounts Receivable	31	12	21	221	285	317
Loans	49	12	19	271	351	2,486
Student Accounts Receivable	2,566	349	346	545	3,806	7,158
Total Northeastern Illinois University.....	2,646	373	386	1,037	4,442	9,961
Western Illinois University						
State Grants and Contracts						366
General Accounts Receivable			2	8	10	557
Fed & Private Grants & Contracts						598
Loans	10	4	38	568	620	2,353
Student Accounts Receivable		135	666	1,309	2,110	4,361
Total Western Illinois University.....	10	139	706	1,885	2,740	8,235
Illinois State University						
Investment Income						335
State Grants	107	8		24	139	567
Private Gifts and Grants	131	78		1	210	1,836
Sales & Services	1,555	368	1		1,924	3,513
Tuition & Fees	3,871	169	481	3,437	7,958	7,958
Other	118	123	289	1,157	1,687	10,461
Total Illinois State University.....	5,782	746	771	4,619	11,918	24,670
Northern Illinois University						
Private Gifts and Grants	491	67	71	21	650	744
State Grants	584	97	5	6	692	850
Sales & Services	299	139	37	390	865	1,134
Tuition & Fees	2,393	257	536	2,786	5,972	6,998
Other	749		354	1,252	2,355	9,025
Total Northern Illinois University.....	4,516	560	1,003	4,455	10,534	18,751

Agency and Revenue Source	1 - 90 Days	91 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Gross Receivables
Southern Illinois University						
Medical Service Plan						2,020
Fed & Private Grants & Contracts	297	31	24	17	369	2,867
State Grants and Contracts	1,095	175	3	94	1,367	3,027
General Accounts Receivable	263	1,579	584	2,188	4,614	5,213
Student Accounts Receivable	1,032	2,535	838	4,143	8,548	8,922
Loans	1,126	71	30	491	1,718	11,795
Total Southern Illinois University.....	3,813	4,391	1,479	6,933	16,616	33,844
University of Illinois						
State Grants and Contracts	1,969	304	134	35	2,442	4,095
General Accounts Receivable	2,562	506	1,303	714	5,085	8,622
Medical Service Plan	4,234	4,095	5,115	2,143	15,587	18,652
Fed & Private Grants & Contracts	8,329	3,509	2,379	595	14,812	21,050
Student Accounts Receivable	5,269	4,066	6,718	6,271	22,324	34,705
Loans	1,502	405	457	3,668	6,032	56,585
Hospital	39,018	9,874	6,759	93,473	149,124	187,440
Total University of Illinois.....	62,883	22,759	22,865	106,899	215,406	331,149
Student Assistance Commission						
Loan & Note Repayments	65,277	32,642	15,866	4,153	117,938	959,691
Total Student Assistance Commission.....	65,277	32,642	15,866	4,153	117,938	959,691
Mathematics & Science Academy						
Licenses & Fees						96
Total Mathematics & Science Academy.....						96
State Universities Retirement System						
Other Revenue				28	28	581
Total State Universities Retirement System.....				28	28	581
Total Nongeneral Funds.....	\$435,348	\$270,687	\$365,793	\$2,036,104	\$3,107,932	\$6,971,110