

153466

**U.S. Department of Justice
National Institute of Justice**

This document has been reproduced exactly as received from the person or organization originating it. Points of view or opinions stated in this document are those of the authors and do not necessarily represent the official position or policies of the National Institute of Justice.

Permission to reproduce this copyrighted material has been granted by

Illinois Criminal Justice
Information Authority

to the National Criminal Justice Reference Service (NCJRS).

Further reproduction outside of the NCJRS system requires permission of the copyright owner.



MAR 22 1995

Research Bulletin

ACQUISITIONS

Flow of Funds in Illinois' Criminal Justice System

The financing of Illinois' criminal justice system is a complicated process, involving the collection of taxes, fees, and fines and the transfer of these and other funds between various levels of government. This research bulletin explains how to follow various funds from their collection by state and local governments, through their transfer from one level of government or agency to another, to their ultimate expenditure for criminal justice activities. Understanding the flow of funds is necessary for a number of purposes:

- To determine how much is spent in Illinois for criminal justice activities.

- To measure the portion of statewide criminal justice expenditures each level of government in Illinois supports.

- To determine how much of local justice is financed by the state and to discover trends in the amount of funds the state transfers to local units of government for various criminal justice functions.

- To determine the effectiveness of system-generated revenue for financing specific criminal justice programs or activities and to determine how much of the total justice bill, as well as costs for specific justice activities, is funded through these sources.

- To determine how much federal assistance is provided to state and local criminal justice agencies.

This bulletin first discusses the various government funds that finance criminal justice. It then describes how funds flow between the state, county, and municipal levels in Illinois, how funds flow between the various agencies of the Illinois justice system, and how these transfers vary depending on the criminal justice function they are being used for—law enforcement, prosecution and public defense, courts, and corrections.

What are general revenue funds?

Money collected by units of government can be deposited into different types of funds. There are four main types of funds that finance, or have been used to finance, criminal justice activities in Illinois—general revenue funds, special revenue funds, capital development funds, and federal grant and revenue sharing funds.

The type of fund which finances most criminal justice activities, at all levels of government in Illinois, is the general revenue fund.¹ Each unit of government—state, county, and municipal—in Illinois has a general revenue fund, or something similar. Each general revenue fund consists mostly of tax receipts—income, corporate, and sales taxes at the state level; property and sales taxes at the county and municipal levels. In addition to tax receipts, many other locally generated revenues and transfers from other units of government (some of which are related to criminal justice) are also deposited into the general revenue fund (Figure 1).

Most fees and fines imposed by criminal justice agencies do not go directly into their own department's budgets, but provide indirect support by being deposited into a general revenue fund, from which local criminal

March 1995

The amount of money spent on criminal justice activities by Illinois' units of government may be more than 40 percent higher than indicated by conventional expenditure analysis.

In virtually every Illinois county, the costs of various services used by criminal justice agencies (such as accounting, maintenance, purchasing, etc.) are not included in their own budgets. These "indirect" costs are incurred by other agencies through the provision of services to specific criminal justice agencies. By including these costs in each criminal justice agency's expenditures, a more accurate picture of the total cost of justice activities emerges.

How these indirect expenditures affect total spending on criminal justice is one of the issues explored in this bulletin, which attempts to explain the sometimes complex manner in which money is collected and spent on criminal justice in Illinois. Special attention is given not just to general revenue funds, but also to special revenue spending, which, in times of fiscal austerity, may become especially important to Illinois' criminal justice system.

justice agencies are ultimately funded. For example, court services fees collected by the clerk of the court are deposited into the county general revenue fund to cover the expenses of sheriffs providing court security.² A maximum fee of \$15 can be assessed in civil cases at the time of filing, or, in criminal cases, pursuant to a finding of guilt. In 1988, more than \$1 million was collected statewide through this fee.

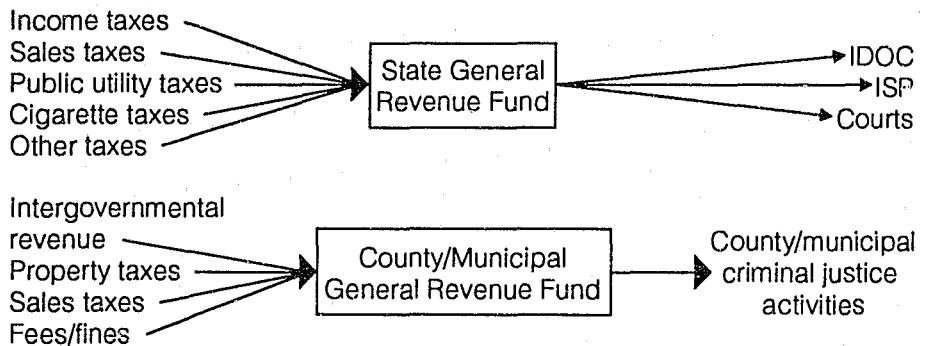
Most other fines and fees imposed by a county's circuit court are also collected by the clerk of the court and then are either deposited into a county fund or transferred to another level of government.³ If the funds are generated through county fees or fines, they are deposited into either the county's general revenue fund or a special revenue fund. If they are fees or fines imposed by other levels of government, they are distributed to those same levels of government, which then deposit the receipts into their own funds.

What are special revenue funds?

Special revenue funds are used to account for revenues derived from specific sources. They are usually required

FIGURE 1

General revenue funds are financed primarily through tax revenue.



by law to be accounted for apart from the general revenue fund and to be used for specific programs or activities.

What are capital development funds?

Capital development funds are used almost exclusively for major construction projects, but also can be used for purchases of large capital equipment, such as computers, patrol cars, and other expensive items. Capital development funds are usually funded through the sale of bonds. A bond represents an obligation for repayment of the principal and interest by the government to the individual bond holder over a relatively long time period.

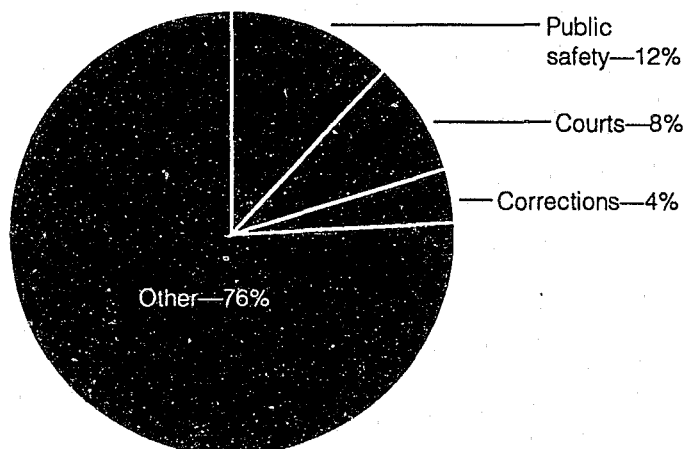
What are federal grant and revenue sharing funds?

Funds that flow from the federal government to state and local criminal justice agencies can take two forms: federal grants and federal revenue sharing funds. Federal grants are transfers of funds from the federal government to specific agencies for specific activities—such as the \$1.5 million in federal Anti-Drug Abuse Act funds allocated for improvements to the Illinois State Police crime labs. Federal revenue sharing funds, by contrast, are transfers of funds to individual local governments that can be used for any governmental activities.

Federal grants to state and local criminal justice agencies are initially deposited into the state's Criminal Justice Trust Fund, then distributed to state agencies and local units of government. Federal revenue sharing funds are transferred directly from the federal government to the general revenue funds of local governments in Illinois.

FIGURE 2

Expenditures for criminal justice activities made up an average of 24 percent of all county expenditures statewide in 1988.



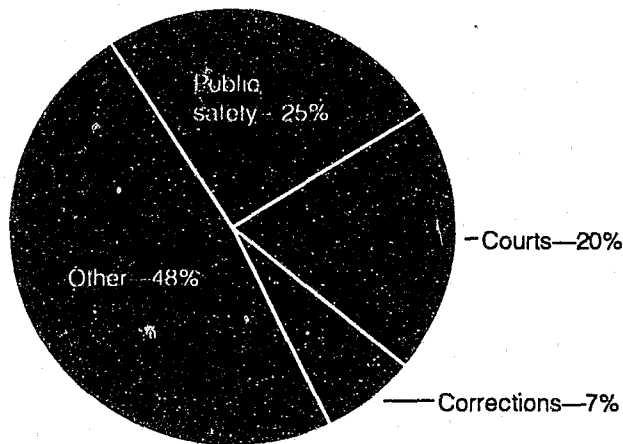
Source: Office of the Illinois Comptroller

The role of general revenue funds

Because general revenue funds finance such a large portion of criminal justice services and programs, they

FIGURE 3

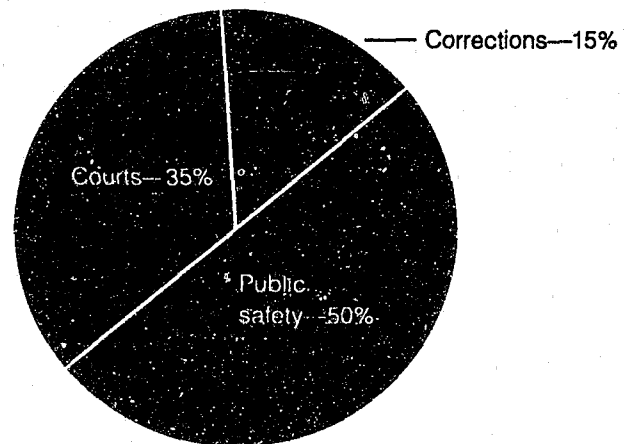
More than 52 percent of county general revenue fund expenditures in 1988 went for criminal justice activities.



Source: Office of the Illinois Comptroller

FIGURE 4

Of 1988 county general revenue fund expenditures for criminal justice, half went for public safety.



Source: Office of the Illinois Comptroller

deserve closer analysis. Almost all state and local criminal justice activities are financed through each unit of government's general revenue fund.

State General Revenue Fund expenditures

In 1989, 87.4 percent of the state government's expenditures for criminal justice (the Illinois Department of Corrections, judicial agencies, and the Illinois State Police) were financed through the state's general revenue fund. The state's General Revenue Fund supported 94 percent of the Illinois Department of Corrections' expenditures, 88.4 percent of expenditures for the state's judicial agencies, and 68.2 percent of the Illinois State Police's expenditures.

The percentage of all state General Revenue Fund expenditures that went for justice agencies, however, is small. In 1989, the state government's expenditures for the Illinois Department of Corrections, judicial agencies, and the Illinois State Police, combined, accounted for 7 percent of General Revenue Fund expenditures and 3.8 percent of expenditures, transfers, and grants from all state funds.⁴

County general revenue expenditures

The degree to which county general revenue funds finance county criminal justice agencies varies by expenditure category and from county to county. Statewide, general revenue funds financed more than 93 percent of total county criminal justice expenditures in 1988. County general revenue funds financed 96 percent of county public safety expenditures, 92 percent of county courts/judiciary expenditures, and 87 percent of county

corrections expenditures statewide.

When county criminal justice expenditures are compared to all county government expenditures, from all funds, justice activities made up 24.2 percent of county government expenditures in 1988: 8.3 percent for courts/judiciary, 3.8 percent for corrections, and 12.1 percent for public safety (Figure 2).⁵ Many county government activities—such as education, road and bridge maintenance, transportation, and health—do not rely as heavily as criminal justice on general revenue funds, but are financed largely through special revenue funds (for example, county highway funds, special bridge tax funds, and motor fuel tax funds). A number of these non-criminal justice expenditures are for very costly local government projects, such as road, water, and sewer system construction and maintenance. The funds for these other projects are usually not collected through property and sales taxes (as are general revenue funds) but through specific taxes or fees, such as gasoline taxes, utility bills/taxes, or capital development bonds.

When county criminal justice expenditures are compared only to expenditures financed through county general revenue funds, criminal justice's share of expenditures is much larger. Statewide, in 1988, more than 52 percent of county general revenue fund expenditures went for criminal justice activities: 19.7 percent for courts/judiciary, 7 percent for corrections, and 25.5 percent for public safety (Figure 3). Of the total county general revenue fund expenditures for criminal justice in 1988, 50 percent went for public safety, 35 percent for courts/judiciary, and 15 percent for corrections (Figure 4).

Statewide, Illinois counties' criminal justice

FIGURE 5

Illinois counties' 1988 criminal justice expenditures averaged 52 percent of expenditures from county general revenue funds and 24 percent of expenditures from all funds.

	% of general revenue	% of all funds		% of general revenue	% of all funds		% of general revenue	% of all funds
Adams	44.83	22.68	Hardin	—	15.59	Morgan	54.65	22.16
Alexander	—	—	Henderson	60.53	19.67	Moultrie	—	18.34
Bond	—	12.32	Henry	58.13	20.94	Ogle	57.83	31.19
Boone	59.83	30.13	Iroquois	50.05	15.73	Peoria	—	—
Brown	48.61	19.44	Jackson	61.42	36.59	Perry	38.36	18.77
Bureau	40.99	18.54	Jasper	49.01	16.97	Piatt	52.58	21.40
Calhoun	54.95	14.30	Jefferson	—	—	Pike	50.64	17.46
Carroll	44.87	26.21	Jersey	37.48	19.10	Pope	34.41	10.28
Cass	—	18.84	JoDaviess	60.77	28.46	Pulaski	50.23	16.51
Champaign	64.78	39.33	Johnson	43.62	16.85	Putnam	39.42	29.92
Christian	40.70	20.19	Kane	55.04	29.54	Randolph	39.38	17.90
Clark	43.80	24.78	Kankakee	—	29.20	Richland	57.70	22.79
Clay	53.53	11.91	Kendall	49.88	24.06	Rock Island	62.90	23.64
Clinton	69.75	26.02	Knox	55.33	29.25	Saline	39.24	20.04
Coles	34.76	20.04	Lake	52.19	22.25	Sangamon	57.85	30.49
Cook	73.00	50.00	LaSalle	24.72	14.49	Schuyler	—	—
Crawford	45.18	19.37	Lawrence	40.55	16.04	Scott	51.60	26.20
Cumberland	49.48	25.39	Lee	39.54	22.09	Shelby	32.64	19.39
DeKalb	69.85	27.06	Livingston	—	22.59	Stark	24.85	2.65
DeWitt	62.34	24.97	Logan	65.58	33.80	St. Clair	46.97	22.72
Douglas	57.52	32.37	Macon	—	—	Stephenson	—	23.40
DuPage	46.13	26.41	Macoupin	33.16	25.87	Tazewell	57.75	27.93
Edgar	57.44	25.26	Madison	—	21.38	Union	54.45	16.54
Edwards	22.76	22.76	Marion	38.31	37.43	Vermilion	55.02	35.28
Effingham	28.36	12.33	Marshall	52.50	26.14	Wabash	28.16	9.97
Fayette	48.47	20.94	Mason	62.77	17.50	Warren	50.70	30.10
Ford	46.69	3.21	Massac	—	—	Washington	32.09	26.82
Franklin	—	38.61	McDonough	43.35	15.82	Wayne	53.08	18.95
Fulton	21.49	20.88	McHenry	44.10	28.50	White	—	27.67
Gallatin	37.65	15.91	McLean	—	30.61	Whiteside	46.53	3.88
Greene	46.72	18.50	Menard	50.92	21.73	Will	—	21.74
Grundy	25.05	21.05	Mercer	42.57	13.96	Williamson	56.63	25.78
Hamilton	48.41	17.38	Monroe	49.66	23.76	Winnebago	72.24	48.03
Hancock	47.34	25.11	Montgomery	37.53	18.81	Woodford	54.10	27.10

Note: Some percentages could not be calculated from available data.

Source: Office of the Illinois Comptroller (all counties except Cook County); Office of the Cook County Comptroller

expenditures averaged 52 percent of expenditures from county general revenue funds and 24 percent of expenditures from all county funds in 1988. Expenditures ranged from 21 to 73 percent of general revenue spending, and from 3 to 50 percent of all county spending (Figure 5).

Compared with the nation as a whole, Illinois counties on the average devoted a higher percentage of their total expenditures to justice activities. Nationally, counties devoted an average of 13.2 percent of their total expenditures to justice activities in 1988, compared to 24.2 percent spent by Illinois counties. In fact, in only Maine and Massachusetts did counties devote a larger portion of their total expenditures to justice activities.⁶

Municipal general revenue expenditures

Comparative data on total municipal expenditures and municipal general revenue fund expenditures would be difficult to collect on a statewide basis. However,

available data indicate that expenditures for police services make up a much larger percentage of municipal general revenue fund expenditures than they do of total expenditures from all funds. During 1988 in Chicago, for example, 39 percent of municipal general revenue fund expenditures, but only about 20 percent of all municipal expenditures, went for police services.

Nationwide, municipalities devoted an average of 11.2 percent of all expenditures to police services in 1988, compared to 15.7 percent spent by Illinois' municipalities. Only New York, Pennsylvania, and Rhode Island municipalities spent larger average percentages on policing.⁷

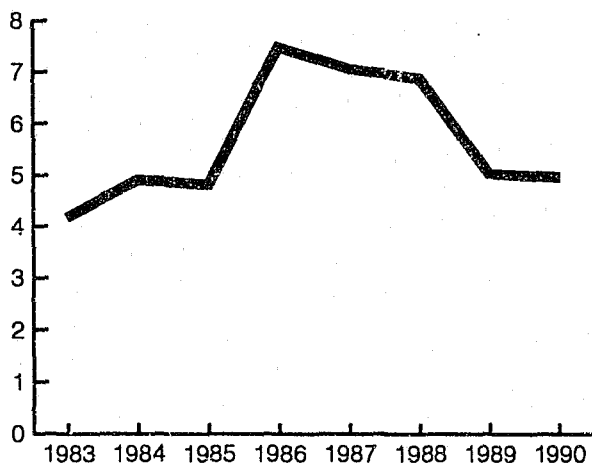
The role of special revenue and non-general revenue funds

Although many revenue sources are deposited into local general revenue funds, some are deposited into statutorily

FIGURE 6

About \$5 million was collected for Illinois' Driver's Education Fund during fiscal 1990.

Constant 1990 dollars (millions)

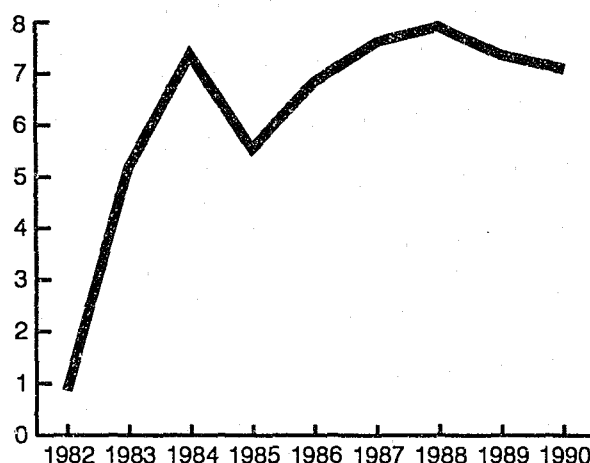


Source: Office of the Illinois Comptroller

FIGURE 7

More than \$7 million was collected for Illinois' Traffic and Criminal Conviction Surcharge Fund during fiscal 1990.

Constant 1990 dollars (millions)



Source: Office of the Illinois Comptroller

defined special revenue funds used to account for collections and distributions of specific fees and fines. These special revenue funds are used to finance specific criminal justice activities and programs at the state and local level.

State special revenue funds

Although the use of special revenue funds is more prevalent at the state level than at the local level, many of the state's revenues for these special funds are initially collected in the counties by the clerk of the court. The clerk then remits these funds to the county treasurer who sends them to the state treasurer for deposit into the appropriate special revenue funds, which support various criminal justice programs. Some of the larger collections made by the clerks are for the Driver's Education Fund, the Traffic and Criminal Conviction Surcharge Fund, the Drug Traffic Prevention Fund, the Juvenile Drug Abuse Fund, the Narcotics Profit Forfeiture Trust Fund, the Violent Crime Victims Assistance Fund, and the Road Fund.

Driver's Education Fund: This fund is distributed by the State Board of Education to local school districts for driver education programs. Prior to 1983, this fund was financed solely through fees charged by the Secretary of State on driver's licenses. Since 1983, this fund has been financed through an additional fine imposed on drivers convicted of most traffic offenses.⁸ An additional penalty of \$4 for every \$40 (\$8 for \$80, \$12 for \$120, etc.) in traffic fines imposed by the circuit courts is collected for this fund. The amount collected for this fund increased in constant dollars from about \$4 million in fiscal 1983 to

more than \$7 million in 1986, but declined to about \$5 million in fiscal 1990 (Figure 6).⁹

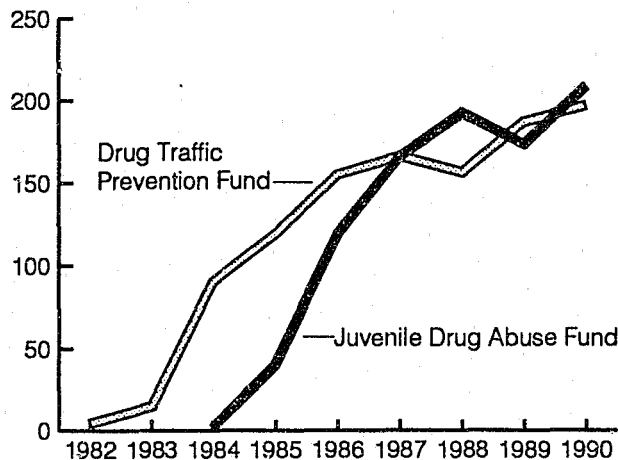
Traffic and Criminal Conviction Surcharge Fund: This fund is used by the Local Governmental Law Enforcement Officers Training Board to reimburse local units of government for police training. Since 1982, this fund has been financed through an additional fine imposed upon conviction for criminal or traffic offenses. An additional penalty of \$4 for every \$40 (\$8 for \$80, \$12 for \$120, etc.) in fines imposed is collected for this fund. As with other fines imposed by the circuit courts, collection is made by the clerk of the court (who retains 2 percent of collections to cover expenses), is remitted to the state treasurer within 30 days of collection, and is subsequently deposited into this fund. The amount collected for this fund has increased, in constant dollars, from \$5 million in fiscal 1983 (the first full year of collection) to more than \$7 million in fiscal 1990 (Figure 7). Since 1984, this fund has financed 100 percent of the state's reimbursements to local units of government for police training.

Drug Traffic Prevention Fund: This fund is used to partially finance the operations of Illinois' metropolitan enforcement groups, and is administered by the Illinois State Police. This fund is financed by mandatory fines equal to the street value of illegal drugs that are seized, as well as by asset forfeitures and a number of other fines. The percentage of these fines which this fund receives, and the distribution of these fines and assets between levels of government, are based on statutorily defined formulas. State revenues into this fund increased during

FIGURE 8

Revenues into Illinois' Drug Traffic Prevention and Juvenile Drug Abuse Funds have grown since the early 1980s.

Constant 1990 dollars (thousands)



Source: Office of the Illinois Comptroller

the 1980s, although in 1990 only about \$200,000 was collected (Figure 8).

Juvenile Drug Abuse Fund: This fund is used by the Department of Alcoholism and Substance Abuse for juvenile substance abuse treatment. This fund is also financed by mandatory fines equal to the street value of seized illegal drugs. Of these fines, 12.5 percent go into this fund. State receipts into this fund have increased since its creation in 1984, although in 1990 only about \$200,000 was collected for this fund (see Figure 8).

Narcotics Profit Forfeiture Trust Fund: This fund is used by the Office of the State's Attorneys Appellate Prosecutor for expenses incurred in enforcing the Narcotics Profit Forfeiture Act. This fund is financed through assets seized from, and forfeited by, persons convicted of narcotics racketeering. Of these forfeitures, 12.5 percent of the proceeds go into this fund. During fiscal 1989, \$14,083 was collected.

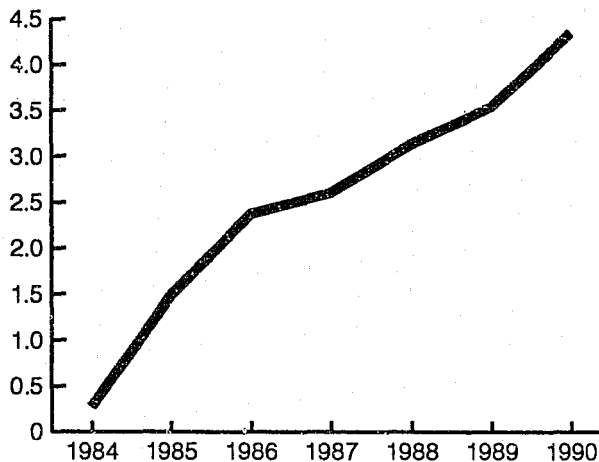
State Crime Laboratory Fund: This fund is used by the state police for expenses related to the analysis of drug evidence. The crime laboratory fund is financed through a \$50 fee imposed for each offense a person is adjudicated guilty of. This fund became effective in September 1990.

Violent Crime Victims Assistance Fund: This fund is used by the Illinois Attorney General's Office to finance public, as well as private not-for-profit, multi-service victim and witness assistance centers. This fund is financed, in part, through fines imposed upon persons

FIGURE 9

More than \$4 million was collected during fiscal 1990 for Illinois' Violent Crime Victims Assistance Fund.

Constant 1990 dollars (millions)



Source: Office of the Illinois Comptroller

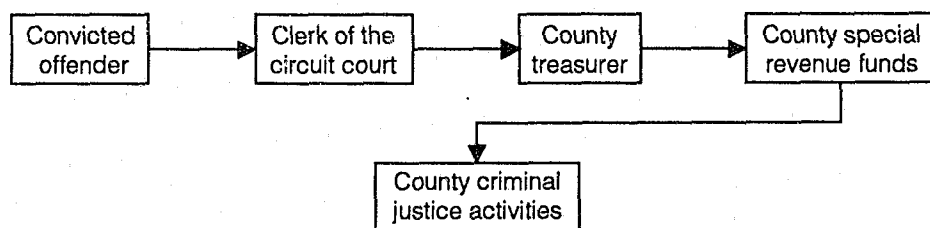
convicted of felonies, persons convicted of misdemeanors, and persons convicted of traffic offenses reportable to the secretary of state. This fund is also funded through assets seized from, and forfeited by, persons convicted of soliciting a juvenile prostitution, exploitation of children, or child pornography. State receipts into this fund have increased steadily since its creation in 1984, and in fiscal 1990 more than \$4 million was collected (Figure 9).

Road Fund: This fund is used to finance a portion of Illinois State Police expenditures and a number of other highway programs and services. Fines imposed by the state police (for traffic offenses and overweight vehicles) are collected by the clerk of the court and remitted to the state treasurer for deposit into this fund. In 1989, nearly 28 percent of the Illinois State Police's expenditures were financed through the Road Fund. In fiscal 1989, more than \$4.6 million was deposited into this fund as a result of Illinois State Police fines.

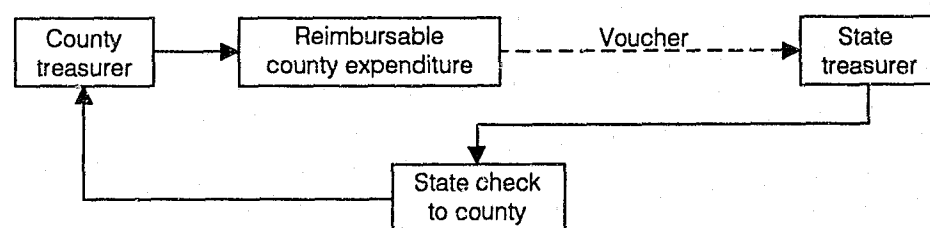
Other state special revenue funds: In addition to special state funds that are financed through fees and fines charged to convicted offenders, a number of other special state funds are financed through fees charged to state agencies and local units of government. Those funds are collected by the state, not by the clerk of the court, and include the Criminal Justice Information Systems Trust Fund, funded through user fees paid by local units of government to support costs related to the development of information systems by the Illinois Criminal Justice Information Authority; the Law Enforcement Services Fund, funded through fees paid by various government

FIGURE 10

At the local level, fees and fines fund some criminal justice activities...



...while others are funded, at least in part, through state reimbursements.



used solely to finance the operation of county law libraries.¹⁰ In 1988, nearly \$3.5 million was collected through this fee statewide.

Probation services fund: Since January 1, 1989, counties can charge probationers up to \$25 per month of supervision. This fund is used to supplement county appropriations for probation, at the direction of the chief judge of the circuit.¹¹ Fees are collected by the clerk of the court, then transferred to the county treasurer who deposits the receipts into a probation services fund.

agencies and used for some state police expenses; the Firearm Owners Notification Fund, funded through a portion of the fee paid by individuals applying for Firearm Owners Identification Cards (FOID) and used to pay for notification of FOID card expiration; the Working Capital Fund, which accounts for receipts from the sale of prison industry goods to other state agencies and is used to fund the prison industry program; and the Correctional Recoveries Fund, funded through reimbursement of expenses of incarcerated persons and used by the Illinois Department of Corrections for some of its expenses.

County special revenue funds

At the county level, there are a number of fees and fines that are deposited into special revenue funds and used for specific criminal justice programs. These fees and fines are collected by the clerk of the court and transferred to the county treasurer for deposit into a county special revenue fund (Figure 10). Criminal justice-related county special revenue funds can include county law library funds, probation services funds, detention home funds, maintenance and child support funds, county funds to finance the court system, and court automation funds.

County law library fund: To finance county law libraries, the clerk of the court may collect a county law library fee of \$2 to \$6, except in counties with a population greater than 400,000. In those counties the maximum fee is \$10. The collections are remitted monthly to the county treasurer for deposit into a county law library fund

Detention home fund: Counties may impose a special property tax to fund the operation of county juvenile detention centers. This tax can be established by majority vote of either the county board or the voters of the county. The percent of the equalized or assessed value of the property imposed for the tax varies proportionally with the county's population.¹² Tax receipts are deposited into a county special revenue fund, which finances only those expenses incurred by the detention centers. In 1988, eight of the 14 counties in Illinois with juvenile detention facilities imposed this special property tax. These receipts fully funded two of the eight facilities.

Child support maintenance fund: The clerk of the court may impose an annual fee on individuals required to pay child support. This \$36 fee is deposited into a county special revenue fund to pay for the enforcement and investigation of child support payments. In 1988, more than \$5.5 million was collected for these funds statewide.

County fund to finance the court system: A \$5 fee is added by counties to all fines imposed for violations of the Illinois Vehicle Code. The additional fee is used to finance county court systems. In 1988, more than \$5 million was collected for these county funds statewide.

Court automation fund: A \$1 to \$3 fee may be assessed on all cases filed in the courts, and deposited into a fund used to automate court records. In 1988, more than \$3 million was collected for these county funds statewide.

FIGURE 11

In 1988, nearly \$5 million in state reimbursements for police training was transferred to local governments in Illinois.

	Amount of reimbursements for police training	Share of total 1988 reimbursements
Municipalities	\$3,621,458	73.9%
Counties	\$1,073,995	21.9%
Other	\$203,362	4.2%

Source: Office of the Illinois Comptroller

Note: "Other" includes colleges and universities, park districts, and airport police.

State support for local criminal justice

There are a number of activities, encompassing virtually every aspect of local criminal justice, that the state government financially supports to some degree. In addition, the federal government also transfers funds to both state and local governments in Illinois for criminal justice activities. Some of the expenses for which local governments are reimbursed by the state include the following:

- A portion of elected state's attorney salaries
- A portion of assistant state's attorney salaries in some counties
- A portion of county probation staff salaries
- A portion of expenses related to police and correctional officer training
- Fees paid to sheriffs for transporting prisoners to state prisons
- A portion of the expenses of the clerk of the court related to collections made for the state

For most state-supported activities, the county or municipality initially pays for the activity, then submits a voucher for the incurred expense to the state treasurer. The state treasurer then reimburses the locality by issuing a check payable to the specific unit of government. These receipts are then deposited in the fund which initially financed the activity, usually a general revenue fund (see Figure 10).

State support for local law enforcement

The Local Governmental Law Enforcement Officers Training Board (also known as the Police Training Board, PTB) reimburses local police departments for the cost of tuition at training schools certified by PTB, for the salaries of the trainees while they are training, and for the necessary travel and room and board expenses for each trainee. Local agencies are reimbursed at a rate of 50 percent of eligible expenses. Since 1983, these reim-

bursements to local agencies have been financed completely through the Traffic and Criminal Conviction Surcharge Fund (see page 5). In 1988, almost \$5 million was transferred to local governments as a reimbursement for police training (Figure 11).

State support for local prosecution

The state reimburses each Illinois county for two-thirds of the salary of its elected state's attorney.¹³ These payments are monitored by the Illinois

Department of Commerce and Community Affairs, from whose budget the payments are made. In 1989, the amount transferred to individual Illinois counties ranged from \$32,001 in counties with a population under 10,000, to \$65,002 in Cook County.¹⁴ The Illinois Department of Corrections also reimburses counties that contain state prisons for a portion of assistant state's attorney salaries, depending upon the size of the correctional facility.¹⁵

For many Illinois counties, particularly the smaller ones, these state's attorney salary reimbursements support a large portion of their state's attorney expenses. In constant 1989 dollars, transfers from the state to Illinois counties for the salaries of state's attorneys and assistant state's attorneys have increased from less than \$3 million in 1972 to nearly \$4.5 million in 1989 (Figure 12).

State support for public defense

Although the state does not transfer any funds to counties for the expenses related to *trial-level* public defense, the state does cover expenses related to *appeals* made by indigent defendants in all Illinois counties except Cook. The Cook County Public Defender's Office maintains its own appeals division to handle some appeals of indigent defendants from the county. Illinois is one of five states which follow the basic structure of requiring the counties to pay for trial-level indigent defense while the state pays for appeals involving indigent defendants.¹⁶

State support for circuit courts

Although most expenditures for the circuit courts take place at the county level, there are a number of court expenses for which the state pays: the salaries of probation staff, circuit and associate judges, administrative assistants for the chief judges of each circuit, and court reporters.

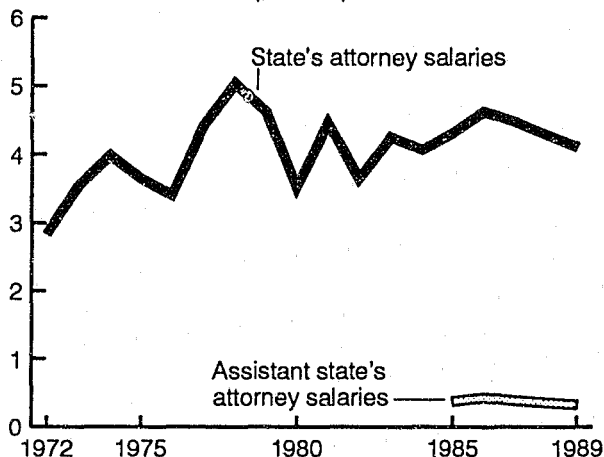
State support for county probation

The state pays for a number of probation services at the county level. As with the reimbursement for the state's portion of the state's attorney's salary, counties are reimbursed for various probation salaries. The county submits a voucher to the state treasurer, who then sends

FIGURE 12

State transfers to Illinois counties for the salaries of local prosecutors totaled about \$4.5 million in 1989.

Constant 1989 dollars (millions)

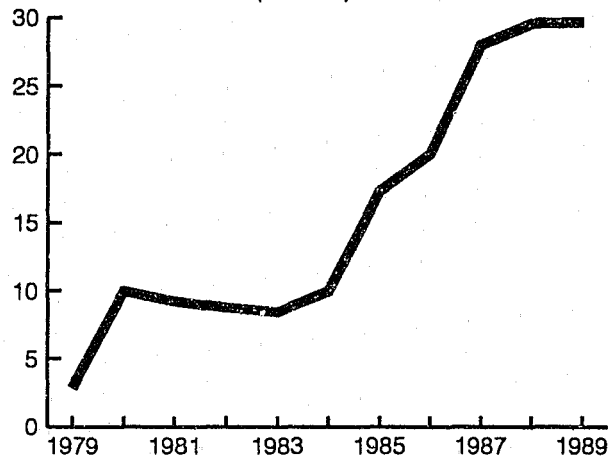


Source: Office of the Illinois Comptroller

FIGURE 13

Transfers from the state to Illinois counties for probation services have increased substantially since 1984.

Constant 1989 dollars (millions)



Source: Office of the Illinois Comptroller

the county a reimbursement check. Counties may seek reimbursement from the state for the following: 100 percent of the salaries of all chief managing probation officers who are designated by the chief judge in their respective circuits; 100 percent of the salaries of all probation officers and supervisors needed to meet the Administrative Office of the Illinois Courts' (AOIC) minimum workload standards and to implement Intensive Probation Supervision programs; and \$1,000 a month for the salaries of the remaining probation officers engaged in basic services and new or expanded services.

These transfers have increased dramatically since 1984, when reimbursements for additional probation officers in expanded or new programs began. In fiscal 1989, the transfers to counties for probation services totaled almost \$30 million (Figure 13).

State support for local corrections

Although the state does not pay local jails and detention facilities for their ordinary operations, the Illinois Department of Corrections does reimburse counties for the transportation of convicted offenders to IDOC facilities.¹⁷ These reimbursements amount to about \$140,000 per year. In addition, a portion of the salaries of juvenile detention staff is also reimbursed through the AOIC.

Judicial salaries

The salaries of circuit court judges are paid *directly* from the state treasurer to the individual judges. Thus, the county does not have to pay judges from its own funds and then seek reimbursement from the state.

Court reporter salaries

The salaries of court reporters are paid directly by the state to individual court reporters. The counties do not expend any of their own funds for reporters' salaries.

Local support for state activities

Local units of government also support some of the state's criminal justice expenses. Since 1979, all Illinois counties, excluding Cook, have each year contributed to the State's Attorneys Appellate Prosecutor's Fund, which is used for expenses related to the representation of the state in all appeals from the circuit courts out side Cook County. In 1990, these contributions totaled more than \$1 million (Figure 14). This fund supported almost 30 percent of the Illinois Appellate Prosecutor's Office's expenses in 1990.

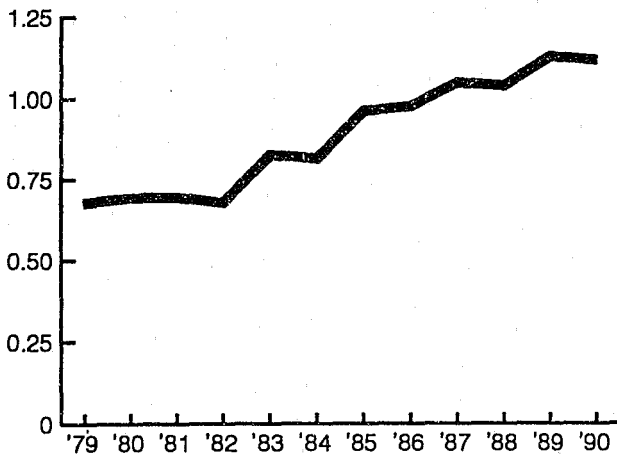
Federal support for Illinois criminal justice activities

The transfers of federal government funds to state and local units of government in Illinois take two forms: grant funds and discretionary funds. Grant funds from the federal government can be deposited into special federal revenue funds at the state level and used by specific state agencies to finance specific criminal justice activities, or the grants can be distributed to state and local justice agencies through federal block grants such as those administered by the Authority (Figure 15). Discretionary funds transferred from the federal government to state and

FIGURE 14

In 1990, Illinois counties contributed more than \$1 million to the State's Attorneys Appellate Prosecutor's Fund.

Constant 1990 dollars (millions)



Source: Office of the Illinois Comptroller

local units of government in Illinois come in the form of federal revenue sharing, and are usually deposited into the general revenue fund and used for various government expenses, including criminal justice activities.

Federal grants

Numerous federal grants are deposited into state special revenue funds to finance criminal justice activities. The larger federally financed state special revenue funds include the Correctional School District Education Fund; the Department of Law Enforcement Federal Projects Fund; the Alcohol, Drug Abuse and Mental Health Services Block Grant Fund; the Alcoholism and Substance Abuse Fund; the Children and Family Services Juvenile Justice Fund; and the Criminal Justice Trust Fund.

Correctional school district education fund: In 1989, the federal government deposited more than \$3 million into this fund, which subsequently financed almost 18 percent of the Illinois Department of Corrections' expenditures for the Correctional School District, which provides educational services for inmates.

Department of Law Enforcement Federal Projects Fund:

In 1989, the federal government deposited more than \$3 million into this fund, which subsequently covered Illinois State Police expenses related to the Drug Abuse Resistance Education (DARE) program, an upgrade of the State Police crime labs, and expenses related to eradication of marijuana crops.

Criminal Justice Trust Fund:

This federal fund, administered by the Authority, is distributed to state and local criminal justice agencies for specific activities such as drug law enforcement and violent crime control. Federal dollars deposited into this fund have fallen off sharply since the mid-1970s, although with the passage of the Anti-Drug Abuse Act of 1988, they have begun to increase again (Figure 16). When the state transfers this fund to state or local criminal justice agencies, it is deposited into a special revenue fund in the treasury of the appropriate unit of government.

Discretionary federal funds—federal revenue sharing

Until 1987, in addition to distributing federal grants for specific criminal justice activities, the federal government transferred federal revenue sharing funds to local units of government in Illinois for their discretionary use. The amount of these transfers was determined by the population of the locality and the amount of federal taxes paid by the people in the jurisdiction.

County federal revenue sharing: In 1974, Illinois counties received more than \$120 million, in constant

1988 dollars, through federal revenue sharing. By 1987, these funds had decreased to almost zero, and in 1988 they were eliminated completely (Figure 17). Although counties were allowed to spend these funds for any of their expenses, in 1975 nearly \$50 million in constant 1988 dollars was spent for county public safety activities. This \$50 million accounted for almost 40 percent of total Illinois county expenditures for public safety that year. However, as federal revenue sharing receipts

FIGURE 15

Federal grants for criminal justice can be deposited into special federal revenue funds, or they can be distributed through federal block grants, such as those administered by the Authority.

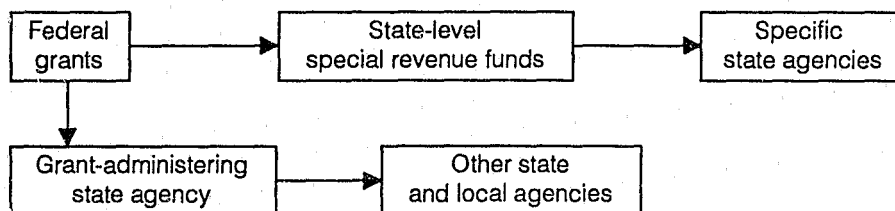
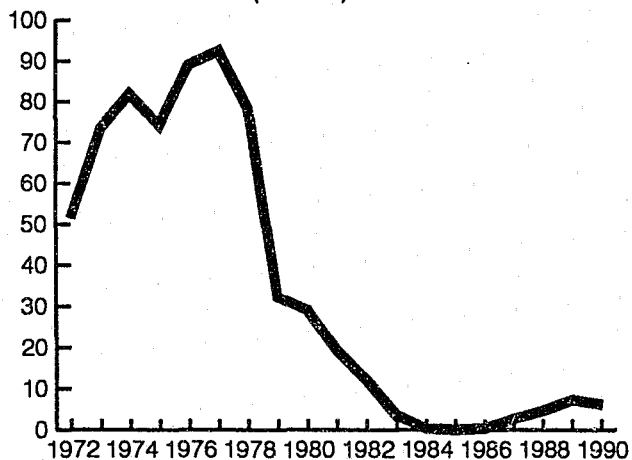


FIGURE 16

Federal dollars deposited into the Criminal Justice Trust Fund have begun to increase.

Constant 1990 dollars (millions)

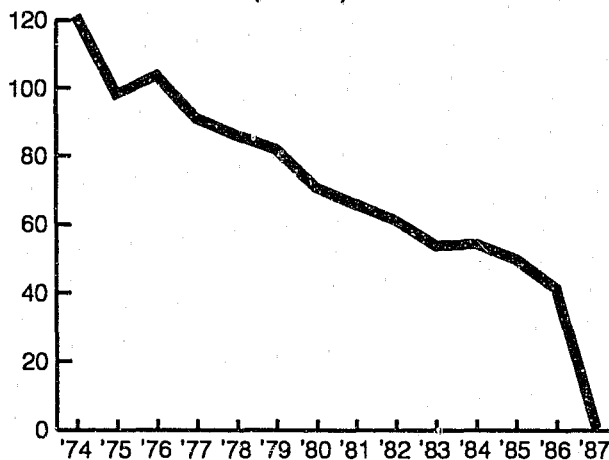


Source: Office of the Illinois Comptroller

FIGURE 17

Illinois counties stopped receiving federal revenue sharing funds in 1988.

Constant 1988 dollars (millions)

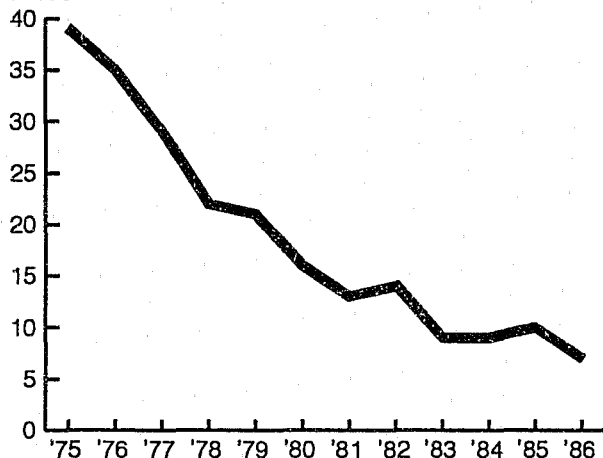


Source: Office of the Illinois Comptroller

FIGURE 18

As federal revenue sharing funds fell, so did the percentage of county public safety expenditures supported by federal funds.

Percent

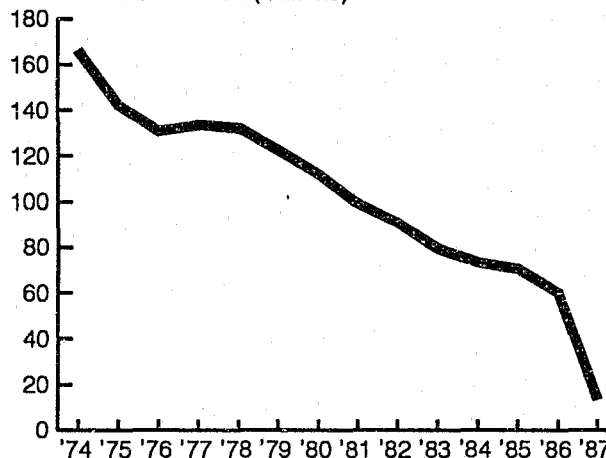


Source: Office of the Illinois Comptroller

FIGURE 19

From \$160 million in 1974, federal revenue sharing funds to Illinois municipalities declined to zero in 1988.

Constant 1988 dollars (millions)



Source: Office of the Illinois Comptroller

declined, so did the amount and proportion of county public safety expenditures supported by federal funds (Figure 18).

Municipal federal revenue sharing: In 1974, Illinois municipalities received more than \$160 million, in constant 1988 dollars, through federal revenue sharing. By 1987, these funds had decreased to almost zero, and

were eliminated in 1988 (Figure 19). Municipalities were allowed to spend these funds for any of their activities, including police. However, available data indicate that these funds supported a much smaller portion of police expenditures at the municipal level than at the county level. In 1978, for example, only about 5 percent of all municipal police expenditures were financed through federal revenue sharing funds.

The flow of funds within units of government

Just as there are transfers of funds *between* various levels of government in Illinois, there are also transfers of funds and services *within* individual units of government. The latter occurs within certain agencies that are responsible for government-wide activities, such as central purchasing departments (purchasing supplies), personnel departments, or custodial and maintenance departments. All of these departments incur expenses that can be attributed to criminal justice activities, as well as other governmental agencies.

State

At the state level, there are a number of agencies that support other state agencies with administrative activities (such as the Office of the Illinois Comptroller, Central Management Services, and numerous others). One that expends funds for state criminal justice agencies is the Capital Development Board.

The Capital Development Board generates revenue and expends funds for the Illinois Department of Corrections, the Illinois State Police, and the Supreme and Appellate courts, when it renovates and builds facilities for these departments. Although these expenditures are not reflected in the budgets of the individual criminal justice agencies, they are attributable to criminal justice activities, and therefore should be included in the cost of state criminal justice activities.

In 1989, for example, the Capital Development Board spent more than \$63 million for IDOC facilities. Ninety-nine percent of these expenditures were financed through the Capital Development Fund, with the remaining amount coming from the General Revenue Fund. Also in 1989, \$830,070 was spent by the board for facilities used by the Illinois State Police. State agency budgets usually provide for most other expenses, such as supplies, utilities, and employee benefits.

Local

Because most local criminal justice agencies are relatively small, they do not have their own accounting, purchasing, and maintenance staffs, but share these services with other local agencies. Because of the extensive use of these other departments, many of the expenses incurred by a specific criminal justice agency may not show up in its own records.

Some examples of what may be provided to criminal justice agencies from non-criminal justice agencies include central purchasing, personnel, and utility (or "overhead") departments. These services are often called "indirect" expenditures because they are not paid directly by the department using the services, or they cannot be attributed to a specific activity.

At the state level, such expenditures are fairly easy

to trace back to the criminal justice agency that used the services. Cook County has such large criminal justice departments that most of these "indirect" expenditures, which in most counties are provided by ancillary departments, are included in the criminal justice agencies themselves, but are not easily separated from other expenditures. In other counties, records of these indirect expenditures, which are provided by outside departments, are usually impossible to trace. DuPage County is one of the few counties that keeps detailed expenditure information regarding transfers between county agencies. Analyzing DuPage County's records provides an understanding of how indirect expenses may account for a large percentage of total expenditures.

Indirect costs in DuPage County: In DuPage County, the cost of a given service provided by the general county government, or other county departments, can be directly attributed to the specific department that used the service. Some of the more sizable categories of expenditures by non-criminal justice agencies for criminal justice agencies that are not included in specific criminal justice agencies' budgets include the following:

- Pension—Social Security cost
- Employee medical and hospital insurance
- Stationery and office supplies
- Data processing services
- Workers compensation insurance or unemployment compensation
- Electricity
- Repair and maintenance

All of these costs are related to the operation of criminal justice agencies, but are not included in the agencies' budgets or their statements of expenditures. The effect of including these costs with the expenditures from each department's budget provides a more accurate picture of the total cost of specific justice activities.

In Figure 20, "Direct Expenditures" are those made by the agency, from its own budget. The figures added to this, "Indirect Expenditures," are those incurred by other agencies through the provision of services to specific criminal justice agencies. The "Total Cost" includes both direct expenditures from the criminal justice agencies' budgets as well as indirect costs. The last column shows the percent difference between the agencies' direct expenditures alone and the total cost.

Some criminal justice agencies rely on, or are supported by, outside departments more than others. This often depends on the types of services provided by the agency. In agencies that are labor intensive, the only transfer from other departments would be for personnel-related expenses—unemployment insurance, Social

FIGURE 20

DuPage County records show that for 1988, indirect expenditures accounted for \$9.8 million in spending on criminal justice agencies there.

Agency	Direct expenditures (budgeted by agency)	Indirect expenditures (incurred by other agencies)	Total cost	Percent difference
Court clerk	\$ 3,470,747	\$ 1,930,283	\$ 5,401,030	55.6
Circuit court	826,547	929,519	1,756,066	112.4
Public defender	796,485	258,336	1,054,821	32.4
Jury commission	430,750	65,952	496,702	15.3
State's attorney	3,184,467	1,400,998	4,585,465	43.9
Probation	2,419,277	792,378	3,211,655	32.7
Sheriff	7,635,406	2,035,288	9,670,694	26.6
County jail	3,375,885	2,074,928	5,450,813	61.4
Correctional facility	207,100	202,197	409,297	97.6
Merit commission	17,089	11,599	28,688	67.8
Coroner	355,480	118,361	473,841	33.2
Total	\$ 22,719,233	\$ 9,819,839	\$ 32,539,072	43.2

Source: DuPage County Department of Finance

Security, pensions, and personal insurance. Labor-intensive agencies include probation departments, sheriffs' departments, public defenders' offices, state's attorneys' offices, and jury commissions. Other departments, such as jails and correctional facilities, rely heavily on other departments for purchasing commodities and for maintenance.

Although DuPage County is the only Illinois county known to keep records of these transfers, it provides an example of how much is really being spent on criminal justice in Illinois counties and municipalities. As this analysis shows, the amount actually spent on criminal justice activities by Illinois' local units of government may be more than 40 percent higher than it appears through conventional analysis of expenditure data.

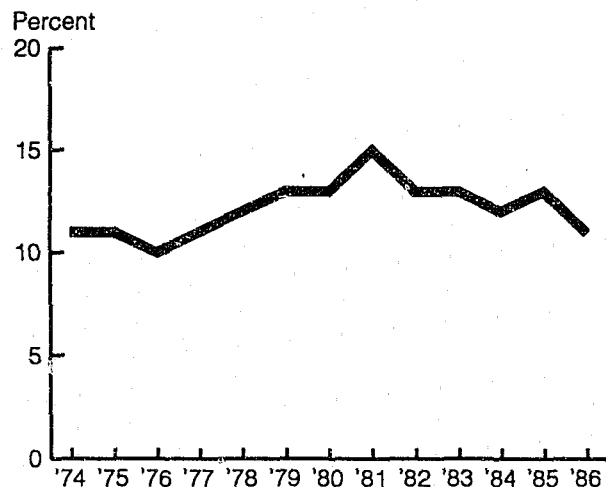
Conclusion

This bulletin has described the myriad sources of funds used to pay for the criminal justice system in Illinois. It has also detailed the complex process by which money is collected and transferred among numerous agencies and levels of government—a process which can often obscure the true sources of funds.

This examination revealed an important trend: the growing number of non-traditional funding strategies that have been implemented in the hope of relieving the burden on traditional taxing bodies. The number and variety of special revenue funds and fees and fines described in this bulletin illustrate policymakers' attempts to generate non-tax revenue for almost every function of Illinois' criminal justice system.

FIGURE 21

At the local level, fees and fines supported only 11 percent of criminal justice expenditures in 1986.



Source: Office of the Illinois Comptroller

What seems clear, however, is that if present trends continue, these special revenue funds and fees and fines will not significantly relieve the overall burden of financing criminal justice activities in Illinois. In 1986, the fees and fines generated by local criminal justice agencies in Illinois supported only 11 percent of their total expenditures. This percentage has not noticeably increased since 1974 (Figure 21). Fees and fines cover 5

percent of criminal justice expenditures at the state level.

This is not to say that the specific activities these fees and fines support, or the degree to which they support them, are trivial. Some criminal justice programs, such as the Violent Crime Victims Assistance Fund, are financed solely through fees and fines, and might not exist without them.

But there is little evidence that, if current trends continue, fees and fines will ultimately allow for less reliance on general revenue funds when it comes to paying for justice activities in Illinois. This finding is particularly significant in light of the continued increases in activity in all parts of the criminal justice system and the fiscal belt-tightening that is likely to occur at all levels of government in the next few years.

Further study is needed regarding the imposition and collection of fees and fines in the circuit courts. In its January 1991 report to the Illinois General Assembly, the Illinois Supreme Court wrote, "It is becoming increasingly difficult to administer the collection, enforcement and distribution of these special charges. The complexity of the structure of the various charges is such that they are not uniform, and are confusing. It has become impossible for the court system to apply the charge(s) in a consistent and coherent manner."

In addition, for fees and fines imposed in the circuit courts, the amounts collected have not changed much since the mid-1970s, even though the Consumer Price Index and the cost of operations for criminal justice agencies have increased more than 50 percent. An evaluation of the costs incurred in collecting and processing fees and fines should be conducted to determine if they are even covering the costs of their collection, and to see where efficiency measures may be needed.

Notes

1. General revenue funds are called by a variety of names (in Cook County, for example, it is the Corporate Purposes Fund) but, their sources and purposes are the same.

2. Ill.Rev.Stat., ch. 34, par. 5-1102.

3. The clerk of the circuit court also collects child support payments and restitution for individuals.

4. *Justice Expenditure and Employment in the U.S., 1989* (Washington, D.C.: Bureau of Justice Statistics, forthcoming). Nationally, state criminal justice expenditures accounted for 4.6 percent of all state expenditures in 1988, which was slightly higher than the 3.8 percent of total state expenditures criminal justice accounted for in Illinois that year.

5. Total county criminal justice expenditures are derived from the combination of three expenditure categories reported to the Office of the Illinois Comptroller: courts/judiciary (which includes expenditures for the clerk of the circuit court, chief judge and court, jury commission, public defender, adult probation, juvenile probation, and state's attorney), public safety (which includes expenditures for the sheriff, coroner, animal control, and civil defense), and corrections (which includes expenditures for jails, youth homes, detention centers, and foster care homes).

6. *Justice Expenditure and Employment in the U.S.*

7. *Justice Expenditure and Employment in the U.S.*

8. Ill.Rev.Stat., ch. 95 1/2, par. 16-104a.

9. Constant-dollar expenditures measure changes in expenditures with the effects of inflation removed.

10. Ill.Rev.Stat., ch. 34, par. 5-3801.

11. Ill.Rev.Stat., ch. 38, par. 204-7.1.

12. Ill.Rev.Stat., ch. 23, par. 2685.

13. Ill.Rev.Stat., ch. 53, par. 7g.

14. Illinois Department of Commerce and Community Affairs, special computer run for the Authority, 1990.

15. Ill.Rev.Stat., ch. 53, par. 7. If an IDOC facility has an average daily population (ADP) of less than 750, the county receives \$12,000 toward the salaries of its assistant state's attorneys (ASAs); ADP of 750-2,000 = \$15,000; ADP of 2,000-4,000 = 2 ASAs @ \$22,000 each; and ADP of more than 4,000 = 3 ASAs @ \$22,000 each.

16. *Criminal Defense for the Poor, 1986* (Washington, D.C.: Bureau of Justice Statistics, September 1988). The other states in which the counties pay for trial-level representation of indigent defendants, while the states cover expenses related to appellate representation, are Indiana, Michigan, Oklahoma, and Washington.

17. There have been numerous proposals for state assistance for local jail construction and renovation in Illinois. However, these programs have never been funded. Because of the fiscal constraints on counties trying to finance jail expansion, some states, including California, Kentucky, Louisiana, Alaska, and Georgia, offer support ranging from payment of local correctional officers' salaries to assistance for local jail construction.

Sources

Annual Report to the Supreme Court of Illinois, (Springfield, Ill.: Administrative Office of the Illinois Courts, all editions 1980-1988).

Justice Expenditure and Employment in the U.S., 1989, (Washington, D.C.: Bureau of Justice Statistics, forthcoming).

Illinois Annual Report, (Springfield, Ill.: Office of the Illinois Comptroller, all editions 1972-1990).

State Aid to Local Governments for Corrections, (National Conference of State Legislators, Washington, D.C. 1989).

Statewide Summary of County Finance in Illinois, (Springfield, Ill.: Office of the Illinois Comptroller, all editions 1974-1989).

Statewide Summary of Municipal Finance in Illinois, (Springfield, Ill.: Office of the Illinois Comptroller, all editions 1972-1988).

Trends and Issues 90: Focus on Criminal Justice Financing, (Chicago, Ill.: Illinois Criminal Justice Information Authority, May 1990).

Recent Authority Publications

Blueprint for the Future, the final report from Trends and Issues for the 1990s: An Illinois Criminal Justice Forum; January 1991.

Trends and Issues 90 looks at where the money for criminal justice in Illinois comes from, how it is spent, and how spending stacks up against changes in criminal justice activity; May 1990.

Annual Audit Report for 1990: Audit of Illinois' Computerized Criminal History System, focuses on state's attorney and circuit court dispositions; March 1991.

These publications are available free of charge from the Authority. To obtain copies, or for a list of all Authority publications, contact Olga McNamara at the Authority, 312-793-8550.

Research Bulletin

The Authority publishes research bulletins on topics of interest to criminal justice professionals and researchers in Illinois.

This research bulletin was written by David Olson. It was edited and illustrated by Jeffrey Austin.

The Authority would like to thank the DuPage County Department of Finance for providing the data for the "Direct and Indirect Expenditures" analysis, and Christine Alexopoulos and Lawrence Lascody with the Office of the Illinois Comptroller.

Printed by authority of the State of Illinois by the
Illinois Criminal Justice Information Authority

Printing order number: 91-42
Number of copies: 1,000



Printed on recycled paper
using soybean-based ink.



ILLINOIS CRIMINAL JUSTICE INFORMATION AUTHORITY

120 South Riverside Plaza
Chicago, Illinois 60606

BULK RATE
U.S. POSTAGE
PAID
CHICAGO, IL

PERMIT NUMBER 4273