



STATE OF ILLINOIS
**OFFICE OF THE
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS COUNCIL ON DEVELOPMENTAL DISABILITIES

Compliance Examination
 For the Two Years Ended June 30, 2019

Release Date: February 3, 2021

FINDINGS THIS AUDIT: 5	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	1	1	2017	19-01	19-02	
Category 2:	2	1	3	2015			19-03
Category 3:	0	1	1				
TOTAL	2	3	5				
FINDINGS LAST AUDIT: 3							

SYNOPSIS

- (19-01) The Council did not timely reconcile its records with monthly reports from the Office of the State Comptroller.
- (19-02) The Council did not maintain adequate documentation of and control over its equipment and property during the examination period.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

Category 3: Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

**ILLINOIS COUNCIL ON DEVELOPMENTAL DISABILITIES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2019**

EXPENDITURE STATISTICS	2019	2018	2017
Total Expenditures.....	\$ 3,497,952	\$ 2,649,816	\$ 2,343,888
OPERATIONS TOTAL.....	\$ 1,364,864	\$ 1,163,235	\$ 1,132,885
% of Total Expenditures.....	39.0%	43.9%	48.3%
Personal Services.....	496,041	445,871	443,833
Other Payroll Costs (FICA, Retirement).....	378,288	341,132	343,132
All Other Operating Expenditures.....	490,535	376,232	345,920
AWARDS AND GRANTS.....	\$ 2,133,088	\$ 1,486,581	\$ 1,211,003
% of Total Expenditures.....	61.0%	56.1%	51.7%
Total Receipts.....	\$ 3,118,890	\$ 2,647,138	\$ 2,288,813
Average Number of Employees.....	6	6	6

AGENCY DIRECTOR
During Examination Period: Kimberly Mercer-Schleider
Currently: Kimberly Mercer-Schleider

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

INADEQUATE CONTROL OVER RECONCILIATIONS

The Illinois Council on Developmental Disabilities (Council) did not timely reconcile its records with monthly reports from the Office of the State Comptroller (Comptroller).

During testing, we noted the following:

Council records not reconciled to the Comptroller's SA02 and SB03 reports

- The Council failed to complete reconciliations of Council records to the following Comptroller reports:
 - Thirty-two of 32 (100%) *Object Expense/Expenditures By Quarter Report* (SA02) reconciliations.
 - Two of two (100%) *Monthly Appropriation Transfer Report* (SB03) reconciliations.

Reconciliations completed late

- Five of 32 (16%) *Monthly Appropriation Status Report* (SB01) reconciliations were completed 6 to 29 days late.
- One of 24 (4%) *Monthly Cash Report* (SB05) reconciliations was completed 28 days late.

SB04 reconciliations not documented

- The Council failed to document its monthly reconciliations of its receipts to the Comptroller's *Monthly Revenue Status Report* (SB04) for 24 of 24 (100%) months. (Finding 1, pages 11-12)

We recommended the Council timely complete all reconciliations to ensure differences are detected and corrected.

Council officials agree

Council officials agreed with our recommendation.

INADEQUATE CONTROL OVER STATE PROPERTY

The Council did not maintain adequate documentation of and control over its equipment and property during the examination period.

During testing, we noted the following:

Property locations differed from Council records

- Three of six (50%) items selected from property located at the Council, totaling \$5,161, were found in different locations than those indicated on the Council's property listing.

Obsolete items not reported to CMS

- Two of six (33%) items selected from property located at the Council, totaling \$1,064, were deemed obsolete. However, the items remained on Council property records, and the Council had not reported the items to the Department of Central Management Services (CMS) for possible disposal through the surplus process.

Large amount of obsolete equipment found awaiting surplus

- While inquiring about the above mentioned obsolete equipment, we found the Council had a large number of additional property items awaiting surplus by CMS, which included desktops, monitors, and office furniture, such as chairs, desks, shelves, and file cabinets. The Council provided two listings, at different times, which when combined, accounted for the majority of obsolete equipment items identified (mostly electronics), but did not include items below the inventory threshold (office furniture). Hence, the Council did not have one listing containing all of its obsolete equipment. Furthermore, the items have not been removed from the Council’s property listing nor have the items been reported to the Property Control Division at CMS. The combined listings totaled 22 obsolete items, totaling \$27,596.

Laptop not removed from property listing

- During the prior examination, the accountants noted the Council had added 15 electronic equipment items to its property listing, even though the items were property of the Department of Innovation and technology (DoIT). This equipment should have been labeled as property of DoIT since DoIT retained ownership of the equipment; however, Council personnel attached Council equipment tags and added the items to the Council’s property listing. During Fiscal Year 2019, the Council removed all items except for one laptop, totaling \$934. (Finding 2, pages 13-14)

We recommended the Council strengthen its internal controls over recording and reporting its State property and equipment transactions. Further, we recommended the Council ensure any errors or discrepancies identified during their annual inventory are properly investigated, corrected, and resolved.

Council officials agree

Council officials agreed with our recommendation.

OTHER FINDINGS

The remaining findings pertain to noncompliance with the Illinois Council on Developmental Disabilities Law, inadequate control over expenditures, and inadequate control over its external reporting. We will review the Council’s progress towards the implementation of our recommendations in our next compliance examination.

ACCOUNTANT’S OPINION

The accountants conducted a compliance examination of the Agency for the two years ended June 30, 2019, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Finding 2019-001.

Except for the noncompliance described in this finding, the accountants stated the Council complied, in all material respects, with the requirements described in the report.

This compliance examination was conducted by the Office of the Auditor General's staff.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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