

SPRINGFIELD OFFICE:  
ILES PARK PLAZA  
740 EAST ASH · 62703-3154  
PHONE: 217/782-6046  
FAX: 217/785-8222  
TDD: 217/524-4646



CHICAGO OFFICE:  
STATE OF ILLINOIS CENTER · SUITE 4-100  
100 WEST RANDOLPH STREET · 60601  
PHONE: 312/814-4000  
FAX: 312/814-4006

OFFICE OF THE AUDITOR GENERAL  
WILLIAM G. HOLLAND

**REPORT DIGEST**

**ILLINOIS HEALTH CARE COST CONTAINMENT COUNCIL  
FINANCIAL AND COMPLIANCE AUDIT  
FOR THE TWO YEARS ENDED JUNE 30, 1994**

5-94-52600-10

**SYNOPSIS**

- The Council experienced problems in three administrative procedure areas involving deficiencies in contracts, errors in payroll processing, and lack of a fully developed and tested disaster recovery plan for its computer system.

{Expenditures and Activity Measures are summarized on the reverse page.}

INTERNET ADDRESS: AUDITOR.GENERAL@ACCESSIL.COM

RECYCLED PAPER · SOYBEAN INKS

**ILLINOIS HEALTH CARE COST CONTAINMENT COUNCIL**  
**FINANCIAL AND COMPLIANCE AUDIT**  
**For The Two Years Ended June 30, 1994**

EXPENDITURE STATISTICS	FY 1994	FY 1993	FY 1992
• Total Expenditures (All Funds) . . . . .	\$1,176,919	\$1,011,782	\$1,832,920
<u>Operations Total</u> . . . . .	\$ 944,209	\$ 823,382	\$1,779,738
% of Total Expenditures . . . . .	80%	81%	97%
Personal Services . . . . .	\$ 468,848	\$ 403,404	\$ 699,523
% of Operations Expenditures . . . . .	50%	49%	39%
Average No. of Employees . . . . .	14	12	21
Other Payroll Costs (FICA, Retirement) . . . . .	\$ 78,254	\$ 78,645	\$ 110,142
% of Operations Expenditures . . . . .	8%	10%	6%
Contractual Services . . . . .	\$ 67,938	\$ 91,469	\$ 494,723
% of Operations Expenditures . . . . .	7%	11%	28%
All Other Operations Items . . . . .	\$ 329,169	\$ 249,864	\$ 475,350
% of Operations Expenditures . . . . .	35%	30%	27%
<u>Special Studies Total</u> . . . . .	\$ 232,710	\$ 188,400	\$ 53,182
% of Total Expenditures . . . . .	20%	19%	3%
• Cost of Property and Equipment . . . . .	\$ 684,319	\$ 388,190	\$ 342,881

SELECTED ACTIVITY MEASURES	FY 1994	FY 1993	FY 1992
• Special Studies Issued . . . . .	9	6	7
• Special Studies Receipts . . . . .	\$ 111,250	\$ 100,499	\$ 4,030
• Data Sets Issued . . . . .	343	257	38
• Data Sets Receipts . . . . .	\$ 200,565	\$ 95,250	\$ 98,725

AGENCY DIRECTOR(S)
During Audit Period: John R. Noak Currently: John R. Noak

**FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS**

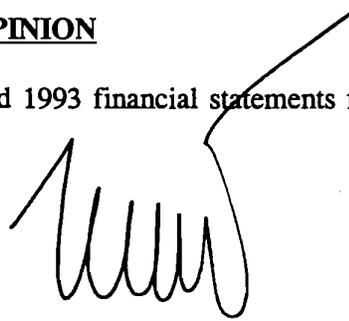
**PROBLEMS WITH ADMINISTRATIVE PROCEDURES**

Our audit contains three administrative findings related to deficiencies in contracts, errors in payroll processing and lack of a fully developed and tested disaster recovery plan for the Council's computer system. Council officials accepted our recommendations and agreed to implement corrective action. (Findings 1, 2, and 3, Pages 7, 8, and 9)

We will review the Council's progress towards implementing our recommendations in our next audit.

**AUDITORS' OPINION**

Our auditors state that the June 30, 1994 and 1993 financial statements for the Special Studies Fund (209) are fairly presented.



\_\_\_\_\_  
WILLIAM G. HOLLAND, Auditor General

WGH:WLB  
May 18, 1995

**SUMMARY OF AUDIT FINDINGS**

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	3	8
Repeat audit findings	2	2
Prior recommendations implemented or not repeated	6	1

**SPECIAL ASSISTANT AUDITORS**

Our special assistant auditors for this engagement were from the accounting firm of Jack Robertson & Co.