DEAF AND HARD OF HEARING COMMISSION

COMPLIANCE EXAMINATION
For the Two Years Ended: June 30, 2013

Release Date: January 29, 2014

Summary of Findings:
Total this audit: 2
Total last audit: 2
Repeated from last audit: 1

SYNOPSIS

• The Deaf and Hard of Hearing Commission (Commission) did not maintain sufficient controls over the reconciliation, recording and reporting of its State property.

• The Commission submitted inaccurate Agency Fee Imposition Reports to the Illinois Office of the Comptroller.

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

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Expenditures</td>
<td>$705,227</td>
<td>$743,467</td>
<td>$753,588</td>
</tr>
<tr>
<td>OPERATIONS TOTAL</td>
<td>$675,327</td>
<td>$717,860</td>
<td>$737,146</td>
</tr>
<tr>
<td>% of Total Expenditures</td>
<td>95.8%</td>
<td>96.6%</td>
<td>97.8%</td>
</tr>
<tr>
<td>Personal Services</td>
<td>430,141</td>
<td>406,368</td>
<td>-</td>
</tr>
<tr>
<td>Other Payroll Costs (FICA, Retirement)</td>
<td>51,396</td>
<td>29,611</td>
<td>-</td>
</tr>
<tr>
<td>All Other Operating Expenditures</td>
<td>193,790</td>
<td>281,881</td>
<td>737,146</td>
</tr>
<tr>
<td>NON-APPROPRIATED FUNDS</td>
<td>$29,900</td>
<td>$25,607</td>
<td>$16,442</td>
</tr>
<tr>
<td>% of Total Expenditures</td>
<td>4.2%</td>
<td>3.4%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Total Receipts</td>
<td>$176,841</td>
<td>$179,099</td>
<td>$148,611</td>
</tr>
<tr>
<td>Average Number of Employees</td>
<td>6</td>
<td>7</td>
<td>8</td>
</tr>
</tbody>
</table>

## SELECTED ACTIVITY MEASURES (Not Examined)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public inquiries addressed</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Library materials loaned</td>
<td>200</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>Workshops presented</td>
<td>20</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td>Interpreter registry</td>
<td>800</td>
<td>800</td>
<td>800</td>
</tr>
</tbody>
</table>

## AGENCY DIRECTOR

During Examination Period: John Miller
Currently: John Miller
FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

PROPERTY CONTROL WEAKNESSES

The Deaf and Hard of Hearing Commission (Commission) did not maintain sufficient controls over the reconciliation, recording and reporting of its State property. Some of the conditions noted during our testing follow:

- The Commission’s property and equipment expenditures processed by the Illinois Office of the Comptroller (Comptroller) did not reconcile to transfers and additions recorded on the Commission’s FY13 3rd and 4th Quarter C-15 reports.
- The Commission filed its annual Certification of Inventory with the Department of Central Management Services (CMS) 30 days late.
- The Commission did not timely remove equipment items from its property records.
- Equipment items tested were located in a different geographical location than reported on the Commission’s property listing.
- Equipment item costs were not correctly recorded on the Commission’s property listing.
- The Commission had obsolete equipment that was not transferred to CMS. (Finding 1, pages 9-11)

This finding was first reported in 2009.

We recommended the Commission strengthen controls and procedures over the recording and reporting of its State property.

The Commission accepted the recommendation. (For the previous Commission response, see Digest Footnote #1.)

INACCURATE FEE IMPOSITION REPORTS FILED WITH THE STATE COMPTROLLER

The Commission did not submit accurate Agency Fee Imposition Reports (Report) to the Comptroller. During testing, we noted the following:

- The Commission failed to record fees relating to sign language interpreter licensure and conference registration fees on its FY12 Report.
- The Commission’s FY13 report included fees received in FY12 and FY14.
- The Commission improperly included a refund on its FY13 Report.
- The total fee amount on the FY13 Report was
FY13 Report was overstated by
$101,244

overstated by $101,244 because it contained
FY12 in-transit amounts, FY14 receipts,
miscellaneous receipts not considered fees, and a
$96,600 statutory transfer. (Finding 2, pages 12-
13)

We recommended the Commission implement controls and
procedures to submit accurate Reports to the Comptroller.

Commission agreed with auditors

The Commission accepted the recommendation.

AUDITORS’ OPINION

We conducted a compliance examination of the Commission
as required by the Illinois State Auditing Act. The
Commission has no funds that require an audit leading to an
opinion of financial statements.

___________________________________
WILLIAM G. HOLLAND
Auditor General

WGH:jv

AUDITORS ASSIGNED

The examination was conducted by staff of the Office of the
Auditor General.

DIGEST FOOTNOTES

#1 – PROPERTY CONTROL WEAKNESSES

2011: The Commission accepts the audit finding and
recommendation. The Commission will review its controls over
property to ensure equipment is properly and timely recorded and
that all required reports are submitted timely.