



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

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

EDUCATIONAL LABOR RELATIONS BOARD

**COMPLIANCE EXAMINATION
For the Two Years Ended: June 30, 2011**

Release Date: April 26, 2012

Summary of Findings:

Total this audit:	2
Total last audit:	4
Repeated from last audit:	1

SYNOPSIS

- The Educational Labor Relations Board did not employ the minimum number of staff as required by the Educational Labor Relations Act.
- The Educational Labor Relations Board had an inadequate segregation of duties in the areas of payroll, expenditure control, State property, and receipt processing.

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

**EDUCATIONAL LABOR RELATIONS BOARD
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2011**

EXPENDITURE STATISTICS	2011	2010	2009
Total Operating Expenditures.....	\$ 987,043	\$ 1,044,132	\$ 1,098,366
Total Receipts.....	\$ 955	\$ 2,005	\$ 45,645
Average Number of Employees.....	12	12	12

SELECTED ACTIVITY MEASURES (Not Examined)	2011	2010	2009
Representation Cases Filed	84	83	99
Unfair Labor Practice Cases Filed	263	339	247

EXECUTIVE DIRECTOR
During Examination Period: Mr. Victor Blackwell
Currently: Mr. Victor Blackwell

FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS

FAILURE TO EMPLOY REQUIRED STAFF

**Required number of attorneys
and investigators not employed**

The Educational Labor Relations Board did not employ the minimum number of staff as required by the Educational Labor Relations Board Act (Act). The Board did not employ a minimum of 8 attorneys and 5 investigators. As of June 30, 2011 the Board employed 6 attorneys and 2 investigators. (Finding 1, page 9)

We recommended the Board comply with the Act's requirements for attorneys and investigators or seek legislative remedy to the statutory requirements.

Board agrees with auditors

The Board agreed with the recommendation and stated this requirement was subject to the Board's annual appropriation by the General Assembly and to date, no funds have been appropriated to hire additional staff.

NEED TO IMPROVE INTERNAL CONTROLS

Inadequate segregation of duties

The Board had an inadequate segregation of duties in the areas of payroll, expenditure control, State property, and receipt processing.

- One person had the authority to prepare and approve vouchers, maintain accounting records, enter transactions into the accounting system, and perform monthly reconciliations.
- One person had the authority to approve all property purchases, tag all inventory, maintain the property records, and complete the quarterly reports of State property.
- One person had the authority to prepare payroll, make adjustments to payroll, approve payroll, and distribute payroll stubs.
- One person had the authority to prepare receipts, deposit receipts, and maintain the receipts ledger. (Finding 2, page 10) **This finding was first reported in 2007.**

We recommended the Board implement procedures to ensure they maintain effective internal control over the record keeping and accounting duties concerned with expenditures, property control, payroll, and receipts.

Board agrees with auditors

The Board agreed with the recommendation and stated the inadequate segregation of duties finding continues because the

Board has no authorized headcount or funding to hire an assistant fiscal officer or accountant. (For previous Board response, see Digest Footnote # 1.)

AUDITOR'S OPINION

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



WILLIAM G. HOLLAND
- Auditor General

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AUDITORS ASSIGNED

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

DIGEST FOOTNOTES

#1 - NEED TO IMPROVE INTERNAL CONTROLS

2009: Board officials agreed with the recommendation and stated they would continue to request authority to hire an accountant in the Springfield Office to segregate responsibilities.