

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS**

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

**Performed as Special Assistant Auditors
for the Auditor General, State of Illinois**

**McGREAL & COMPANY, PC
CERTIFIED PUBLIC ACCOUNTANTS
OAK LAWN, ILLINOIS 60453**

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2011

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STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2011

DEPARTMENT OFFICIALS

Director	Mr. Rocco Claps
Deputy Director	Ms. Bobbie Wanzo
Chief Fiscal Officer	Mrs. Lynne Turner
Legal Counsel (05/01/11 to Present)	Mr. Lon Meltesen
Legal Counsel (06/17/91 To 04/30/11)	Mr. Raymundo Luna

Department offices are located at:

100 West Randolph Street
Suite 10-100
Chicago, IL 60601

222 South College
Floor 1
Springfield, IL 62704

2309 West Main Street
Suite 112
Marion, IL 62959

ILLINOIS DEPARTMENT OF
Human Rights

Pat Quinn, Governor
Rocco J. Claps, Director

January 24, 2012

McGreal & Company, PC
Certified Public Accountants
5740 West 95th Street
Oak Lawn, Illinois 60453

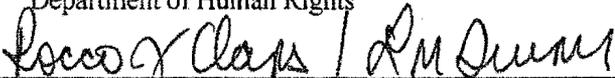
Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Department. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Department's compliance with the following assertions during the two-year period ended June 30, 2011. Based on this evaluation, we assert that during the years ended June 30, 2010 and June 30, 2011, the Department has materially complied with the assertions below.

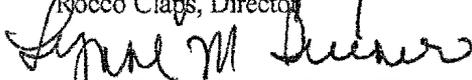
- A. The Department has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Department has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The Department has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the Department are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the agency on behalf of the State or held in trust by the agency have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Department of Human Rights



Rocco Claps, Director



Lynne Turner, Fiscal Officer

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

ACCOUNTANTS' REPORT

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Compliance</u>	<u>Prior Compliance</u>
<u>Findings</u>	<u>Report</u>	<u>Report</u>
Findings	4	6
Repeated findings	4	5
Prior recommendations implemented or not repeated	2	1

SCHEDULE OF FINDINGS

<u>Item</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
<u>No.</u>			
FINDINGS (STATE COMPLIANCE)			
11-1	9	Inadequate financial report - Generally Accepted Accounting Principles	Significant Deficiency and Noncompliance
11-2	11	Inadequate controls over voucher processing	Significant Deficiency and Noncompliance
11-3	13	Employee evaluations not completed timely	Significant Deficiency and Noncompliance
11-4	14	Inadequate controls over state property and equipment	Significant Deficiency and Noncompliance

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

COMPLIANCE REPORT

SUMMARY

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
PRIOR FINDINGS NOT REPEATED			
A	16	Noncompliance with Statutorily Mandated Time Limits	
B	16	Inadequate Monitoring of Telephone Usage	

EXIT CONFERENCE

The finding and recommendations appearing in this report were discussed with the Department of Human Rights personnel in an exit conference on January 11, 2012. Attending were:

- Lana Miari, Office of the Auditor General
- Rocco Claps, Director of Human Rights
- Bobbie Wanzo, Deputy Director of Human Rights
- Lynne Turner, Chief Fiscal Officer of Human Rights
- Thomas McGreal, Special Assistant Audit Partner
- Colleen Porter, Special Assistant Audit Manager

Responses to the recommendations were provided by Lynne Turner in correspondence dated January 12, 2012.

INDEPENDENT ACCOUNTANTS' REPORT ON STATE COMPLIANCE, ON
INTERNAL CONTROL OVER COMPLIANCE, AND ON SUPPLEMENTARY
INFORMATION FOR STATE COMPLIANCE PURPOSES

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

As Special Assistant Auditors for the Auditor General, we have examined the Illinois Department of Human Rights (Department) compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the two years ended June 30, 2011. The management of the Department is responsible for compliance with these requirements. Our responsibility is to express an opinion on the Department's compliance based on our examination.

- A. The Department has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Department has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The Department has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the Department are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.

- E. Money or negotiable securities or similar assets handled by the Department on behalf of the State or held in trust by the Department have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the Audit Guide as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the Department's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Department's compliance with specified requirements.

In our opinion, the Department complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2011. However, the results of our procedures disclosed instances of noncompliance with the requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of findings as findings (11-1, 11-2, 11-3, and 11-4).

Internal Control

Management of the Department is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the Department's internal control over compliance with the requirements listed in the first paragraph of this report as a basis for designing our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide, issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over compliance.

A *deficiency* in an entity's internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we considered to be significant deficiencies as described in the accompanying schedule of findings as items 11-1, 11-2, 11-3, and 11-4. A *significant deficiency in an entity's internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

As required by the Audit Guide, immaterial findings excluded from this report have been reported in a separate letter to your office.

The Department's responses to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the Department's responses and, accordingly, we express no opinion on the responses.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information as listed in the table of contents as Supplementary Information for State Compliance Purposes is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the 2011 and the 2010 Supplementary Information for State Compliance Purposes, except for information on the Service Efforts and Accomplishments on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 2009 Supplementary Information for State Compliance Purposes, and accordingly, we do not express an opinion thereon.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and agency management, and is not intended to be and should not be used by anyone other than these specified parties.

McGreal & Company PC

McGreal & Company, PC

January 24, 2012

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF HUMAN RIGHTS

CURRENT FINDINGS (STATE COMPLIANCE)
FOR THE TWO YEARS ENDED JUNE 30, 2011

11-1. **FINDING** (Inadequate Financial Reporting – Generally Accepted Accounting Principles)

The Department of Human Rights (Department) did not prepare an accurate “GAAP Reporting Package” for submission to the Illinois Office of the Comptroller. The Department did not keep adequate records or schedules to support grant/contract data, accounts receivable, and deferred revenues.

We noted the following in our review of the GAAP Reporting Package for the Special Projects Fund which was submitted to the Comptroller’s Office:

- As of June 30, 2010, accounts receivable and deferred revenues were overstated by \$208,000 and \$1,984,000, respectively.
- As of June 30, 2011, accounts receivable and deferred revenues were overstated by \$1,519,000 and \$2,613,000, respectively.

We also noted that the Department’s books and records were maintained using the balances in the Comptroller’s appropriation reports which is on a cash basis of accounting. As part of the year-end accounting and financial reporting closing process, State Agencies are required to prepare adjustments to convert to accrual basis of accounting and submit to the Illinois Office of the Comptroller their GAAP Reporting Packages which summarize their yearly financial activities and the status of their funds at year-end. The Department was able to identify accounts payables at year-end but did not maintain adequate records to establish and report accounts receivables and deferred revenues related to its federal operating grants.

The Statewide Accounting Management System (SAMS) Manual Chapter 27 details the procedures for Agency Reporting. Agencies are required to submit GAAP Reporting Packages which are used by the Comptroller to prepare the State’s Basic Financial Statements. The information reported by the agency should agree to the underlying supporting records at the Agency and should be reconciled to the records at the Office of the State Comptroller.

Department management stated they tried to prepare the GAAP Reporting Package in a manner consistent with prior years when the Comptroller’s Office prepared it. Therefore, the Department had confidence in the amounts they had incorporated into the GAAP Reporting Package.

Inaccurate information in the Department’s GAAP Reporting Package increases the potential for errors in the statewide financial statements prepared by the Comptroller. (Finding Code Nos. 11-1, 09-1, 07-1, 05-02, 03-1, 01-1, 99-5, 97-5)

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF HUMAN RIGHTS

CURRENT FINDINGS (STATE COMPLIANCE)
FOR THE TWO YEARS ENDED JUNE 30, 2011

RECOMMENDATION

We recommend the Department keep adequate records and schedules to support grant/contract data, accounts receivables, and deferred revenue so that accurate “GAAP Reporting Packages” can be prepared in the future.

DEPARTMENT RESPONSE

The Department will adhere to this recommendation and continue to work closely with the Comptroller’s Office to complete the yearly GAAP package. For FY10 and FY11, the Fiscal Staff completed this package with the assistance of the Comptroller’s Office.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF HUMAN RIGHTS

CURRENT FINDINGS (STATE COMPLIANCE)
FOR THE TWO YEARS ENDED JUNE 30, 2011

11-2. **FINDING** (Inadequate Controls over Voucher Processing)

The Illinois Department of Human Rights (Department) did not have adequate controls over voucher processing.

During our review of 123 vouchers, we noted the following:

- Thirty-two (26%) vouchers tested totaling \$296,515 were approved more than 30 days after receipt of the vendor's invoice. The vouchers pertained to contractual, travel, printing, telecommunications and lapse period. The vouchers were approved for payment 1 to 432 days late.
- Sixty (49%) vouchers tested totaling \$130,682 were paid more than 60 days after receipt of the vendor's invoice. Interest computed for 10 (9%) late vouchers was made to an intergovernmental agency and thus payment was not required. For the remaining 50 (41%) vouchers, interest totaling \$3,001 was due and was not paid. The vouchers were paid 1 to 202 days late.
- Four (3%) vouchers tested totaling \$183,648 did not indicate an accurate date when the vendor invoices were received, thus timely approval and payment could not be determined.

The Illinois Administrative Code, Title 74, Section 900.70(b) requires state agencies to approve proper bills or deny bills with defects, in whole or in part, within 30 days after receipt.

The State Prompt Payment Act (30 ILCS 540/3-2) states that any bill approved for payment must be paid or the payment issued to the payee within 60 days of receipt of a proper bill or invoice. If payment is not issued to the payee within this 60 day period, an interest penalty of 1.0% of any amount approved and unpaid shall be added for each month or fraction thereof after the end of this 60-day period, until final payment is made. It also states that the agency shall pay interest penalties according to the following:

- Prior to August 18, 2009, agencies are required to pay interest amounting to \$50 or more. Interest amounting to \$5 but less than \$50 must be requested by the Vendor.
- From August 18, 2009 through June 30, 2010, all interest for all amounts must be paid.

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CURRENT FINDINGS (STATE COMPLIANCE)
FOR THE TWO YEARS ENDED JUNE 30, 2011

- Effective July 1, 2010, interest less than \$50 shall not be paid but shall be accrued until all interest due the vendor for all similar warrants exceeds \$50, at which time the accrued interest shall be payable and interest will begin accruing again, except that interest accrued as of the end of the fiscal year that does not exceed \$50 shall be payable at that time. Amounts due for interest should be measured and paid in accordance with the law that was in effect on the day the State of Illinois issued payment.

The Illinois Administrative Code, Title 74, Section 1000.50 requires user agencies to process payments within 30 days after physical receipt of internal service fund bills and to make reasonable efforts to review, approve and pay all internal service fund bills in the fiscal year in which the liability was incurred. User agencies are not to leave internal service fund bills unpaid in order to circumvent fiscal year budgetary controls.

Department management stated that: 1) late payments were mainly due to funds not being available at the time of receipt of vendor invoices; and 2) late approval and other exceptions were due to oversight.

Late approval of invoices resulted in non-compliance with the Illinois Administrative Code. Failure to pay invoices in a timely manner led to incurring unnecessary interest charges and also resulted in noncompliance with the State Prompt Payment Act. (Finding Code nos. 11-2, 09-4, 07-4, 05-4, 03-3, 01-2, 99-4, 97-4, 95-3)

RECOMMENDATION

We recommend the Department strengthen controls over voucher processing to ensure compliance with statutory requirements and its own policies.

DEPARTMENT RESPONSE

The Department will adhere to the recommendation. The Department has made significant improvements in this area and will continue to do so. Because of limited cash flow, at times, throughout the Fiscal Year the Department is unable to fulfill some payments until cash and or transfers are made available.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF HUMAN RIGHTS

CURRENT FINDINGS (STATE COMPLIANCE)
FOR THE TWO YEARS ENDED JUNE 30, 2011

11-3. **FINDING** (Employee Evaluations Not Completed Timely)

The Illinois Department of Human Rights (Department) did not complete annual employee performance evaluations timely.

The Department did not timely complete annual evaluations for 17 of 25 (68%) employees tested during the period. The employee evaluations were completed from 47 to 313 days late. One evaluation for a probationary employee was never performed.

The Illinois Administrative Code, Title 80, Section 302.270 requires the preparation of an evaluation for certified employees on an annual basis. In addition, probationary employees are to be evaluated at the end of the third month of the probationary period and a second evaluation 15 days prior to the conclusion of the probationary period. Also, the Department's internal personnel policy requires annual evaluations of employees based on either the anniversary date of hire or fiscal year.

Department officials stated evaluations were filed untimely due to supervisors being out of the office when staff evaluations were due and also oversight by supervisors regarding evaluation due dates. Additionally, the Department stated that evaluations for investigative staff were performed upon receipt of production reports, quality return reports and case management summaries which provide the supervisor with the necessary information to properly evaluate the staff.

Performance evaluations are a systematic and uniform approach used for the development of employees and communication of performance expectations to employees. Performance evaluations should serve as a foundation for salary adjustments, promotion, demotion, discharge, recall, and reinstatement decisions. (Finding Code No. 11-3, 09-6)

RECOMMENDATION

We recommend that the Department take appropriate measures to ensure performance evaluations are conducted annually as required by policy.

DEPARTMENT RESPONSE

The Department will take the appropriate measures to ensure performance evaluations are conducted as required by policy. As noted, there are several issues affecting the timeliness of employee performance evaluations (timing/availability of data for the review period, staff availability, employee review/response, inter-agency transfers, etc.).

One of the major issues is the process used to determine production for Human Rights Investigators. Approximately three-fourths of the Department's staff are involved in investigations. The Department is unable to prepare evaluations for this staff until 30 days after the 12-month reporting period to give the employee every opportunity to produce the required

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ILLINOIS DEPARTMENT OF HUMAN RIGHTS

CURRENT FINDINGS (STATE COMPLIANCE)
FOR THE TWO YEARS ENDED JUNE 30, 2011

number of cases for the reporting period. Another issue has been and continues to be leaves of absence. When employees (staff and/or supervisors) are on leave, the evaluation cannot be completed until the employee returns to work.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF HUMAN RIGHTS

CURRENT FINDINGS (STATE COMPLIANCE)
FOR THE TWO YEARS ENDED JUNE 30, 2011

11-4. **FINDING** (Inadequate Controls Over State Property and Equipment)

The Department of Human Rights (Department) did not have adequate controls over its property and equipment.

We tested all 8 (100%) Agency Report of State Property Reports (Form C-15) including related fixed asset transactions and noted the following:

- The Department did not report 35 property additions totaling \$2,873 on Form C-15 in the quarter when the equipment items were received. All equipment additions for Fiscal Year 2010 were recorded on the 4th quarter Form C-15. SAMS (Procedure 29.20.10 page 3) requires an agency to report all additions to each asset class that occurred during the quarter being reported.
- The Department reported items totaling \$221,620 as deletions on the Quarterly State Property Report; however, these items were transfers. SAMS Procedure 29.20.10 page 3 requires agencies to report items as transfers if they are moved between agencies (i.e. Central Management Services surplus property).

According to Department personnel, the exceptions noted were again due to staff oversight.

Inadequate controls over Department property and equipment resulted in inaccurate and incomplete property records. Failure to report accurate property information resulted in non-compliance with DCMS and SAMS rules. (Finding Code No.11-4, 09-3, 07-3)

RECOMMENDATION

We recommend the Department ensure that property and equipment rules and regulations are followed and that records are accurately maintained and updated.

DEPARTMENT RESPONSE

The Department will adhere to this finding. The Department recorded the transaction when the voucher was recorded at the Comptroller's Office and appeared on the Gas54 report. This occurred because of the delay in processing from the Comptroller's Office.

In addition, although the \$221,620 was recorded as deletions and not transfers, the net effect of the transaction reduced the inventory balance by the same amount. The Department has taken note of the correction for future reporting periods.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

PRIOR FINDINGS NOT REPEATED
FOR THE TWO YEARS ENDED JUNE 30, 2011

A. **FINDING** (Noncompliance with Statutorily Mandated Time Limits)

During the prior examination, the Illinois Department of Human Rights did not meet the procedural time limits set forth when a charge of a civil rights violation had been filed. (Finding Code No. 09-2)

Status: Not Repeated

During the current examination, our sample testing indicated the Department met the procedural time limits set forth when a charge of a civil rights violation had been filed.

B. **FINDING** (Inadequate Monitoring of Telephone Usage)

During the prior examination, the Illinois Department of Human Rights did not adequately monitor telephone usage. (Finding Code No. 09-5)

Status: Moved to the Immaterial Findings Letter as Finding IM11-2

During the current examination, our sample testing did not identify exceptions as significant as the prior examination.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

SUMMARY

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

Fiscal Schedules and Analysis

- Schedule of Expenditures of Federal Awards
- Notes to the Schedule of Expenditures of Federal Awards
- Schedule of Appropriations, Expenditures and Lapsed Balances
- Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
- Schedule of Changes in State Property
- Comparative Schedule of Cash Receipts and Reconciliation
 - Schedule of Cash Receipts to Deposits Remitted to the State Comptroller
- Analysis of Significant Variations in Expenditures
- Analysis of Significant Variations in Receipts
- Analysis of Significant Lapse Period Spending

Analysis of Operations:

- Agency Functions and Planning Program
- Average Number of Employees
- Service Efforts and Accomplishments (Not examined)

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General, except for information on the Service Efforts and Accomplishments on which they did not perform any procedures. However, the accountants do not express an opinion on the supplementary information.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Federal Grantor / Program Title	Federal CFDA Number	Federal Expenditures
Equal Employment Opportunity Commission		
Employment Discrimination - State and Local - Fair Employment Practices Agency Contracts	30.002	\$ 1,058,170
Department of Housing and Urban Development - Office of Fair Housing and Equal Opportunity		
Fair Housing Assistance Program - State and Local	14.401	<u>829,785</u>
Total Expenditures of Federal Awards		<u><u>\$ 1,887,955</u></u>

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Federal Grantor / Program Title	Federal CFDA Number	Federal Expenditures
Equal Employment Opportunity Commission		
Employment Discrimination - State and Local Fair Employment Practices Agency Contracts	30.002	\$ 1,626,900
Department of Housing and Urban Development - Office of Fair Housing and Equal Opportunity		
Fair Housing Assistance Program - State and Local	14.401	<u>668,227</u>
Total Expenditures of Federal Awards		<u><u>\$ 2,295,127</u></u>

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activities of the Illinois Department of Human Rights (Department) and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

2. DESCRIPTION OF FEDERAL AWARD PROGRAMS

Resources of the State are appropriated for use by the Department in an annual appropriation bill as adopted by the General Assembly and approved by the Governor. All funds appropriated to the Department and all other cash received are under the custody and control of the State Treasurer.

Special Projects Division Fund

a) Equal Employment Opportunity Commission (EEOC)

Employment Discrimination – State and Local – Fair Employment Practices Agency Contracts (CFDA No. 30.002)

The Department is paid \$600 per case for fiscal year 2011 and \$550 per case for fiscal year 2010 for the complete investigation of individual allegations of discrimination in employment and sexual harassment in employment. No refund or money not expended in the state fiscal year are due back to the federal government.

b) Department of Housing and Urban Development (HUD) – Office of Fair Housing and Equal Opportunity

Fair Housing Assistance Program – State and Local (CFDA No. 14.401)

The Department is the recipient of the HUD grant amounting to \$821,285 in 2011 and \$668,227 in 2010 to process housing discrimination complaints arising within its jurisdiction.

3. PASS-THROUGH AND SUBRECIPIENT AWARDS

The Department of Human Rights receives all of its federal assistance directly from the EEOC and HUD, and does not provide any awards to subrecipients.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010

4. FEDERAL FINANCIAL ASSISTANCE

The Department did not receive Federal Financial Assistance in the form of noncash assistance, insurance or loans.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2011

FOURTEEN MONTHS ENDED AUGUST 31, 2011

Public Act 96-0956	Appropriations (Net after Transfers)	Expenditures Through 6/30/11	Approximate Lapse Period Expenditures 7/01 - 8/31/11	Approximate Total Expenditures	Approximate Balances Lapsed
<u>APPROPRIATED FUNDS</u>					
<u>General Revenue Fund - 001</u>					
<u>ADMINISTRATIVE DIVISION</u>					
Lump sum and other purposes - operational expenses	\$ 5,333,500	\$ 5,218,708	\$ 69,171	\$ 5,287,879	\$ 45,621
Lump sum - operational, awards, grants and permanent improvements	<u>2,375,400</u>	<u>2,165,146</u>	<u>204,516</u>	<u>2,369,662</u>	<u>5,738</u>
SUBTOTAL	<u>\$ 7,708,900</u>	<u>\$ 7,383,854</u>	<u>\$ 273,687</u>	<u>\$ 7,657,541</u>	<u>\$ 51,359</u>
<u>GOVERNOR'S DISCRETIONARY APPROPRIATION</u>					
Lump sum and other purposes	<u>\$ 1,444,500</u>	<u>\$ 428,996</u>	<u>\$ 1,015,495</u>	<u>\$ 1,444,491</u>	<u>\$ 9</u>
SUBTOTAL	<u>\$ 1,444,500</u>	<u>\$ 428,996</u>	<u>\$ 1,015,495</u>	<u>\$ 1,444,491</u>	<u>\$ 9</u>
SUBTOTAL - FUND #001	<u>\$ 9,153,400</u>	<u>\$ 7,812,850</u>	<u>\$ 1,289,182</u>	<u>\$ 9,102,032</u>	<u>\$ 51,368</u>
<u>Special Projects Division Fund - 607</u>					
Regular positions	\$ 2,250,000	\$ 1,530,920	\$ -	\$ 1,530,920	\$ 719,080
State contributions to state employees retirement system	680,700	454,569	-	454,569	226,131
State contributions to social security	127,778	112,510	-	112,510	15,268
Employer contribution group insurance	464,000	374,451	89,360	463,811	189
Contractual services	125,000	107,986	16,824	124,810	190
Travel	111,600	78,132	32,127	110,259	1,341
Commodities	7,722	6,787	911	7,698	24
Printing	<u>9,300</u>	<u>6,899</u>	<u>-</u>	<u>6,899</u>	<u>2,401</u>
SUBTOTAL - FUND #607	<u>\$ 3,776,100</u>	<u>\$ 2,672,254</u>	<u>\$ 139,222</u>	<u>\$ 2,811,476</u>	<u>\$ 964,624</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 12,929,500</u>	<u>\$ 10,485,104</u>	<u>\$ 1,428,404</u>	<u>\$ 11,913,508</u>	<u>\$ 1,015,992</u>

Appropriations, expenditures, and lapsed balances were obtained from the records of the State Comptroller. And have been reconciled to the Department's records. Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor. Approximate lapse period expenditures do not include interest payments approved for payment by the Department and submitted to the Comptroller for payment after August.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2010

FOURTEEN MONTHS ENDED AUGUST 31, 2010

Public Act 96-0042, 96-0046	Appropriations (Net after Transfers)	Expenditures Through 6/30/10	Lapse Period Expenditures 7/01 - 8/31/10	Total Expenditures	Balances Lapsed
APPROPRIATED FUNDS					
General Revenue Fund - 001					
<u>ADMINISTRATIVE DIVISION</u>					
Regular positions - bargaining unit	\$ 3,355,600	\$ 3,335,387	\$ 20,175	\$ 3,355,562	\$ 38
State contributions to social security - bargaining unit	256,700	244,924	1,478	246,402	10,298
Regular positions - non-bargaining unit	2,812,900	2,607,717	205,095	2,812,812	88
State contributions to social security - non-bargaining unit	215,200	191,724	15,057	206,781	8,419
Lump sum and other purposes - operational expenses	408,200	406,530	865	407,395	805
Lump sum - operational, awards, grants and permanent improvements	2,375,400	2,154,991	220,359	2,375,350	50
SUBTOTAL - FUND #001	\$ 9,424,000	\$ 8,941,273	\$ 463,029	\$ 9,404,302	\$ 19,698
Special Projects Division Fund - 607					
Regular positions	\$ 1,680,800	\$ 347,698	\$ 137,960	\$ 485,658	\$ 1,195,142
State contributions to state employees retirement system	477,000	98,760	39,038	137,798	339,202
State contributions to social security	128,700	25,542	10,183	35,725	92,975
Employer contribution group insurance	414,000	-	-	-	414,000
Contractual services	163,000	27,391	58,228	85,619	77,381
Travel	66,000	53,978	10,873	64,851	1,149
Commodities	6,800	3,743	1,423	5,166	1,634
Printing	13,500	8,542	4,149	12,691	809
Equipment	600	468	-	468	132
Telecommunications services	2,800	-	-	-	2,800
SUBTOTAL - FUND #607	\$ 2,953,200	\$ 566,122	\$ 261,854	\$ 827,976	\$ 2,125,224
GRAND TOTAL - ALL FUNDS	\$ 12,377,200	\$ 9,507,395	\$ 724,883	\$ 10,232,278	\$ 2,144,922

Appropriations, expenditures, and lapsed balances were obtained from the records of the State Comptroller and have been reconciled to the Department's records.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOR THE FISCAL YEARS ENDED JUNE 30,

	Fiscal Year		
	2011 P.A. 96-0956	2010 P.A. 96-0042, P.A. 96-0046	2009 P.A. 95-0731
<u>General Revenue Fund - 001</u>			
Appropriations (Net After Transfers)	\$ 9,153,400	\$ 9,424,000	\$ 10,053,866
Expenditures			
Personal services	-	6,168,374	6,168,293
State contributions to state employees retirement system	-	-	1,067,443
Pension continuing appropriation	-	-	232,034
State contributions to social security	-	453,183	457,210
Contractual services	-	-	218,799
Travel	-	-	76,158
Commodities	-	-	40,292
Printing	-	-	6,640
Equipment	-	-	1,972
Telecommunications services	-	-	74,992
Operation of automotive equipment	-	-	2,965
Lump sum - operational expenses	5,287,879	407,395	-
Lump sum - operational expenses, awards, grants and permanent improvements	2,369,662	2,375,350	1,675,276
Lump sum - Governors discretionary appropriation	1,444,491	-	-
Total Expenditures	\$ 9,102,032	\$ 9,404,302	\$ 10,022,074
Lapsed Balances	\$ 51,368	\$ 19,698	\$ 31,792

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOR THE FISCAL YEARS ENDED JUNE 30,

	Fiscal Year		
	2011 P.A. 96-0956	2010 P.A. 96-0042, P.A. 96-0046	2009 P.A. 95-0731
<u>Special Projects Division Fund - 607</u>			
Appropriations (Net After Transfers)	\$ 3,776,100	\$ 2,953,200	\$ 2,775,400
Expenditures			
Regular positions	1,530,920	485,658	1,312,303
State contributions to state employees retirement system	454,569	137,798	276,410
State contributions to social security	112,510	35,725	98,064
Employer contribution group insurance	463,811	-	301,611
Contractual services	124,810	85,619	96,781
Travel	110,259	64,851	71,139
Commodities	7,698	5,166	3,262
Printing	6,899	12,691	3,672
Equipment	-	468	-
Total Expenditures	\$ 2,811,476	\$ 827,976	\$ 2,163,242
Lapsed Balances	\$ 964,624	\$ 2,125,224	\$ 612,158
<u>GRAND TOTAL, ALL FUNDS</u>			
Appropriations (Net After Transfers)	\$ 12,929,500	\$ 12,377,200	\$ 12,829,266
Total Expenditures	11,913,508	10,232,278	12,185,316
Lapsed Balances	\$ 1,015,992	\$ 2,144,922	\$ 643,950

For Fiscal Year 2009, the expenditures do not reflect interest payments approved and submitted after August 31, 2009. For Fiscal Year 2010, the expenditure amounts are final and include interest payments made after August 2010. For Fiscal Year 2011, expenditures and related lapsed balances do not reflect any interest payments approved for payment by the Department and submitted to the Comptroller for payment after August 2011.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOR THE FISCAL YEARS ENDED JUNE 30,

	Fiscal Year		
	2011	2010	2009
	P.A. 96-0956	P.A. 96-0042, P.A. 96-0046	P.A. 95-0731
<u>General Revenue Fund - 001 State Comptroller</u>			
Appropriations (Net After Transfers)	\$ 115,700	\$ 115,700	\$ 115,700
Director's Salary	110,297	115,613	115,613
Total Expenditures	\$ 110,297	\$ 115,613	\$ 115,613
Lapsed Balances	\$ 5,403	\$ 87	\$ 87

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

SCHEDULE OF CHANGES IN STATE PROPERTY
FOR THE TWO YEARS ENDED JUNE 30, 2011

	<u>State Property</u>
Balance at July 1, 2009	\$ 921,126
Additions	13,866
Deletions	(302)
Net Transfers	-
Adjustments	(29,652)
Balance at June 30, 2010	\$ 905,038
Balance at July 1, 2010	\$ 905,038
Additions	3,576
Deletions	-
Net Transfers	(221,260)
Adjustments	360
Balance at June 30, 2011	\$ 687,714

Note: This schedule has been reconciled to property reports (C-15 Agency Report of State Property) submitted to the Office of the Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

COMPARATIVE SCHEDULE OF CASH RECEIPTS
FOR THE FISCAL YEARS ENDED JUNE 30,

	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Revenue Fund - 001			
Jury duty and reimbursement	\$ 697	\$ 585	\$ 138
Copying fees	130	142	60
Settlement for cases		19,500	10,530
Salary refunds		-	3,500
Prior Year Refunds		<u>3,841</u>	<u>151</u>
Total Receipts	<u>\$ 827</u>	<u>\$ 24,068</u>	<u>\$ 14,379</u>

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEARS ENDED JUNE 30,

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Cash Receipts per Department	\$ 827	\$ 24,068	\$ 14,379
Deposits in transit:			
Beginning of year	-	4,017	17
End of year	<u>(52)</u>	<u>-</u>	<u>(4,017)</u>
Deposits Remitted to Comptroller	<u>\$ 775</u>	<u>\$ 28,085</u>	<u>\$ 10,379</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

COMPARATIVE SCHEDULE OF CASH RECEIPTS
FOR THE FISCAL YEARS ENDED JUNE 30,

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Special Projects Division Fund - 607			
Equal Employment Opportunity Commission (EEOC)	\$ 1,892,950	\$ 1,320,250	\$ 2,125,280
U.S. Department of Housing and Urban Development	676,727	779,570	702,482
Salary Refund	<u>-</u>	<u>2,185</u>	<u>-</u>
Total Receipts	<u>\$ 2,569,677</u>	<u>\$ 2,102,005</u>	<u>\$ 2,827,762</u>

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEARS ENDED JUNE 30,

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Cash Receipts per Department	\$ 2,569,677	\$ 2,102,005	\$ 2,827,762
Deposits in transit:			
Beginning of year	-	-	-
End of year	<u>(896,400)</u>	<u>-</u>	<u>-</u>
Deposits Remitted to Comptroller	<u>\$ 1,673,277</u>	<u>\$ 2,102,005</u>	<u>\$ 2,827,762</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

COMPARATIVE SCHEDULE OF CASH RECEIPTS
FOR THE FISCAL YEARS ENDED JUNE 30,

	<u>2011</u>	<u>2010</u>	<u>2009</u>
DHR Training and Development Fund - 778			
Training fees	\$ 8,888	\$ 15,363	\$ -
Total Receipts	<u>\$ 8,888</u>	<u>\$ 15,363</u>	<u>\$ -</u>

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEARS ENDED JUNE 30,

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Cash Receipts per Department	\$ 8,888	\$ 15,363	\$ -
Deposits in transit:			
Beginning of year	56	-	-
End of year	<u>(2,165)</u>	<u>(56)</u>	<u>-</u>
Deposits Remitted to Comptroller	<u>\$ 6,779</u>	<u>\$ 15,307</u>	<u>\$ -</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

COMPARATIVE SCHEDULE OF CASH RECEIPTS
FOR THE FISCAL YEARS ENDED JUNE 30,

	<u>2011</u>	<u>2010</u>	<u>2009</u>
DHR Special Fund - 797			
Registration fees	<u>\$ 209,625</u>	<u>\$ 119,325</u>	<u>\$ -</u>
Total Receipts	<u><u>\$ 209,625</u></u>	<u><u>\$ 119,325</u></u>	<u><u>\$ -</u></u>

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEARS ENDED JUNE 30,

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Cash Receipts per Department	\$ 209,625	\$ 119,325	\$ -
Deposits in transit:			
Beginning of year	-	-	-
End of year	<u>(12,675)</u>	<u>-</u>	<u>-</u>
Deposits Remitted to Comptroller	<u><u>\$ 196,950</u></u>	<u><u>\$ 119,325</u></u>	<u><u>\$ -</u></u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE TWO YEARS ENDED JUNE 30, 2011

FISCAL YEAR 2011

Significant variations in expenditures (\$10,000 and 20%) for the fiscal years ended June 30, 2011 and June 30, 2010 is shown below:

General Revenue Fund - 001

During fiscal year 2011, the Department received 3 separate lump sum appropriations totaling \$9,153,400. During fiscal year 2010, the Department paid the majority of expenditures from lump sums with the exception of personal services and state contributions to social security which were paid from individual line items. Therefore, individual line item comparisons are not available. Overall, general revenue fund expenditures decreased \$302,270 (3%) from 2010 to 2011 which is due to a decrease in general revenue funding.

Special Projects Division Fund - 607

<u>Expenditure Item</u>	<u>Fiscal Year Ended June 30,</u>		<u>Increase (Decrease)</u>	
	<u>2011</u>	<u>2010</u>	<u>Amount</u>	<u>%</u>
Personal services	\$1,530,920	\$ 485,658	\$ 1,045,262	215%
State contributions to state employees retirement system	\$ 454,569	\$ 137,798	\$ 316,771	230%
State contributions to social security	\$ 112,510	\$ 35,725	\$ 76,785	215%
Employer contribution group insurance	\$ 463,811	\$ -	\$ 463,811	100%
Contractual Services	\$ 124,810	\$ 85,619	\$ 39,191	46%
Travel	\$ 110,259	\$ 64,851	\$ 45,408	70%

Personal Services

Personal services increased \$1,045,262 (215%) due to an increase in federal funding.

State Contributions to State Employees Retirement System

State contributions to state employees retirement system increased \$316,771 (230%) due to an increase in federal funding.

State Contributions to Social Security

State contributions to social security increased \$76,785 (215%) due to an increase in federal funding.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE TWO YEARS ENDED JUNE 30, 2011

Employer Contribution Group Insurance

Employer contribution group insurance increased \$463,811 (100%) due to an increase in federal funding.

Contractual Services

Contractual service expenditures increased \$39,191 (46%) due to an increase in case loads. The Department contracted with Seville Staffing to help the Department meet their case load work.

Travel

Travel expenditures increased \$45,408 (70%). There was an increase in case loads in 2011 which required more employees to travel.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE TWO YEARS ENDED JUNE 30, 2011

FISCAL YEAR 2010

Significant variations in expenditures (\$10,000 and 20%) for the fiscal years ended June 30, 2010 and June 30, 2009 is shown below:

General Revenue Fund - 001

During fiscal year 2010, the Department received 2 separate lump sum appropriations totaling \$2,782,745 and one lump sum appropriation in the amount of \$1,675,276 during 2009. During fiscal year 2010, the Department paid the majority of expenditures from lump sums with the exception of personal services and state contributions to social security which were paid from individual line items. During 2009, the majority of expenditures were paid from individual line items; therefore, individual line item comparisons are not available. Overall, general revenue fund expenditures decreased \$617,772 (6%) from 2009 to 2010 which is due to a decrease in general revenue funding.

Special Projects Division Fund - 607

<u>Expenditure Item</u>	<u>Fiscal Year Ended June 30,</u>		<u>Increase (Decrease)</u>	
	<u>2010</u>	<u>2009</u>	<u>Amount</u>	<u>%</u>
Personal services	\$ 485,658	\$1,312,203	\$ (826,545)	(63%)
State contributions to state employees retirement system	\$ 137,798	\$ 276,410	\$ (138,612)	(50%)
State contributions to social security	\$ 35,725	\$ 98,064	\$ (62,339)	(64%)
Employer contributions group insurance	\$ -	\$ 301,611	\$ (301,611)	(100%)

Personal Services

Personal services decreased \$826,545 (63%) due to a decrease in federal funding from 2009 to 2010.

State Contributions to State Employees Retirement System

State contributions to state employees retirement system expenditures decreased \$138,612 (50%) due to a decrease in federal funding from 2009 to 2010.

State Contributions to Social Security

State contributions to social security decreased \$62,339 (64%) due to a decrease in federal funding from 2009 to 2010.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE TWO YEARS ENDED JUNE 30, 2011

Employer Contributions Group Insurance

Employer contributions group insurance decreased \$301,611 (100%) due to a decrease in federal funding from 2009 to 2010.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
FOR THE TWO YEARS ENDED JUNE 30, 2011

General Revenue Fund – 001

Jury Duty and Reimbursement – Jury duties and reimbursements are refunds from employees who have to absent for jury duty. They fluctuate from year to year with the number of employees being called for duty.

Settlement Checks – Settlement checks are received for housing cases that were settled during the year. In addition to restitution being paid to the injured, there may be a civil penalty assessed. Settlement checks in the amount of \$19,500 and \$10,530 were reimbursed to the Department in fiscal year 2010 and 2009, respectively, for completed cases. No settlement checks were received in fiscal year 2011.

Salary Refunds – Salary refunds decreased by \$3,500 during fiscal year 2010. The Department received a refund from the Comptroller during 2009 relating to the overpayment of payroll taxes for one employee.

Prior Year Refunds – The Department receives prior year refunds for the recovery of a prior year expenditure. During fiscal year 2010, the Department received prior year refunds of \$3,841. No prior year refunds were received during fiscal year 2011.

Special Projects Division Fund - 607

Federal Grant receipts fluctuate from year to year depending upon the cases closed by the Department and the timing of federal drawdowns.

Training and Development Fund – 778

During fiscal year 2010, the Department began accepting training fees for training services provided by the Department. More organizations hired the Department for training during fiscal year 2010 compared to fiscal year 2011.

DHR Special Fund – 797

During fiscal year 2010, the Department began accepting registration and renewal fees from companies for the eligibility to be awarded a contract by a state agency. More registrations and renewals were filed during fiscal year 2011 compared to fiscal year 2010.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
FOR THE TWO YEARS ENDED JUNE 30, 2011

FISCAL YEAR 2011

Our testing of lapse period expenditures for fiscal year ended June 30, 2011 disclosed the following significant (\$10,000 and 20%) lapse period expenditures:

General Revenue Fund -001

<u>Expenditure Item</u>	<u>Total Expenditures</u>	<u>Lapse Period Expenditures</u>	<u>%</u>
Lump Sum – Governor’s Discretionary Appropriation	\$ 1,444,491	\$ 1,015,495	70%

Lump Sums – Governor’s Discretionary Appropriation

Expenditure payouts in the lapse period related to payments for payroll in the fourth quarter.

Special Projects Division Fund - 607

<u>Expenditure Item</u>	<u>Total Expenditures</u>	<u>Lapse Period Expenditures</u>	<u>%</u>
Employer contribution group insurance	\$ 463,811	\$ 89,360	19%
Travel	\$ 110,259	\$ 32,127	29%

Employer Contribution Group Insurance

Expenditure payouts in the lapse period were due to catch up payments to CMS for group insurance.

Travel

Expenditure payouts in the lapse period were due to payment of fourth quarter travel for the investigators for increased case loads and a push to meet the EEOC contract deadline.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
FOR THE TWO YEARS ENDED JUNE 30, 2011

FISCAL YEAR 2010

Our testing of lapse period expenditures for fiscal year ended June 30, 2010 disclosed the following significant (\$10,000 and 20%) lapse period expenditures:

General Revenue Fund – 001

There were no significant lapse period expenditures noted in the General Revenue Fund.

Special Projects Division Fund - 607

<u>Expenditure Item</u>	<u>Total Expenditures</u>	<u>Lapse Period Expenditures</u>	<u>%</u>
Personal services	\$ 485,436	\$ 137,960	28%
State contributions to state employees retirement	\$ 137,798	\$ 39,038	28%
State contributions to social security	\$ 35,725	\$ 10,183	29%
Contractual services	\$ 85,619	\$ 58,228	68%

Personal Services

Expenditure payouts in the lapse period were due to the fourth quarter payments for payroll.

State Contributions to State Employees Retirement System

Expenditure payouts in the lapse period were due to the fourth quarter payments for payroll.

State Contributions to Social Security

Expenditure payouts in the lapse period were due to the fourth quarter payments for payroll.

Contractual Services

Expenditure payouts in the lapse period were due to the fourth quarter payments for temporary staff employed by Seville Staffing to aid investigators with increase case loads.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2011

AGENCY FUNCTIONS AND PLANNING PROGRAM

FUNCTIONS

Introduction

The Department of Human Rights administers the Illinois Human Rights Act, which prohibits discrimination because of race, color, religion, sex, sexual orientation, national origin, ancestry, citizenship status (with regard to employment), age 40 and over, marital status, physical or mental handicap, military service or unfavorable military discharge. The Act prohibits discrimination in connection with employment opportunities, real estate transactions, access to financial credit, and the availability of public services and public accommodations. It also provides protection from sexual harassment in employment, sexual harassment of students in higher education, and retaliation for having filed a discrimination charge. A discrimination charge can be initiated by calling, writing, or appearing in person at the Department's Chicago or Springfield office within 180 days of the date of the alleged discrimination took place in all cases except housing discrimination (one year filing deadline).

Administration Division

The Administration division is the managerial and administrative body for the Illinois Department of Human Right and is responsible for the following functions: Financial Management, Fiscal Planning, Procurement, Inventory, Auditing, Legislative Bill Review and Analysis, Governmental Relations, Personnel, Public Information/Communications, General Office Services, Information Systems and Operational Planning.

Organizationally, the Administrative Division consists of the following program areas: Fiscal, Legislative Operations, Management Operations, Personnel, Public information and Research Planning and Development.

Charge Processing Division

The Charge Processing Division receives and investigates charges of discrimination in connection with employment opportunities, housing and real estate transactions, access to financial credit, or the availability of public services and public accommodations, sexual harassment in employment, sexual harassment of students in higher education, and retaliation for having opposed discrimination. The Charge Processing Division receives about 30,000 inquires and processes an average of 4,000 cases per year. The Charge Processing is the largest division in the Department, consisting of the Intake unit, Investigation groups, and Quality control unit.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2011

Legal Division

The Legal Division oversees the investigative works of the Department and monitors the Liaison Unit and the Public Contracts Unit.

Attorneys

Staff attorneys review all investigation reports that recommend a finding of Substantial Evidence and approve the findings before they become final and the parties are notified. Attorneys also conciliate these cases and attempt settlements. If the investigator recommends a finding of Lack of Substantial Evidence, the complainant may file a Request for Review with the Chief Legal Counsel. The Chief Legal Counsel enters an order, which decides the case.

The Legal Division also provides investigators with technical advice, and responds to inquires from the public on a daily basis by staffing the “Attorney of the Day” post.

Liaison Unit

Liaison Unit provides specialized technical assistance to state agencies and other entities to enhance, strengthen, and promote their equal employment opportunity/Affirmative Action compliance obligations.

It provides technical assistance on disability issues as the Department’s Coordinator of American Disability Association and Section 503/504 for disability issues. That makes the Department Director, in his capacity, co-chair of the Interagency Committee for Employees with Disabilities.

Public Contracts Unit

Public Contracts Unit processes the registration of companies bidding on public contracts and provides technical assistance in matters of equal employment and Affirmative Action implementation.

Other Services

Institute for Training and Development

Institute for Training and Development provides a broad range of workshops and seminars in the areas of equal employment opportunity and fair housing, etc., to enhance the sensitivity and technical knowledge of human rights organization, municipal agencies, and the business sector.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2011

Disability Program

Disability Program provides information and advice to individuals and organizations around the state about disability issues and the requirements of related laws. The program coordinator also serves as internal expert concerning matters relating to disability issues.

PLANNING PROGRAM

The Department's mission is to secure for all individuals within the State of Illinois freedom from unlawful discrimination, and to establish and promote equal opportunity and affirmative action as the policy of the state for all its residents.

The Strategic Plan for fiscal years 2008 to 2011 set forth the following priorities:

- I. Prohibit discrimination in employment, housing, public accommodations, financial credit and sexual harassment in higher education.
- II. Monitor state agencies' compliance with Equal Employment Opportunity / AA guidelines. In addition, monitor public contractor and eligible bidder compliance with non-discrimination and affirmative action legal requirements.
- III. Promote public outreach, education and training regarding unlawful discrimination.
- IV. Combat discrimination based on ethnicity, religion, skin color, gender, gender identification, disability or sexual orientation.

Consultants were hired by the State to provide guidance on how to prepare the plan. The Department is also required to submit a metric, a report showing the performance measures linked to the strategic plan, to the State on a quarterly basis. There were 9 initiatives developed to address the priorities. Each initiative has goals and objectives.

The service efforts and accomplishments reports summarized the number of employment and housing cases that were completed and the programs that were implemented to achieve the objectives of the strategic plan.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN RIGHTS

ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2011

AVERAGE NUMBER OF EMPLOYEES

The following table, prepared from Department records, presents the average number of employees by division, for the fiscal years ended June 30,

	Fiscal Year		
	2011	2010	2009
Administration	11	11	11
Charge Processing	126	122	125
Compliance	11	11	11
Total	148	144	147

SERVICE EFFORTS AND ACCOMPLISHMENTS (Not Examined)

The following caseload information and Department statistics were prepared from Department records and have not been examined

Charge Processing Division – Annual Caseload Statistics

Caseload Information

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Docketed	3,994	4,273	4,491
Completed	3,423	3,508	3,840
Complainant filings	60	56	11
Carryover	571	765	651
Charges completed per month per investigator	5.10	5.20	5.80
Investigators employed at end of year	60	56	55

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Employment Charges by Basis

Basis of Discrimination

	2011	% of Total	2010	% of Total	2009	% of Total
Race	932	23%	1,009	24%	1,134	28%
Sex	1,095	27%	1,289	30%	1,259	32%
Age	793	20%	926	22%	874	22%
National Origin/Ancestry	466	12%	524	12%	579	14%
Retaliation	1,082	27%	1,105	26%	1,103	28%
Physical Disability	600	15%	684	16%	745	19%
Sexual Harassment	417	10%	381	9%	644	16%
Mental Disability	186	5%	160	4%	167	4%
Other*	177	4%	171	4%	156	4%
Religion	73	2%	57	1%	79	2%
Sexual Orientation	165	4%	125	3%	168	4%
Arrest Record	39	1%	46	1%	55	1%
Color	29	1%	27	1%	31	1%
Marital Status	24	1%	22	1%	28	1%
Coercion	2	0%	4	0%	13	0%
Military Discharge	6	0%	10	0%	2	0%

Note: Percent of total charges filed is greater than 100% because charges can be filed on more than one basis.

* Includes non-jurisdictional bases such as personality conflict

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Housing Discrimination Charges By Basis:

Basis of Discrimination

	2011	% of Total	2010	% of Total	2009	% of Total
Race	151	41%	138	40%	131	37%
Physical Disability	94	26%	86	25%	90	25%
National Origin	51	14%	59	17%	37	10%
Familial Status	42	11%	37	11%	71	20%
Sex	40	11%	34	10%	21	6%
Mental Disability	51	14%	51	15%	34	10%
Religion	21	6%	6	2%	7	2%
Retaliation	16	4%	14	4%	27	8%
Age	3	1%	8	2%	6	2%
Other	1	0%	6	2%	11	3%
Marital Status	6	2%	5	1%	4	1%
Coercion	1	0%	1	0%	2	1%
Sexual Orientation	8	2%	6	2%	5	1%
Color	3	1%	1	0%	5	1%

Note: Number of charges by basis is greater than total charges filed because some charges were filed under more than one basis.

Disposition of Completed Investigations for both Charge Processing and Fair Housing Divisions:

	2011	2010	2009
Inquiries received	11,936	13,243	13,759
Charges filed	3,994	4,273	4,330
Completed Investigations	3,423	3,508	3,844

	2011	% of Total	2010	% of Total	2009	% of Total
Substantial evidence	242	6%	234	5%	294	8%
Settlements	824	21%	998	23%	1,194	31%
Withdrawn by complainant	449	11%	504	12%	497	13%

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Service Efforts and Accomplishments (Not Examined), Continued

	<u>2011</u>	<u>% of Total</u>	<u>2010</u>	<u>% of Total</u>	<u>2009</u>	<u>% of Total</u>
Dismissals:						
Lack of substantial evidence	1,175	29%	1,050	24%	1,165	33%
Lack of jurisdiction	171	4%	171	4%	144	4%
Failure to proceed	211	5%	210	5%	229	7%
Administrative closures	29	1%	14	0%	12	1%

Compliance Division – Annual Bidder Registration Activity Summary:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Forms pending at beginning of year	0	0	0
Forms received during year	3,264	3,984	4,805
Forms processed during the year	3,276	5,000	4,735
Forms pending at end of year	0	0	362