



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

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

LEGISLATIVE PRINTING UNIT

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

Release Date: January 11, 2012

Summary of Findings:

Total this audit:	3
Total last audit:	1
Repeated from last audit:	1

SYNOPSIS

- The Legislative Printing Unit did not maintain adequate control over their commodities inventory.
- The Legislative Printing Unit did not exercise adequate controls over voucher processing.

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

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

EXPENDITURE STATISTICS	2011	2010	2009
Total Operating Expenditures.....	\$ 1,992,961	\$ 2,063,821	\$ 2,425,016
Average Number of Employees.....	27	28	30

SELECTED ACTIVITY MEASURES (Not Examined)	2011	2010	2009
Total number of jobs completed.....	3,159	2,846	3,526
Total number of impressions.....	16,538,972	20,141,473	27,694,796

EXECUTIVE DIRECTOR	
During Examination Period:	Mr. Ronald Rhone (12/16/10 to present) Vacant (1/1/10 to 12/15/10) Mr. John Rodems (through 12/31/09)
Currently:	Mr. Ronald Rhone

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**INADEQUATE CONTROL OVER COMMODITIES
INVENTORY**

The Legislative Printing Unit (LPU) did not maintain adequate control over their commodities inventory.

**Commodities inventory was
overstated by \$5,457**

During our test counts of the commodities inventory, we noted 13 of 25 (52%) items counted did not match the perpetual inventory records resulting in the inventory being overstated by \$5,457. (Finding 1, page 9)

We recommended LPU strengthen internal controls over the recording and tracking of their commodities inventory by reviewing their inventory and recordkeeping practices to ensure accuracy.

LPU agreed with auditors

LPU agreed with our recommendation and stated they are currently in the process of updating the Job Tracking System which monitors the LPU commodities inventory. In order to test inventory balances, some test count transactions were entered to increase inventory balances. These test transactions were never deleted thus resulting in an overstatement of some inventory items. LPU stated when the Job Tracking System update is complete, they will ensure all commodities balances are correct and that test counts are accurate.

**INADEQUATE CONTROLS OVER VOUCHER
PROCESSING**

LPU did not exercise adequate control over voucher processing. We noted the following:

Vouchers were approved late

- Fifty-five of 133 (41%) vouchers tested totaling \$165,215 were approved for payment from 2 to 54 days late.

Required interest was not paid

- The required interest totaling \$4,422 was not paid on 16 of 133 (12%) vouchers tested. (Finding 2, page 10)

We recommended LPU ensure all interest owed on vouchers is paid and ensure vouchers are approved within the required time frame.

LPU agreed with auditors

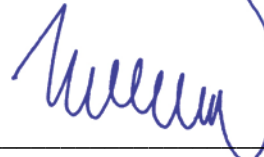
LPU agreed with our recommendation and stated they will more timely complete the voucher process in the future. They also stated prompt payment interest will be paid timely on all future vouchers.

OTHER FINDING

The remaining finding pertains to controls over State property. This finding is reportedly being given attention by LPU. We will review LPU's progress towards implementation of our recommendation in our next examination.

AUDITORS' OPINION

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



WILLIAM G. HOLLAND
Auditor General

WGH:PH:pp

AUDITORS ASSIGNED

The compliance examination was performed by the Auditor General's staff.