



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

William G. Holland, Auditor General

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**SUMMARY REPORT DIGEST**

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**OFFICE OF THE LIEUTENANT GOVERNOR**

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

**Release Date: February 28, 2012**

**Summary of Findings:**

<b>Total this audit:</b>	<b>2</b>
<b>Total last audit:</b>	<b>1</b>
<b>Repeated from last audit:</b>	<b>0</b>

**SYNOPSIS**

- The Office of the Lieutenant Governor did not have adequate controls over the recording and reporting of State property
- The Office of the Lieutenant Governor did not exercise adequate controls over voucher processing

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

**OFFICE OF THE LIEUTENANT GOVERNOR  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2011**

EXPENDITURE STATISTICS	2011	2010	2009
<b>Total Expenditures.....</b>	<b>\$ 746,195</b>	<b>\$ 182,927</b>	<b>\$ 2,366,093</b>
OPERATIONS TOTAL.....	\$ 746,195	\$ 112,700	\$ 1,781,285
% of Total Expenditures.....	100.0%	61.6%	75.3%
GRANTS TOTAL.....	\$ -	\$ 70,227	\$ 584,808
% of Total Expenditures.....	0.0%	38.4%	24.7%
<b>Average Number of Employees.....</b>	<b>14</b>	<b>7</b>	<b>18</b>

Note: The above information regarding the number of employees within the Office are annual averages. There were no employees of the Office for the period beginning August 7, 2010 and ending January 10, 2011.

<b>AGENCY DIRECTOR</b>	
During Examination Period:	Honorable Sheila Simon (1/10/11 - Present) ; Vacant (1/29/09 - 1/10/11)
Currently:	Honorable Sheila Simon

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**INADEQUATE CONTROLS OVER STATE PROPERTY**

The Office of the Lieutenant Governor (Office) did not have adequate controls over its recording and reporting of State property.

Some of the matters noted in our testing follow:

**The Office could not locate \$156,000 of State property**

- The Office could not locate State property with an original cost of \$156,000 during its June 2011 inventory certification. (Finding 1, pages 10-11)

**Quarterly Property reports were not filed**

- The Office did not file 4 of the 8 (50%) required Quarterly State Property Reports and filed one (13%) report late.
- State property items were not reported or incorrectly reported on the Quarterly State Property Report. (Finding 1, pages 10-11)

We recommended the Office comply with Statewide Accounting Management Systems (SAMS) requirements in the preparation of the Quarterly Fixed Asset Reports and devote adequate resources to ensure property records are maintained and updated timely.

**Office agrees with auditors**

Officials from the Office agreed with the finding. The Office will revise its procedures accordingly and will take the necessary measures to ensure compliance with SAMS requirements.

**INADEQUATE CONTROLS OVER VOUCHER PROCESSING**

The Office of the Lieutenant Governor did not exercise adequate controls over voucher processing.

Some of the matters noted in our testing follow:

**Vouchers were approved late**

- Twelve of 97 (12%) vouchers, totaling \$11,065 were not approved within 30 days.
- Twelve of 97 (12%) vouchers, totaling \$25,969 included invoices that were not date stamped.

**Required interest was not paid**

- Required interest totaling \$834 was not paid on 3 of 97 (3%) vouchers tested.

**Payroll vouchers were not appropriately approved**

- Four of 14 (29%) payroll vouchers tested totaling \$80,859 were not approved by an authorized signer. (Finding 2, pages 12-13)

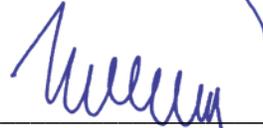
We recommended the Office strengthen controls over voucher processing to ensure invoices are processed timely and properly approved.

**Office agrees with auditors**

Officials from the Office agreed with the finding. The Office will strengthen internal controls regarding voucher processing to ensure invoices are processed timely and properly approved.

**AUDITORS' OPINION**

We conducted a compliance examination of the Office of the Lieutenant Governor as required by the Illinois State Auditing Act. We have not audited any financial statements of the Office for the purpose of expressing an opinion because the Office does not, nor is it required to, prepare financial statements.



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WILLIAM G. HOLLAND  
.. Auditor General

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**SPECIAL ASSISTANT AUDITORS**

Our special assistant auditors on this examination were McGreal & Company, PC.