



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

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

LEGISLATIVE ETHICS COMMISSION

**COMPLIANCE EXAMINATION
For the Two Years Ended: June 30, 2010**

Release Date: January 20, 2011

Summary of Findings:

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

SYNOPSIS

- The Commission did not timely prepare and file all required reports, did not record equipment purchases on its inventory timely, and did not maintain complete documentation as required.

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

**LEGISLATIVE ETHICS COMMISSION
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2010**

EXPENDITURE STATISTICS	2010	2009	2008
Total Expenditures*	\$ 91,008	\$ 100,124	\$ 83,218
OPERATIONS TOTAL.....	\$ 91,008	\$ 100,124	\$ 83,218
% of Total Expenditures.....	100.0%	100.0%	100.0%
Personal Services.....	80,604	76,541	67,514
Other Payroll Costs (FICA, Retirement).....	3,968	17,065	10,371
All Other Operating Expenditures.....	6,436	6,518	5,333
Total Receipts	\$ -	\$ -	\$ -
Average Number of Employees	2	2	2

*Note: The Office of the Legislative Inspector General and the Legislative Ethics Commission share an appropriation and expenditure data. In both Fiscal Years 2009 and 2010, both entities were reported under the Legislative Ethics Commission's agency code.

SELECTED ACTIVITY MEASURES (Not Examined)	2010	2009	2008
Number of allegations received.....	11	17	19
Number of investigations initiated.....	11	17	19
Number of investigations concluded.....	12	14	17
Number of total open investigations at year end.....	4	5	2

AGENCY DIRECTOR	
During Examination Period:	Mr. Kevin Steelman (July 2008 - February 2009) Vacant (February 2009 - June 2009) Mr. Randy Erford (June 2009 - Present)
Currently:	Mr. Randy Erford

FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS

PROCEDURAL DEFICIENCIES

During our testing of the Legislative Ethics Commission (Commission), we noted procedural deficiencies. Some of the conditions we noted follow:

- | | |
|---|--|
| Required reports not filed timely | <ul style="list-style-type: none">• The Commission did not prepare or file Fiscal Control and Internal Auditing Act (FCIAA) certifications with the Office of the Auditor General for Fiscal Years 2009 and 2010.• The Commission submitted 2 of 4 (50%) Travel Headquarters (TA-2) reports to the Legislative Audit Commission 63 and 244 days late, respectively. |
| Equipment items not recorded on inventory timely | <ul style="list-style-type: none">• The Commission did not timely record the purchase of 3 equipment items, totaling \$433, on its property control listing. These items were recorded from 73 to 124 days late. |
| Incomplete documentation maintained | <ul style="list-style-type: none">• The Commission did not maintain complete and proper documentation of its ratification of the compensation for the Legislative Inspector General. Per the limited documentation available, the Commission met in December 2009 and discussed an increase in hourly compensation for the Legislative Inspector General. A draft Commission resolution was prepared to this effect, but the meeting minutes do not reflect the hourly compensation rate decided during the meeting, nor was the draft resolution signed or filed with any of the parties indicated in the draft resolution. (Finding 1, pages 8-10) |

We recommended the Commission ensure all required reports are prepared and filed timely as required. We also recommended the Commission ensure property items are added to inventory records timely. Lastly, we recommended the Commission ensure documentation of all essential transactions is maintained.

The Commission accepted our recommendation and indicated they have already started implementing our recommendations to improve reporting and recordkeeping functions.

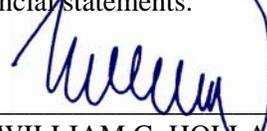
OTHER FINDING

The remaining finding is reportedly being given attention by the Commission. We will review the Commission's progress towards the implementation of our recommendations

in our next engagement.

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 on financial statements.



WILLIAM G. HOLLAND
Auditor General

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AUDITORS ASSIGNED:

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