

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2005

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2005

TABLE OF CONTENTS

	<u>Page</u>
Agency Officials	1
Management Assertion Letter	2
Compliance Report	
Summary	4
Auditors' Reports	
Independent Accountants' Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes	5
Schedule of Findings	
Current Findings - State	8
Supplementary Information for State Compliance Purposes	
Summary	10
Fiscal Schedules and Analysis	
Schedule of Appropriations, Expenditures and Lapsed Balances	11
Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances	13
Schedule of Efficiency Initiative Payments	14
Schedule of Changes in State Property	15
Comparative Schedule of Cash Receipts	16
Reconciliation Schedule of Cash Receipts to Deposits Remitted to the State Comptroller	16
Analysis of Significant Variations in Expenditures	17
Analysis of Significant Lapse Period Spending	18
Analysis of Operations	
Agency Functions and Planning Program	19
Average Number of Employees	21
Service Efforts and Accomplishments (Not Examined)	22

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL

AGENCY OFFICIALS

Executive Inspector General (7/1/05 to Current)	Mr. James Wright
Executive Inspector General (4/1/03 to 6/30/05)	Ms. Zaldwaynaka Scott
First Deputy Inspector General (8/1/05 to Current)	Ms. Sydney Roberts
First Deputy Inspector General (6/1/03 to 7/31/05)	Ms. Deborah Steiner
Chief Fiscal Officer (8/29/05 to Current)	Mr. Stan Ryniewski
Chief Fiscal Officer (7/1/03 to 7/31/05)	Mr. Robert O'Toole
Legal Counsel (2/27/06 to Current)	Mr. Patrick S. Ginty
Legal Counsel (8/1/03 to 10/25/05)	Mr. Theodor J. Hengesbach

Agency offices are located at:

32 West Randolph Street, Suite 1900
Chicago, IL 60601

607 East Adams Street, 14th Floor
Springfield, IL 62701



OFFICE OF EXECUTIVE INSPECTOR GENERAL
FOR THE AGENCIES OF THE ILLINOIS GOVERNOR

ROD R. BLAGOJEVICH
GOVERNOR

32 WEST RANDOLPH STREET, SUITE 1900
CHICAGO, ILLINOIS 60601
312-814-5600

JAMES A. WRIGHT
EXECUTIVE INSPECTOR GENERAL

Honorable William G. Holland
Auditor General
Iles Park Plaza
740 East Ash Street
Springfield, IL 62703-3154

December 30, 2005

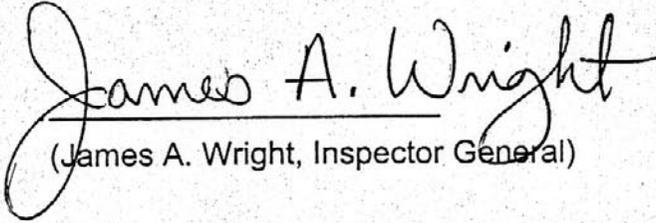
Dear General Holland:

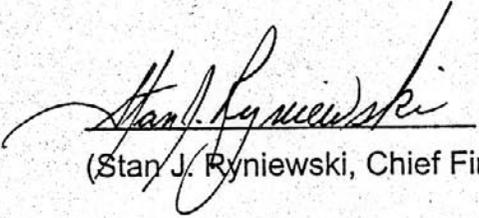
We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grants that could have a material effect on the operations of the Office of Executive Inspector General (OEIG). We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the OEIG's compliance with the following assertions during the two-year period ended June 30, 2005. Based on this evaluation, we assert that during the two years ended June 30, 2005, the OEIG has materially complied with the assertions below.

- A. The OEIG 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 OEIG 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 OEIG has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. The State revenues and receipts collected by the OEIG 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. The money or negotiable securities or similar assets handled by the OEIG on behalf of the State or held in trust by the OEIG have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Office of Executive Inspector General


(James A. Wright, Inspector General)


(Stan J. Ryniewski, Chief Financial Officer)

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.

AUDITORS' 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>This Report</u>
Findings	1
Repeated Findings	N/A
Prior recommendations implemented or not repeated	N/A

This is the first examination of the Office of Executive Inspector General.

Details of the finding are presented in a separately tabbed report section.

SUMMARY OF FINDINGS

<u>Item No.</u>	<u>Page No.</u>	<u>Description</u>
05-1	8	Lack of timekeeping procedures

EXIT CONFERENCE

The finding and recommendation appearing in this report were discussed with Office personnel at an exit conference on March 23, 2006. Attending were:

Office of Executive Inspector General

James A. Wright, Inspector General
Sydney Roberts, First Deputy Inspector General
Stan Ryniewski, Chief Fiscal Officer

Office of the Auditor General

Courtney Dzierwa, Compliance Audit Manager
Jessica West, Compliance Audit Supervisor
Greg Caporelli, Compliance Audit Staff

The Office's response to the recommendation was provided by Stan Ryniewski, Chief Fiscal Officer of the Office of Executive Inspector General in a letter dated March 27, 2006.

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OFFICE OF THE AUDITOR GENERAL
WILLIAM G. HOLLAND

**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

We have examined the State of Illinois, Office of Executive Inspector General's 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, 2005. The management of the State of Illinois, Office of Executive Inspector General is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Office of Executive Inspector General's compliance based on our examination.

- A. The State of Illinois, Office of Executive Inspector General 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 State of Illinois, Office of Executive Inspector General 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 State of Illinois, Office of Executive Inspector General has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. The State revenues and receipts collected by the State of Illinois, Office of Executive Inspector General 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 State of Illinois, Office of Executive Inspector General on behalf of the State or held in trust by the State of Illinois, Office of Executive Inspector General have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted 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 State of Illinois, Office of Executive Inspector General's compliance with those requirements 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 State of Illinois, Office of Executive Inspector General's compliance with specified requirements.

In our opinion, the State of Illinois, Office of Executive Inspector General complied, in all material respects, with the aforementioned requirements during the two years ended June 30, 2005. However, the results of our procedures disclosed instances of noncompliance with those 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 State findings as finding 05-1. As required by the Audit Guide, immaterial findings relating to instances of noncompliance excluded from this report have been reported in a separate letter.

Internal Control

The management of the State of Illinois, Office of Executive Inspector General is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations. In planning and performing our examination, we considered the State of Illinois, Office of Executive Inspector General's internal control over compliance with the aforementioned requirements in order to determine 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.

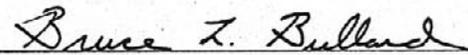
Our consideration of internal control over compliance with the aforementioned requirements would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws and regulations that would be material in relation to one or more of the aforementioned requirements being examined may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance that we consider to be material

weaknesses. As required by the Audit Guide, an immaterial finding relating to internal control deficiencies excluded from this report has been reported in a separate letter.

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 2005 and 2004 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.

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.



BRUCE L. BULLARD, CPA

Director of Financial and Compliance Audits

December 30, 2005

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2005

05-1. **FINDING** (Lack of timekeeping procedures)

The Office of Executive Inspector General (Office) did not comply with the State Officials and Employees Ethics Act (5 ILCS 430/5-5) regarding employee timekeeping requirements.

The State Officials and Employees Ethics Act (5 ILCS 430/5-5) requires State employees to periodically submit time sheets documenting the time spent each day on official State business to the nearest quarter hour. The time sheet requirement applied to State employees beginning 30 days after the adoption of personnel policies that were required to be adopted before February 1, 2004.

The Office did not have a policy in place that required all employees to periodically submit time sheets until January 2005. Prior to implementation, the Office's documents that recorded time for the period were sign in/out sheets, requested time off sheets, leave of absence or other correspondence relating to when an employee was not going to be in the Office during his/her scheduled working hours. In addition, some management personnel did maintain timesheets beginning June 2004.

Although the Office began requiring employees to submit timesheets in January 2005, the Inspector General was not required to submit timesheets. Based on verbal communication from the previous Inspector General, timesheets for the Inspector General were maintained but never forwarded to the human resources department. Under the Act, agency directors and appointees would be considered state employees and would be required to meet the timesheet requirement.

Failure to implement policies in a timely manner and to periodically submit time sheets documenting the time spent each day on official State business is noncompliance with State statute. (Finding Code No. 05-1)

RECOMMENDATION

We recommend the Office comply with the State Officials and Employees Ethics Act (5 ILCS 430/5-5) by continuing to require employees to submit monthly timesheets recording time spent on official State business to the nearest quarter hour. We further recommend that the Office seek clarification regarding the requirements for the Inspector General to submit timesheets accounting for the time spent on official State business.

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2005

OFFICE RESPONSE

The Office of Executive Inspector General (OEIG) concurs with this finding. As of January, 2005 the OEIG has implemented a time keeping policy which requires all employees to accurately document, to the nearest quarter hour, time spent on official state business. The time sheets are completed on a monthly basis.

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 Appropriations, Expenditures and Lapsed Balances
- Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
- Schedule of Efficiency Initiative Payments
- Schedule of Changes in State Property
- Comparative Schedule of Cash Receipts
- Reconciliation Schedule of Cash Receipts to Deposits Remitted to the State Comptroller
- Analysis of Significant Variations in Expenditures
- 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 auditors' 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 auditors do not express an opinion on the supplementary information.

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2005

P.A. 93-0842 Fiscal Year 2005	Appropriations (Net after Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
General Revenue Fund - 001					
Operating Expenses of the Office of Executive Inspector General	\$ 5,737,700	\$ 4,489,305	\$ 210,680	\$ 4,699,985	\$ 1,037,715
Total Fiscal Year 2005	<u>\$ 5,737,700</u>	<u>\$ 4,489,305</u>	<u>\$ 210,680</u>	<u>\$ 4,699,985</u>	<u>\$ 1,037,715</u>

Note: Appropriation, expenditures, and lapsed balances were obtained from Office records and have been reconciled to the records of the State Comptroller.

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2004

P.A. 93-14 Fiscal Year 2004	Appropriations (Net after Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
General Revenue Fund - 001					
Operating Expenses of the Office of Executive Inspector General	\$ 4,126,000	\$ 2,146,737	\$ 29,815	\$ 2,176,552	\$ 1,949,448
Total Fiscal Year 2004	<u>\$ 4,126,000</u>	<u>\$ 2,146,737</u>	<u>\$ 29,815</u>	<u>\$ 2,176,552</u>	<u>\$ 1,949,448</u>

Note: Appropriation, expenditures, and lapsed balances were obtained from Office records and have been reconciled to the records of the State Comptroller.

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES,
AND LAPSED BALANCES**
For the Fiscal Years Ended June 30,

	Fiscal Year	
	2005	2004
General Revenue Fund - 001	P.A. 93-0842	P.A. 93-14
Appropriations (Net After Transfers)	\$ <u>5,737,700</u>	\$ <u>4,126,000</u>
<u>Expenditures</u>		
Operating Expenses of the Office of Executive Inspector General	\$ <u>4,699,985</u>	\$ <u>2,176,552</u>
Lapsed Balances	<u>\$ 1,037,715</u>	<u>\$ 1,949,448</u>

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
SCHEDULE OF EFFICIENCY INITIATIVE PAYMENTS
For The Two Years Ended June 30, 2005

<u>Procurement Efficiency Initiative</u>	<u>FY05</u>	<u>FY04</u>
General Revenue Fund - 001	<u>\$ 2</u>	<u>\$ 0</u>

Note: This schedule includes only those payments made pursuant to 30 ILCS 105/6p-5. Amounts were obtained from the Agency and reconciled to information from the Office of the Comptroller.

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Two Years Ended June 30, 2005

	<u>Equipment</u>
Balance at July 1, 2003	\$ 0
Additions	145,583
Deletions	0
Net Transfers	0
Balance at June 30, 2004	\$ 145,583
Balance at July 1, 2004	\$ 145,583
Additions	174,142
Deletions	0
Net Transfers	0
Balance at June 30, 2005	\$ 319,725

Note: The above schedule has been derived from Agency records, which have been reconciled to property reports submitted to the Office of the Comptroller.

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
COMPARATIVE SCHEDULE OF CASH RECEIPTS
For the Fiscal Years Ended June 30,

	Fiscal Year	
<u>GENERAL REVENUE FUND - 001</u>	2005	2004
Forfeited or Seized Property	\$ 500	\$ 0
Reimbursements for Jury Duty and Recoveries	156	0
Total Receipts	\$ 656	\$ 0

**RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER**
For the Fiscal Years Ended June 30,

	2005	2004
<u>GENERAL REVENUE FUND - 001</u>		
Receipts per Office Records	\$ 656	\$ 0
Add: Deposits in Transit, Beginning of Year	0	0
Less: Deposits in Transit, End of Year	(17)	0
Deposits Remitted to the Comptroller	\$ 639	\$ 0

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2005

<u>GENERAL REVENUE FUND - 001</u>	<u>FISCAL YEAR</u>	
	<u>2005</u>	<u>2004</u>
Personal Services	\$ 2,463,375	\$ 1,174,750
Contractual Payroll Employees	9,580	65,626
State Contribution to State Employees'		
Retirement System	396,942	89,057
State Contributions to Social Security	179,580	88,088
State Contributions to Social Security and		
Medicare – Contractual Employees	733	5,021
Contractual Services	1,247,679	489,924
Travel	11,600	17,676
Commodities	36,425	29,964
Printing	17,348	13,363
Equipment	163,079	129,714
Telecommunications	154,575	67,834
Operation of Automotive Equipment	19,067	5,535
Efficiency Initiative Payment	2	0
Total General Revenue Fund Expenditures	<u>\$ 4,699,985</u>	<u>\$ 2,176,552</u>

Explanations of significant variations in expenditures (fluctuations of 40% or more) for the year ended June 30, 2005 are presented below:

- (A), (C), (D)** The increase in personal services and related expenditures was due to the Office hiring 23 additional employees in fiscal year 2005.
- (B), (E)** The decrease in contractual payroll employees and related expenditures was due to the Office increasing its permanent staff to perform previously contracted duties.
- (F)** The increase in expenditures for contractual services was due to expenditures incurred for its Ethics Training Website. The Office was responsible for developing and implementing the website for use by all employees of State agencies under the Governor's jurisdiction.
- (G)** The increase in expenditures for telecommunications was due to the re-wiring of the eighteenth, nineteenth, and twentieth floors of 32 West Randolph Building. The Office moved from its previous location on the thirteenth floor to the three floors mentioned above to accommodate 22 additional employees in fiscal year 2005.
- (H)** The increase in expenditures for operation of automotive equipment was due to the Office expanding its vehicle fleet from 4 vehicles in FY04 to 10 vehicles in FY05. Expenditures for routine maintenance, repairs, and gas all increased due to more vehicles being driven for surveillance and investigations.

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2005

<u>GENERAL REVENUE FUND - 001</u>	<u>FISCAL YEAR</u>	
	<u>2005</u>	<u>2004</u>
Personal Services	\$ 0	\$ 0
Contractual Payroll Employees	860	636
State Contribution to State Employees' Retirement System	0	0
State Contributions to Social Security	0	0
State Contributions to Social Security and Medicare – Contractual Employees	83	49
Contractual Services	185,508	5,296
Travel	139	890
Commodities	2,931	1,601
Printing	3,604 (B)	775
Equipment	0	8,433
Telecommunications	13,898	10,283
Operation of Automotive Equipment	3,657 (C)	1,852 (A)
Efficiency Initiative Payment	<u>0</u>	<u>0</u>
 Total General Revenue Fund Expenditures in Lapse Period	 <u>\$ 210,680</u>	 <u>\$ 29,815</u>

Explanations for significant lapse period spending (spending greater than 20% of expenditures) are presented below for the two years ended June 30, 2005:

- (A)** The lapse period expenditures for operation of automotive equipment in fiscal year 2004 were due to body repairs for an Office vehicle. Repairs were performed prior to June 30, 2004, yet the related invoice was not received until the lapse period.
- (B)** The lapse period expenditures for printing in fiscal year 2005 were due to the purchase of 3,000 copies of Office posters that were distributed to other State agencies. Printing was contracted for prior to June 30; however, the posters and related invoice were not received until the lapse period.
- (C)** The lapse period expenditures for operation of automotive equipment in fiscal year 2005 were due to transmission repairs, brake replacement, and tire replacement late in the fiscal year for an Office vehicle.

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
AGENCY FUNCTIONS AND PLANNING PROGRAM
For the Two Fiscal Years Ended June 30, 2005

FUNCTIONS

The Office of Executive Inspector General (Office) was originally created by the Governor's Executive Order 3 in January 2003 and was funded through the Department of Central Management Services until the Office received a separate appropriation in fiscal year 2004. In December 2003, the State Officials and Employees Ethics Act (Act) (5 ILCS 430/et seq.) created the Office of the Executive Inspector General under the Governor as a fully independent office. The Executive Inspector General is appointed by the Governor with the advice and consent of the Senate.

By statute, the jurisdiction of the Executive Inspector General is to investigate allegations of fraud, waste, abuse, mismanagement, misconduct, nonfeasance, misfeasance, malfeasance, or violations of the Act or violations of other related laws and rules.

The jurisdiction of the Office extends to the Governor, his staff, State agencies, departments, boards, commissions, and any other entities appointed, employed, controlled, directed, or subject to the authority of the Governor.

The State Officials and Employees Ethics Act states the Executive Inspector General shall have the following duties:

- To receive and investigate allegations of violations of the Act. The Executive Inspector General may receive information through the Office of any Executive Inspector General or through an ethics commission. An investigation may be conducted only in response to information reported to the Executive Inspector General as provided in this Section and not upon his or her own prerogative. Allegations may not be made anonymously.
- To request information pertaining to an investigation from any person when the Executive Inspector General deems that information necessary in conducting an investigation.
- To issue subpoenas to compel the attendance of witnesses for the purposes of testimony and production of documents and other items for inspection and copying and to make service of those subpoenas and subpoenas issued by the Executive Ethics Commission.
- To submit reports as required by the Act.
- To file pleadings in the name of the Inspector General with the Executive Ethics Commission through the Attorney General.
- To assist and coordinate the ethics officers for State agencies under the jurisdiction of the Executive Inspector General and to work with those ethics officers.
- To participate in or conduct, when appropriate, multi-jurisdictional investigations.

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
AGENCY FUNCTIONS AND PLANNING PROGRAM
For the Two Fiscal Years Ended June 30, 2005

- To request from ethics officers of State agencies under his or her jurisdiction, reports or information on:
 1. the content of a State Agency's ethics training program and
 2. the percentage of new officers and employees who have completed ethics training.

As a general rule, the Office does not become involved in cases involving private disputes, labor-management issues, or litigation. Matters investigated by the Office may also fall within the jurisdiction of other agencies. In such cases, the Office may make a referral to or work together with other agencies to investigate complaints.

Another responsibility of the Office is to oversee the ethics training for the agencies of the Illinois Governor and for those officials, employees and appointees of State agencies, boards and commissions that fall under its authority. The Office determines ethics training standards and the frequency of training necessary of each employee position or category of positions. The Office provides training materials to enable agencies, boards and commissions to administer training.

PLANNING PROGRAM

The Office is an investigative body with its powers and duties detailed in the State Officials and Employees Ethics Act. As a result, the Office does not have formal written goals and objectives, but instead operates to fulfill the statutory responsibilities in a timely and efficient manner.

The Office's upper management conducts strategic planning informally. The Executive Inspector General and the First Deputy Inspector General conduct monthly meetings with upper management to identify future programs, goals, and objectives for the Office. In addition, the Office's Investigations division conducts weekly "hot topic" meetings to address ethical issues arising from current investigations. Oversight by upper management of daily operations along with employee training assists the Office with achieving their statutory responsibilities.

In addition, the Office's Policies and Procedures Manual and the Office's Personnel Manual help implement and communicate the responsibilities set forth in the State Officials and Employees Ethics Act.

AUDITOR'S ASSESSMENT

The Illinois Office of Executive Inspector General's planning program appears adequate for meeting its statutorily defined functions.

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
AVERAGE NUMBER OF EMPLOYEES
For the Years Ended June 30, 2005

AVERAGE NUMBER OF EMPLOYEES

The following table, prepared from Office records, presents the average number of employees, by function, for the Fiscal Years ended June 30,

<u>Division</u>	<u>2005</u>	<u>2004</u>
Administration	11	8
Fiscal	2	2
Investigations	30	11
Ethics Training	3	2
Total average full-time employees	<u>46</u>	<u>23</u>

STATE OF ILLINOIS
OFFICE OF EXECUTIVE INSPECTOR GENERAL
SERVICE EFFORTS AND ACCOMPLISHMENTS (NOT EXAMINED)
For the Two Fiscal Years Ended June 30, 2005

In September 2003, the Office of Executive Inspector General (Office) instituted a statewide, toll-free hotline to receive complaints regarding fraud, waste, abuse, and ethics violations made by State employees and those individuals doing business with the State. The hotline is open to Illinois citizens 24 hours a day, seven days a week, and is staffed by the Office.

The Office also established a website for State employees and the general public. This website outlines information about the Office, including its history, legislative authority, and purpose, as well as information about the types of complaints accepted, how complaints are processed, and how investigations are completed. In addition, the website provides contact information for the Office and a link to complaint forms.

The Office provides an online annual ethics-training program for State employees. The training is an interactive program consisting of scenario-based lessons, self-assessment questions, resource references, as well as frequently asked questions and answers. The training is designed to be self-administered on a fully independent basis.

Pursuant to the State Officials and Employees Ethics Act (5 ILCS 430), the Office submits quarterly reports summarizing investigation activity to the Executive Ethics Commission (Commission). Listed below is a compilation of allegation and investigation information reported to the Commission for fiscal year 2005.

	<u>Fiscal Year 2005</u>
Number of allegations received	1,145
Number of investigations initiated	424
Number of investigations concluded	402
Number of total open investigations	811

Fiscal year 2004 figures were not available due to the Commission commencing operations in September 2004.