

## **REPORT DIGEST**

### **PRAIRIE STATE 2000 AUTHORITY FINANCIAL AUDIT FOR THE YEAR ENDED JUNE 30, 1995 COMPLIANCE AUDIT FOR THE TWO YEARS ENDED JUNE 30, 1995**

#### **SYNOPSIS**

- The Authority did not maintain accurate records for its accounts receivable and failed to ensure the prompt deposit of its cash receipts.
- The Authority did not always follow requirements of the Governor's Travel Control Board in reimbursing travel expenditures.

## **FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

### **ACCOUNTS RECEIVABLE PROBLEMS AND DELAYED DEPOSITS**

The Authority did not maintain accurate records for accounts receivable. Receivables were classified as collected when the receipts were sent to the Treasurer, not when the actual receipts were received. The receipts were not deposited on a timely basis, therefore resulting in inaccuracies in the Quarterly Accounts Receivable Reports.

Good internal controls require that the Authority maintain adequate records to reflect actual accounts receivable.

In addition, the Authority failed to ensure the prompt deposit of cash receipts. Fifty-eight of the 62 receipts tested were not deposited within the required 48-hour period.

The State Officers and Employee Money Disposition Act requires receipts, whether accumulated or individually received, exceeding \$500 to be deposited within 48 hours excluding weekends and holidays. Failure to promptly deposit cash receipts could result in the State losing interest revenue. (Finding 1, page 11)

The Authority agreed to correct these problems in accordance with our recommendations.

### **TRAVEL REGULATIONS NOT ALWAYS FOLLOWED**

The Authority did not always follow the requirements of the Governor's Travel Control Board for proper completion and submission of travel vouchers or for computation of reimbursement amounts. We noted that travel vouchers sometimes omitted times of departure and arrival or did not list all sites visited during a trip. Also, some vouchers claimed reimbursement rates higher than those allowed by the regulations or did not state the specific purpose of the travel. (Finding 2, page 13)

Authority officials partially disagreed with our recommendation to correct these deficiencies. They noted that due to the small size of the agency, full documentation on travel vouchers is not always necessary to achieve management control over travel. We believe that travel vouchers are a means of documenting the validity of disbursements and of demonstrating public accountability for proper use of public funds. Regardless of whether the Authority intends to use travel vouchers as an internal management tool, the requirements of the travel regulations should be followed.

### **OTHER FINDING**

The remaining finding is less significant and has been given appropriation attention by the Authority.

Responses to our findings and recommendations were provided by Dennis Sienko, Chief Executive Officer, and by Cesar Lopez, Fiscal Accounts Coordinator.

## **AUDITOR'S OPINION**

Our auditors stated that the Authority's financial statements of the Prairie State 2000 Fund as of June 30, 1995 are presented fairly.

\_\_\_\_\_ WILLIAM G. HOLLAND, Auditor General

WGH:TJL:ak

## **SUMMARY OF AUDIT FINDINGS**

### **Number of This Audit Prior Audit**

Audit findings 30

Repeated audit findings 00

Prior recommendations implemented  
or not repeated 05

## **AUDITORS ASSIGNED**

This audit was performed by staff of the Office of the Auditor General.

**STATE OF ILLINOIS**  
**PRAIRIE STATE 2000 AUTHORITY**  
**FINANCIAL AUDIT FOR THE YEAR ENDED JUNE 30, 1995**  
**COMPLIANCE AUDIT FOR THE TWO YEARS ENDED JUNE 30, 1995**

<b>EXPENDITURE STATISTICS</b>	<b>FY 1995</b>	<b>FY 1994</b>	<b>FY 1993</b>
● <b>Total Expenditures (All Funds)</b>	<b>\$3,579,878</b>	<b>\$3,854,128</b>	<b>\$3,465,342</b>
<u>OPERATIONS TOTAL</u>	\$446,860	\$462,459	\$477,698
% of <b>Total Expenditures</b>	12.5%	12.0%	13.8%
Personal Services	\$249,297	\$240,236	\$234,991
% of Operations Expenditures	55.8%	51.9%	49.2%
Average No. of Employees	6	6	6
Other Payroll Costs (FICA, Retirement)	\$38,004	\$40,122	\$38,307
% of Operations Expenditures	8.5%	8.7%	8.0%
Contractual Services	\$123,997	\$137,662	\$161,572
% of Operations Expenditures	27.7%	29.8%	33.8%
All Other Operations Items	\$35,562	\$44,439	\$42,822
% of Operations Expenditures	8.0%	9.6%	9.0%
<u>GRANTS TOTAL</u>	\$3,133,018	\$3,391,669	\$2,987,644
% of <b>Total Expenditures</b>	87.5%	88.0%	86.2%
● <b>Cost of Property and Equipment</b>	<b>\$81,006</b>	<b>\$69,489</b>	<b>\$65,048</b>

<b>SELECTED ACTIVITY MEASURES</b>	<b>FY 1995</b>	<b>FY 1994</b>	<b>FY 1993</b>
● Employer Training Assistance Awards	76	99	79
● No. of Employees Trained	7,030	6,903	6,654
● Individual Training Applications	5,600	4,875	4,500
● No. of Individuals Trained	5,191	4,624	3,605

<b>AGENCY DIRECTOR(S)</b>
During Audit Period: Mr. Dennis Sienko, CEO Currently: Mrs. Polly Vogel, CEO