



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**ILLINOIS COURT OF CLAIMS**

Compliance Examination  
 For the Two Years Ended June 30, 2015

Release Date: February 18, 2016

FINDINGS THIS AUDIT: 4	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
<b>Category 1:</b>	<b>0</b>	<b>0</b>	<b>0</b>	2011		15-2	
Category 2:	1	2	3	2009		15-1	
Category 3:	<u>1</u>	<u>0</u>	<u>1</u>				
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>4</b>				
<b>FINDINGS LAST AUDIT: 5</b>							

**SYNOPSIS**

- (15-1) The Court had inadequate controls over receipts and refunds.
- (15-2) The Court failed to maintain controls over personal services.

**Category 1:** Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).  
**Category 2:** Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.  
**Category 3:** Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

{Expenditures and Activity Measures are summarized on next page.}

**ILLINOIS COURT OF CLAIMS  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2015**

<b>EXPENDITURE STATISTICS</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Total Expenditures.....	\$ 25,631,364	\$ 33,942,656	\$ 31,407,802
<b>OPERATIONS TOTAL.....</b>	<b>\$ 1,577,285</b>	<b>\$ 1,564,304</b>	<b>\$ 1,599,922</b>
% of Total Expenditures.....	6.2%	4.6%	5.1%
Personal Services.....	1,121,654	1,118,983	1,149,764
Other Payroll Costs (FICA, Retirement).....	122,147	122,101	124,724
All Other Operating Expenditures.....	333,484	323,220	325,434
<b>AWARDS AND GRANTS.....</b>	<b>\$ 24,054,079</b>	<b>\$ 32,378,352</b>	<b>\$ 29,807,880</b>
% of Total Expenditures.....	93.8%	95.4%	94.9%
Total Receipts.....	\$ 3,521,902	\$ 5,355,863	\$ 1,967,452
Average Number of Employees (Not Examined).....	34	34	36

<b>SELECTED ACTIVITY MEASURES (Not Examined)</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Total Claims Pending.....	7,522	7,984	8,538
Total Claims Awarded.....	5,496	4,929	4,128
Total Claims Denied.....	2,376	3,080	2,733
Total Claims Dismissed.....	1,040	1,122	1,131

<b>COURT ADMINISTRATOR</b>	
During Examination Period:	Brad Bucher
Currently:	Brad Bucher

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**INADEQUATE CONTROLS OVER RECEIPTS**

The Court of Claims (Court) did not maintain adequate controls over receipts and refunds. During testing, we noted the following:

**Treasurer's drafts submitted between 1 and 111 days late**

- Twenty-two of 60 (37%) Treasurer's drafts, totaling \$11,805, were not submitted to the Office of the Comptroller (IOC) in a timely manner. The drafts were submitted between 1 and 111 days late.
- Two of 60 (3%) receipts, totaling \$70, and one of four (25%) refunds, totaling \$91, were not deposited in a timely manner. The receipts were deposited one day late while the refund was deposited 6 days late.
- Two of 60 (3%) receipts, totaling \$335, did not agree to the Court's books and records.
- One of 60 (2%) receipts, totaling \$60, did not have adequate supporting documentation, and therefore, auditors were unable to determine if the deposit and remittance to the IOC was timely. (Finding 1, pages 9-10) **This finding was first reported in 2009.**

**Inadequate supporting documentation**

We recommended the Court strengthen its controls to ensure Treasurer's drafts are submitted timely. We also recommended the Court ensure receipts and refunds are deposited timely and records are properly maintained.

**Court agreed with auditors**

The Court agreed with the recommendation and stated they will act accordingly. *(For the previous Court response, see Digest Footnote #1)*

**INADEQUATE CONTROLS OVER PERSONAL SERVICES**

The Court of Claims (Court) did not maintain adequate controls over personal services. During testing, we noted the following:

**Evaluations completed 278 after evaluation period ended**

- The Court did not perform annual evaluations for nine of nine (100%) part-time employees and did not timely perform annual evaluations for three of three (100%) full-time employees. The full-time employee evaluations were completed 278 days after the evaluation period had ended.
- One of nine (11%) part-time employees tested did not submit their activity sheets in a timely manner. The activity sheet was submitted 80 days late. Also, a part-time employee's activity sheet was dated before the body of work was completed. In addition, two of nine

### **No supporting documentation**

(22%) part-time employees tested did not fully complete their activity sheets with proper information.

- The Court's Personnel Policies and Procedures Manual has not been updated to include the topic of salaries and raises.
- Two of nine (22%) part-time employees did not have gross pay supporting documentation included in their personnel files.
- The Court's Agency Workforce Report filed in Fiscal Year 2014 contained mathematical inaccuracies. (Finding 2, pages 11-13) **This finding was first reported in 2011.**

We recommended the Court timely document employee evaluations for both full-time and part-time employees. We also recommended the Court require part-time employees to submit properly completed activity sheets on a timely basis. We further recommended the Court update its policies and procedures to include the topic of salaries and wages and properly document gross pay in personnel files. Finally, we recommended the Court prepare accurate Agency Workforce Reports and file corrected reports with the Office of the Governor and Secretary of State.

### **Court agreed with auditors**

The Court agreed with the recommendation and stated they will act accordingly. (*For the previous Court response, see Digest Footnote #2*)

### **OTHER FINDINGS**

The remaining findings pertain to the Fiscal Control and Internal Auditing Act and not designating the Chief Justice to an Advisory Commission. We will review the Court's progress toward implementation of our recommendations during our next examination.

## **ACCOUNTANT'S OPINION**

We conducted a compliance examination of the Court, for the two years ended June 30, 2015, as required by the Illinois State Auditing Act. The accountants stated the Court complied, in all material respects, with the requirements described in the report.

**SIGNED ORIGINAL ON FILE**

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FRANK J. MAUTINO  
Auditor General

FJM:lnp

## **AUDITORS ASSIGNED**

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

## **DIGEST FOOTNOTES**

### **#1 - INADEQUATE CONTROLS OVER RECEIPTS - Previous Court Response**

2013: The Court agrees with the recommendation and will act accordingly.

### **#2 - INADEQUATE CONTROLS OVER PERSONAL SERVICES - Previous Court Response**

2013: The Court believes that several of the components of this finding are due to a differing interpretation of the Court's policy manual. The Court agrees with the recommendation and will act accordingly.