



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

COURT OF CLAIMS

State Compliance Examination
 For the Two Years Ended June 30, 2021

Release Date: July 6, 2022

| FINDINGS THIS AUDIT: 2 | AGING SCHEDULE OF REPEATED FINDINGS | | | | | | |
|-------------------------------|-------------------------------------|----------|----------|----------------|------------|------------|------------|
| | New | Repeat | Total | Repeated Since | Category 1 | Category 2 | Category 3 |
| Category 1: | 0 | 0 | 0 | 2019 | | 21-01 | |
| Category 2: | 1 | 1 | 2 | | | | |
| Category 3: | <u>0</u> | <u>0</u> | <u>0</u> | | | | |
| TOTAL | 1 | 1 | 2 | | | | |
| FINDINGS LAST AUDIT: 1 | | | | | | | |

SYNOPSIS

- (21-01) The Court did not exercise adequate controls over voucher processing.
- (21-02) The Court did not maintain adequate controls over its 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.

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

INADEQUATE CONTROLS OVER EXPENDITURES

The Court of Claims (Court) did not exercise adequate controls over voucher processing. During testing, we noted the following:

Vouchers approved between 1 and 166 days late

- Sixty-one of 143 (43%) vouchers tested, totaling \$29,331, were approved between 1 and 166 days late.

Travel vouchers submitted for approval late

- Two of 8 (25%) travel vouchers tested, totaling \$1,168, were submitted to the Court by the traveler for approval 87 and 153 days, respectively, after the last day of travel occurred. (Finding 1, pages 8-9)

We recommend the Court timely approve vouchers. In addition, we recommend the Court ensure travel vouchers are submitted timely.

Court officials declined to respond

The Court declined to provide a response.

INADEQUATE CONTROLS OVER PERSONAL SERVICES

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

Employee federal income tax withholdings were withheld at an incorrect rate

- For 1 of 8 (13%) employees tested, the Court withheld the employee's federal income tax at an incorrect rate. The Employee had filed a 2020 or later version of the Form W-4 with the Court. However, the Court withheld the employee's federal income tax rate in accordance with the Internal Revenue Service's (IRS) guidelines for 2019 or earlier versions of the Form W-4.

Employee weekly work hours were underreported between 1 and 31 hours for 2 employees tested

- For 7 of 20 weekly employee attendance time sheets tested, the number of hours reported by two employees did not meet the 35 minimum hours required per week for full-time employees. The Court was unable to provide supporting documentation to account for the underreported time, which ranged between 1 and 31 hours each week.

We recommend the Court enhance their review procedures over payroll, including employee withholding. We further recommend the Court improve controls over monitoring and

accounting for all time worked by its employees regardless of whether the work is performed in-office or at home.

Court officials declined to respond

The Court declined to provide a response.

ACCOUNTANT'S OPINION

The accountants conducted a State compliance examination of the Court for the two years ended June 30, 2021, 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.

This State compliance examination was conducted by GW & Associates, P.C.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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