



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

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

DEAF AND HARD OF HEARING COMMISSION

COMPLIANCE EXAMINATION

For the Two Years Ended: June 30, 2013

Release Date: January 29, 2014

Summary of Findings:

Total this audit: 2

Total last audit: 2

Repeated from last audit: 1

SYNOPSIS

- The Deaf and Hard of Hearing Commission (Commission) did not maintain sufficient controls over the reconciliation, recording and reporting of its State property.
- The Commission submitted inaccurate Agency Fee Imposition Reports to the Illinois Office of the Comptroller.

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

**DEAF AND HARD OF HEARING COMMISSION
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2013**

EXPENDITURE STATISTICS	2013	2012	2011
Total Expenditures.....	\$ 705,227	\$ 743,467	\$ 753,588
OPERATIONS TOTAL.....	\$ 675,327	\$ 717,860	\$ 737,146
% of Total Expenditures.....	95.8%	96.6%	97.8%
Personal Services.....	430,141	406,368	-
Other Payroll Costs (FICA, Retirement).....	51,396	29,611	-
All Other Operating Expenditures.....	193,790	281,881	737,146
NON-APPROPRIATED FUNDS.....	\$ 29,900	\$ 25,607	\$ 16,442
% of Total Expenditures.....	4.2%	3.4%	2.2%
Total Receipts.....	\$ 176,841	\$ 179,099	\$ 148,611
Average Number of Employees.....	6	7	8

SELECTED ACTIVITY MEASURES (Not Examined)	2013	2012	2011
Public inquiries addressed.....	15,000	15,000	15,000
Library materials loaned.....	200	200	200
Workshops presented.....	20	0	20
Interpreter registry.....	800	800	800

AGENCY DIRECTOR
During Examination Period: John Miller
Currently: John Miller

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

PROPERTY CONTROL WEAKNESSES

Lack of controls over property

The Deaf and Hard of Hearing Commission (Commission) did not maintain sufficient controls over the reconciliation, recording and reporting of its State property. Some of the conditions noted during our testing follow:

Reports did not reconcile

- The Commission's property and equipment expenditures processed by the Illinois Office of the Comptroller (Comptroller) did not reconcile to transfers and additions recorded on the Commission's FY13 3rd and 4th Quarter C-15 reports.
- The Commission filed its annual Certification of Inventory with the Department of Central Management Services (CMS) 30 days late.
- The Commission did not timely remove equipment items from its property records.
- Equipment items tested were located in a different geographical location than reported on the Commission's property listing.
- Equipment item costs were not correctly recorded on the Commission's property listing.
- The Commission had obsolete equipment that was not transferred to CMS. (Finding 1, pages 9-11)
This finding was first reported in 2009.

Commission's property listing contained inaccurate information

We recommended the Commission strengthen controls and procedures over the recording and reporting of its State property.

Commission agreed with auditors

The Commission accepted the recommendation. *(For the previous Commission response, see Digest Footnote #1.)*

INACCURATE FEE IMPOSITION REPORTS FILED WITH THE STATE COMPTROLLER

Inaccurate Fee Imposition Reports Filed

The Commission did not submit accurate Agency Fee Imposition Reports (Report) to the Comptroller. During testing, we noted the following:

Report inaccurately contained amounts from wrong fiscal years, receipts not considered fees and a statutory transfer

- The Commission failed to record fees relating to sign language interpreter licensure and conference registration fees on its FY12 Report.
- The Commission's FY13 report included fees received in FY12 and FY14.
- The Commission improperly included a refund on its FY13 Report.
- The total fee amount on the FY13 Report was

FY13 Report was overstated by \$101,244

overstated by \$101,244 because it contained FY12 in-transit amounts, FY14 receipts, miscellaneous receipts not considered fees, and a \$96,600 statutory transfer. (Finding 2, pages 12-13)

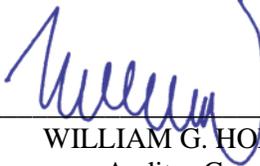
We recommended the Commission implement controls and procedures to submit accurate Reports to the Comptroller.

Commission agreed with auditors

The Commission accepted the recommendation.

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 of financial statements.



WILLIAM G. HOLLAND
Auditor General

WGH:jv

AUDITORS ASSIGNED

The examination was conducted by staff of the Office of the Auditor General.

DIGEST FOOTNOTES

#1 – PROPERTY CONTROL WEAKNESSES

2011: The Commission accepts the audit finding and recommendation. The Commission will review its controls over property to ensure equipment is properly and timely recorded and that all required reports are submitted timely.