



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

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

EXECUTIVE ETHICS COMMISSION

**COMPLIANCE ATTESTATION EXAMINATION
For the Year Ended: June 30, 2012**

Release Date: June 19, 2013

Summary of Findings:

Total this audit:	3
Total last audit:	3
Repeated from last audit:	2

SYNOPSIS

- The Chief Procurement Officers lacked adequate controls over the emergency procurement functions.
- The Executive Ethics Commission submitted inaccurate State property report to the Office of the State Comptroller.

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

**EXECUTIVE ETHICS COMMISSION
COMPLIANCE EXAMINATION
For the Year Ended June 30, 2012**

EXPENDITURE STATISTICS	2012	2011
Total Expenditures.....	\$ 6,563,705	\$ 4,400,446
OPERATIONS TOTAL.....	\$ 6,563,705	\$ 4,400,446
% of Total Expenditures.....	100.0%	100.0%
Total Receipts.....	\$ 241	\$ 444
Average Number of Employees.....	76	55

AGENCY DIRECTOR	
During Examination Period:	Mr. Chad Fornoff
Currently:	Mr. Chad Fornoff

FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS

**INADEQUATE CONTROLS OVER EMERGENCY
PROCUREMENT**

The Chief Procurement Officers (CPOs), under jurisdiction of the Executive Ethics Commission (Commission), failed to ensure emergency procurement procedures were properly administered as required by the Illinois Procurement Code. Some of the conditions we noted follow:

- Affidavits for 7 of 40 (18%) emergency procurements tested, totaling \$413,692,699, were not filed timely with the Procurement Policy Board. The affidavits in these instances were filed 2 to 94 days late when measured from the creation date, at which time a procurement need was initially identified.
- Affidavits for 7 of 40 (18%) emergency procurements tested, totaling \$502,405, were not filed timely with the Office of the Auditor General. The affidavits in these instances were filed 3 to 56 days late when measured from the creation date, at which time a procurement need was initially identified.
- Affidavits for 5 of 40 (13%) emergency procurements tested, totaling \$4,281,045, were not filed with the Office of the Auditor General at all.
- The actual cost for 4 of 40 (10%) emergency procurements tested, totaling \$286,432, was not filed with the Office of the Auditor General.
- Notices for 3 of 40 (8%) emergency procurements tested, totaling \$300,773, were not published to the online electronic bulletin timely. The notices in these instances were published 15 to 24 days late.

**Affidavits not filed or not filed
timely**

Actual cost information not filed

**Notices not published to the
electronic procurement bulletin
timely**

We recommended that the Chief Procurement Officers implement procedures to ensure the emergency procurement process is properly administered in accordance with the Illinois Procurement Code. (Finding 1, pages 9-12)

CPOs agree with the auditors

The Chief Procurement Officers accepted our recommendation and reported they have taken corrective action.

INADEQUATE CONTROLS OVER THE REPORTING OF STATE PROPERTY

Additions on C-15s understated by \$15,173

The Executive Ethics Commission (Commission) did not exercise adequate control over the reporting of State property. During testing, we noted the Quarterly Reports of State Property (C-15s) prepared by the Commission and submitted to the Office of the State Comptroller (Comptroller) did not agree to property control records maintained by the Commission. We noted the additions reported on the C-15s were understated by \$15,173 when compared to the Commission's records.

We recommended the Commission ensure all Quarterly Reports of State Property submitted to the State Comptroller's Office trace to Commission records. (Finding 3, pages 15-16)

Commission agrees with the auditors

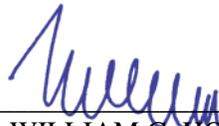
Commission officials agreed with the finding and reported they have taken corrective action.

OTHER FINDINGS

The remaining finding pertains to contract bidder information not posted to the awarding agency's website. We will review progress toward the implementation of our recommendations during the next examination.

AUDITORS' OPINION

We conducted a compliance examination of the Executive Ethics Commission as required by the Illinois State Auditing Act. The Executive Ethics Commission has no funds that require an audit leading to an opinion on financial statements.



WILLIAM G. HOLLAND
Auditor General²

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AUDITORS ASSIGNED

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