



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**LEGISLATIVE ETHICS COMMISSION**

Compliance Examination  
 For the Two Years Ended June 30, 2016

Release Date: May 3, 2017

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	2010		16-01	
Category 2:	0	2	2	2008		16-02	
Category 3:	0	0	0				
TOTAL	0	2	2				
FINDINGS LAST AUDIT: 2							

**SYNOPSIS**

- (16-01) The Commission did comply with certain procedural requirements.

**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.}

**LEGISLATIVE ETHICS COMMISSION  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2016**

EXPENDITURE STATISTICS	2016	2015	2014
<b>Total Expenditures*</b> .....	\$ 40,323	\$ 54,351	\$ 120,765
OPERATIONS TOTAL.....	\$ 40,323	\$ 54,351	\$ 120,765
% of Total Expenditures.....	100.0%	100.0%	100.0%
Personal Services.....	37,736	42,359	108,489
Other Payroll Costs (FICA, Retirement).....	544	897	5,989
All Other Operating Expenditures.....	2,043	11,095	6,287
<b>Total Receipts</b> .....	\$ 0	\$ 0	\$ 0
<b>Average Number of Employees</b> .....	1	2	2

\*Note: The Office of the Legislative Inspector General and the Legislative Ethics Commission each share an appropriation and expenditure data. As such, for Fiscal Years 2014, 2015, and 2016, both entities were reported under the Commission's agency code.

SELECTED ACTIVITY MEASURES (Not Examined)	2016	2015	2014
Number of allegations received.....	**	**	13
Number of investigations initiated.....	**	4	13
Number of investigations concluded.....	**	4	22
Number of total open investigations at year end..	**	0	0

\*\*The Legislative Inspector General position has been vacant since his resignation, effective December 31, 2014. Due to the sensitive nature of allegations received, the number of allegations received subsequent to his resignation cannot be quantified at this time.

AGENCY DIRECTOR	
During Examination Period:	Mr. Randy Erford
Currently:	Mr. Randy Erford

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**PROCEDURAL DEFICIENCIES**

The Legislative Ethics Commission (Commission) did not comply with certain procedural requirements established by State laws and regulations as described below:

- The Commission did not file a Fiscal Control and Internal Auditing Act certification with the Office of the Auditor General for Fiscal Year 2016 as required.
- The Commission did not timely submit two of two (100%) State property inventory certifications to the Department of Central Management Services. The certification for Fiscal Year 2015 was submitted 52 days late, and the certification for Fiscal Year 2014 was not submitted at all.
- The Commission failed to perform and document 24 of 24 (100%) monthly reconciliations of its expenditures with the Office of the Comptroller's Monthly Appropriation Status Report. (Finding 1, pages 7-8). **This finding has been repeated since 2010.**

**Required reports either not prepared or filed timely**

We recommended the Commission timely submit its FCIAA certification to the Office of the Auditor General, timely submit the required property reports, and document performance of expenditure reconciliations monthly.

**Commission accepted recommendation**

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

**OTHER FINDING**

The remaining finding pertains to an inadequate segregation of duties. We will review the Commission's progress towards the implementation of our recommendations in our next compliance examination.

## **ACCOUNTANT'S OPINION**

The accountants conducted a compliance examination of the Commission for the two years ended June 30, 2016, as required by the Illinois State Auditing Act. The accountants stated the Commission complied, in all material respects, with the requirements described in the report.

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

**SIGNED ORIGINAL ON FILE**

BRUCE L. BULLARD  
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

FJM:ks

## **DIGEST FOOTNOTES**

### **#1 – Procedural Deficiencies – Previous Commission Response**

2014: Accepted. As noted, over the past several audit cycles, the agency has generally improved diligence with regard to filing external reports, but the Executive Director acknowledges confusion regarding the specificity of the filing date (i.e., May 1<sup>st</sup>) for the annual FCIAA certification to the Auditor General. The reports were filed each May, but not by May 1<sup>st</sup>. The late filings of one property report (acknowledging the agency has no property) and of one TA-2 report were inadvertent errors. While the agency does periodic reconciliation of its expenditures and had no deficiency in its accounting of expenditures during the audit cycle, the agency failed to comply with the monthly expenditure reconciliation set forth in SAMS. Moving forward, the agency will endeavor for full compliance with these exceptions.