



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**PROPERTY TAX APPEAL BOARD**

Compliance Examination  
 For the Two Years Ended June 30, 2016

Release Date: April 20, 2017

FINDINGS THIS AUDIT: 1	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	1	1	2004	16-01		
Category 2:	0	0	0				
Category 3:	0	0	0				
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>1</b>				
FINDINGS LAST AUDIT: 2							

**INTRODUCTION**

The Property Tax Appeal Board (Board) was established by the Property Tax Code to adjudicate real property tax assessment appeals Statewide. Appeals are filed by any taxpayer dissatisfied with the decision of a county board of review as such decision pertains to the assessment of property for taxation purposes, or by any taxing body that has an interest in the decision of the board of review pertaining to a property assessment. The Board determines the correct assessment of a parcel of land which is subject to appeal based upon facts, evidence, exhibits, and briefs submitted to or elicited by the Board.

**SYNOPSIS**

- (16-01) The Board did not allow for the speedy hearing of all appeals.

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| <p><b>Category 1:</b> Findings that are <b>material weaknesses</b> in internal control and/or a <b>qualification</b> on compliance with State laws and regulations (material noncompliance).</p> <p><b>Category 2:</b> Findings that are <b>significant deficiencies</b> in internal control and <b>noncompliance</b> with State laws and regulations.</p> <p><b>Category 3:</b> Findings that have <b>no internal control issues but are in noncompliance</b> with State laws and regulations.</p> |
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{Expenditures and Activity Measures are summarized on next page.}

**PROPERTY TAX APPEAL BOARD  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2016**

EXPENDITURE STATISTICS	2016	2015	2014
<b>Total Expenditures.....</b>	<b>\$ 4,649,638</b>	<b>\$ 4,820,284</b>	<b>\$ 4,577,279</b>
OPERATIONS TOTAL.....	\$ 4,649,638	\$ 4,820,284	\$ 4,577,279
% of Total Expenditures.....	100.0%	100.0%	100.0%
Personal Services.....	2,431,508	2,510,212	2,366,512
Other Payroll Costs (FICA, Retirement).	2,022,034	1,939,626	1,812,963
All Other Operating Expenditures.....	196,096	370,446	397,804
<b>Total Receipts.....</b>	<b>\$ 3,864</b>	<b>\$ 4,253</b>	<b>\$ 5,405</b>
<b>Average Number of Employees.....</b>	<b>34</b>	<b>34</b>	<b>34</b>

SELECTED ACTIVITY MEASURES (Not Examined)	2016	2015	2014
<b>New Property Appeals Filed</b>			
Downstate.....	6,281	4,712	See Note
Cook County.....	19,193	18,302	See Note
Total.....	<u>25,474</u>	<u>23,014</u>	<u>See Note</u>
<b>Property Appeals Closed</b>			
Downstate.....	5,229	6,888	See Note
Cook County.....	17,181	18,445	See Note
Total.....	<u>22,410</u>	<u>25,333</u>	<u>See Note</u>
<b>Property Appeals Pending at June 30,</b>			
Downstate.....	7,716	6,664	8,840
Cook County.....	50,290	48,278	48,421
Total.....	<u>58,006</u>	<u>54,942</u>	<u>57,261</u>

<b>EXECUTIVE DIRECTOR</b>
During Examination Period: Mr. Louis Apostol
Currently: Mr. Louis Apostol

Note: The Board restated its beginning number of pending appeals outstanding as of July 1, 2015. As such, comparative data for periods prior to July 1, 2015, does not exist.

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**TIMELINESS OF HEARINGS**

The Property Tax Appeal Board (Board) did not allow for the speedy hearing of all appeals.

During testing, we noted the following:

- Twenty-five of 40 (63%) cases tested were not closed within one year. The Board took between 401 and 2,276 days to process and close the appeals.
- Twenty-one of 40 (53%) cases tested were pending for a period greater than a year. As of June 30, 2016, the cases had been open between 378 and 2,621 days.

**Appeals were processed and pending for periods greater than a year**

**Backlog due to significant increase in cases in Cook County**

Board management indicated it has received a combined 27% increase in cases from Cook County alone with no increases in staff and resources. (Finding 1, page 9) **This finding has been repeated since 2004.**

We recommended the Board provide for the speedy hearing of all appeals.

**Board agrees with recommendation**

Board management accepted the recommendation and stated management has continued to make enhancements to its information technology and make more processes electronic. *(For the previous Board response, see Digest Footnote #1.)*

**ACCOUNTANT'S OPINION**

**Auditors qualified their report**

The accountants conducted a compliance examination of the Board for the two years ended June 30, 2016, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Finding 2016-001. Except for the noncompliance described in this finding, the accountants stated the Board 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**

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FRANK J. MAUTINO  
Auditor General

FJM:SKM

**DIGEST FOOTNOTE**

**#1 – Timeliness of Hearings – Previous Board Response**

2014: The Board accepts this recommendation. Over the past two fiscal years, the Board received funding for increased headcount, which is reflected in the record number of 20,000 appeals closed in Fiscal Year 2014. However, the Board has also experienced a significant increase in the number of new appeal filings. The Board has improved its Information Technology processing systems and has provided taxpayers and practitioners with easy on-line access to information and additional system improvements. The Board will continue to seek additional resources to improve turnaround time in an effort to best serve taxpayers.