



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

POLLUTION CONTROL BOARD

State Compliance Examination
 For the Two Years Ended June 30, 2022

Release Date: July 20, 2023

FINDINGS THIS AUDIT: 2				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	0	0	0	No Repeat Findings			
Category 2:	2	0	2				
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>				
TOTAL	2	0	2				
FINDINGS LAST AUDIT: 0							

SYNOPSIS

- (22-1) The Board failed to maintain adequate internal controls over 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 PERSONAL SERVICES

The Illinois Pollution Control Board (Board) failed to maintain adequate internal controls over personal services.

During testing, auditors noted the following:

I-9 Forms were not completed timely for 67% of new employees tested

- For two of three (67%) new employees tested, the Board did not ensure Employment Eligibility Verification (I-9) Forms were completed timely. The Forms I-9 were completed three and eight days late.
- For two of two (100%) terminated employees tested, the employees' earned vacation time balances in the employees' final pay were not correctly rounded up to the next ½ hour, resulting in an overpayment of \$232 and an underpayment of \$29.
- For two of six (33%) employees tested, three requests for 13 hours of equivalent earned time and 24.50 hours of overtime were not properly approved by supervisors. These requests were approved from one to 11 days after the overtime was worked or the request was submitted. In addition, for three of six (50%) employees tested, seven requests for 20.50 hours of equivalent earned time and 36.50 hours of overtime were submitted from one to seven days after the overtime was worked.
- The figures reported on the Agency Workforce Reports (Reports) filed during the examination period did not agree to the supporting documentation provided. Discrepancies were noted on the data and statistical percentages reported for one of 16 (6%) employee groups and one of 16 (6%) professionals in the 2020 Reports.
- The Board did not ensure employee's deductions for federal income taxes were accurately calculated. For four of eight (50%) employees tested, federal income taxes for three pay periods were inaccurately withheld by \$23. For payroll processing, the Board uses the Central Payroll System (System), which did not use the proper federal tax deduction rates effective for those pay periods, and the Board did not identify the withholding errors in its review and approval of its payroll vouchers. (Finding 1, pages 7 – 9)

Overtime and equivalent earned time requests were not properly approved

Federal income taxes were inaccurately withheld for 50% of employees tested

We recommended the Board:

- Ensure Forms I-9 are timely completed.
- Ensure unused vacation balances included in the computation of employees' final pay is calculated in accordance with the Administrative Code (80 Ill. Admin. Code 303.250).
- Ensure documentation is maintained to support overtime requests are timely submitted and properly approved in advance.
- Strengthen its controls over the completion and review of the Agency Workforce Reports to ensure the report is accurate.
- Independently review its payroll vouchers generated to ensure payroll and related withholding taxes are accurate.

Board agreed with auditors

The Board agreed and stated it has made changes to ensure the recommendations are implemented.

OTHER FINDING

The remaining finding pertains to weaknesses over the Board's voucher processing function. We will review the Board's progress towards the implementation of our recommendations in our next State compliance examination.

ACCOUNTANT'S OPINION

The accountants conducted a compliance examination of the Commission for the two years ended June 30, 2022, as required by the Illinois State Auditing Act. The accountants stated the Board complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by Roth & Company, LLP.

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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