



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

PROCUREMENT POLICY BOARD

State Compliance Examination
 For the Two Years Ended June 30, 2020

Release Date: November 16, 2021

FINDINGS THIS AUDIT: 3				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	2018		20-01	
Category 2:	2	1	3				
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>				
TOTAL	2	1	3				
FINDINGS LAST AUDIT: 1							

SYNOPSIS

- (20-01) The Procurement Policy Board (Board) did not exercise adequate internal controls over voucher processing.

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.

**PROCUREMENT POLICY BOARD
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2020**

EXPENDITURE STATISTICS	2020	2019	2018
Total Expenditures.....	\$ 468,120	\$ 466,068	\$ 361,180
OPERATIONS TOTAL.....	\$ 468,120	\$ 466,068	\$ 361,180
% of Total Expenditures.....	100.0%	100.0%	100.0%
Personal Services.....	312,167	298,500	218,500
Other Payroll Costs (FICA, Retirement).....	22,479	21,432	15,944
All Other Operating Expenditures.....	133,474	146,136	126,736
Average Number of Employees.....	5	5	4

AGENCY DIRECTOR
During Examination Period: Mr. Matthew von Behren
Currently: Mr. Matthew von Behren

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

INADEQUATE CONTROLS OVER VOUCHER PROCESSING

The Procurement Policy Board (Board) did not exercise adequate internal controls over voucher processing.

During testing, we noted the following:

Vouchers were approved late

- Eight of 33 (24%) contractual service vouchers tested were not approved timely. The vouchers were approved between 5 and 227 days late.

Incorrect interest payments were made

- The Board did not voucher the correct amount of interest owed for 7 of 33 (21%) contractual service vouchers tested. Incorrect interest payments ranged from a \$61 underpayment to a \$147 overpayment.

Interest payments were not made timely

- For 3 of 33 (9%) contractual service vouchers tested, the Board did not voucher interest payments timely. The interest amounts calculated by the Board were between \$104 and \$391 and paid between 138 and 193 days late. (Finding 1, pages 8-9)

We recommended the Board implement controls to ensure compliance with all applicable laws and regulations in its voucher processing, including:

- Approving vouchers for payment in a timely manner;
- Properly calculating all required interest; and,
- Paying all required interest in a timely manner.

The Board agreed with the recommendation

The Board agreed with the recommendation.

OTHER FINDINGS

The remaining findings pertain to Board members serving on expired terms and inadequate controls over reporting requirements. We will review the Board's progress towards the implementation of our recommendations in our next compliance examination.

ACCOUNTANT'S OPINION

The accountants conducted a compliance examination of the Board for the two years ended June 30, 2020, 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 compliance examination was conducted by the Office of the Auditor General's staff.

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

FJM:QTK