



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

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

SUPREME COURT HISTORIC PRESERVATION COMMISSION

Compliance Examination
 For the Two Years Ended June 30, 2015

Release Date: November 19, 2015

FINDINGS THIS AUDIT: 1	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	2009		15-1	
Category 2:	0	1	1				
Category 3:	0	0	0				
TOTAL	0	1	1				
FINDINGS LAST AUDIT: 2							

SYNOPSIS

- (15-1) The Commission did not maintain adequate controls over recording and reporting of State property.

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.

{Expenditure Statistics are summarized on next page.}

**SUPREME COURT HISTORIC PRESERVATION COMMISSION
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2015**

EXPENDITURE STATISTICS	2015	2014	2013
Total Appropriations.....	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
Total Expenditures.....	\$ 643,103	\$ 598,148	\$ 628,790
Total Receipts.....	\$ 39,661	\$ 30,007	\$ 2,687
Average Number of Employees (Not Examined).....	4	3	3

AGENCY DIRECTOR	
During Examination Period:	Mr. John Lupton
Currently:	Mr. John Lupton

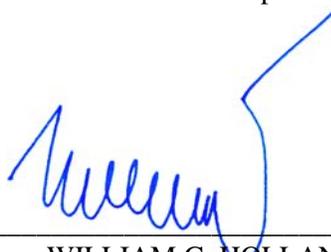
FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS

INADEQUATE CONTROLS OVER STATE PROPERTY

Lack of controls over property	<p>The Commission did not maintain adequate controls over recording and reporting of State property.</p> <p>During our testing, we noted the following:</p> <ul style="list-style-type: none">• Errors in the completion of the Agency Report of State Property (C-15 report). Equipment items totaling \$1,597, purchased in prior years were not reported in the C-15 report. In addition, an item transferred to CMS surplus, totaling \$3,291, was reported under the deletions column instead of the net transfer column of the C-15 report.• Four of 25 (16%) equipment items, totaling \$2,952, were physically found in a location different from the location indicated on the property listing.• Three of five (60%) asset additions determined to be transfers from another State agency did not have corresponding costs on the property listing.• Nine of nine (100%) assets transferred to CMS, totaling \$5,702, were not properly documented. The Commission did not accurately report the asset's acquisition cost and date in the CMS Surplus Property Delivery Form. (Finding 1, pages 9-10). This finding has been repeated since 2009.
Errors in C-15 report	
Incorrect property listing	
Asset values not properly recorded	
Transfers not properly documented	
	<p>We recommended the Commission strengthen its controls over recording and reporting of State property by reviewing its inventory and recordkeeping practices to ensure compliance with regulatory requirements.</p>
Commission agrees with auditors	<p>Commission management accepted the finding and recommendation and stated they have corrected C-15 reports and improved controls with transfer protocols. <i>(For the previous Commission response, see Digest Footnote #1.)</i></p>

AUDITOR'S OPINION

We conducted a compliance examination of the Commission as required by the Illinois State Auditing Act. The auditors stated the Commission complied, in all material respects, with the requirements described in this report.



WILLIAM G. HOLLAND
•• Auditor General

WGH:sjs

SPECIAL ASSISTANT AUDITORS

Our Special Assistant Auditors for this examination were E.C. Ortiz & Co., LLC.

DIGEST FOOTNOTES

#1 - INADEQUATE CONTROLS OVER STATE PROPERTY - Previous Commission Response

The Commission agrees with the finding and has taken measures to correct it. The Director of Administration has added the cost of the freight to one asset and has updated the physical location of the nineteen items. The Fiscal Year 2014 first quarter C-15 report includes the non-reported equipment items. With an accurate first C-15 report for Fiscal Year 2014, the Commission expects accurate reports moving forward.