



**SUPREME COURT HISTORIC PRESERVATION COMMISSION  
STATE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2021**

<b>EXPENDITURE STATISTICS</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>Total Expenditures.....</b>	<b>\$ 2,203,859</b>	<b>\$ 1,057,038</b>	<b>\$ 1,526,791</b>
OPERATIONS TOTAL.....	\$ 2,203,859	\$ 1,057,038	\$ 1,526,791
% of Total Expenditures.....	100.0%	100.0%	100.0%
Personal Services.....	309,306	264,864	253,363
Other Payroll Costs (FICA, Retirement).....	272,793	227,527	219,022
All Other Operating Expenditures.....	1,621,760	564,647	1,054,406
<b>Total Receipts.....</b>	<b>\$ 1,501,754</b>	<b>\$ 500,317</b>	<b>\$ 1,010,353</b>
<b>Average Number of Employees.....</b>	<b>4</b>	<b>3</b>	<b>3</b>

<b>AGENCY DIRECTOR</b>	
During Examination Period:	Mr. John Lupton
Currently:	Mr. John Lupton

## FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

### **INADEQUATE CONTROLS OVER REVENUES**

The Commission did not maintain adequate controls over its receipt processing procedures and related fiscal records.

During testing, we noted the following:

- The Commission did not maintain an adequate segregation of duties over its receipt processing functions. More specifically, we noted that one employee had the authority to perform all parts of the transaction cycle, including:
  - **Authorization** by reviewing and approving transactions, including both depositing funds into the State Treasury's clearing accounts and preparing *Receipt Deposit Transmittal* (C-64) forms.
  - **Custody** by handling and depositing physical checks and money orders and maintaining electronic and physical records.
  - **Recordkeeping** by preparing entries and maintaining the Commission's internal accounting records.
  - **Reconciliation** by preparing reconciliations with the Office of Comptroller's (Comptroller) records to verify each transaction's validity, proper authorization, and entry into the Commission's accounting records.

#### **Inadequate segregation of duties**

#### **Agency Fee Imposition Report filed late**

- The Commission filed a copy of its Fiscal Year 2021 *Agency Fee Imposition Report* 45 days late. Although the Commission does not impose fees, it is still required to file a negative report with the Comptroller indicating it did not collect fees during the applicable fiscal year. (Finding 1, pages 8-9)

We recommended the Commission timely file its *Agency Fee Imposition Reports* as required by the SAMS Manual. Furthermore, we recommended the Commission provide for and document an adequate separation of duties over its receipt processes.

#### **Commission agreed with recommendation**

The Commission agreed with the recommendation.

### **OTHER FINDINGS**

The remaining finding pertain to the Commission not implementing adequate controls related to cybersecurity, programs, and control of confidential information. We will

review the Commission's progress towards the implementation of our recommendations in our next State compliance examination.

**ACCOUNTANT'S OPINION**

The accountants conducted a State compliance examination of the Commission for the two years ended June 30, 2021, 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 State compliance examination was conducted by the Office of the Auditor General's staff.

**SIGNED ORIGINAL ON FILE**

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JANE CLARK  
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:SW