

REPORT DIGEST

OFFICE OF THE STATE TREASURER NONFISCAL OFFICER RESPONSIBILITIES FINANCIAL AND COMPLIANCE AUDIT FOR THE TWO YEARS ENDED JUNE 30, 1995

SYNOPSIS

- The Office of the Treasurer did not have adequate controls to ensure employees using privately-owned vehicles for State business were properly licensed and insured as required by law.

{Expenditures and Activity Measures are summarized on the reverse page.}

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

NEED TO IMPROVE CONTROLS TO ENSURE EMPLOYEES ARE PROPERLY LICENSED AND INSURED

The Office of the Treasurer did not have adequate controls to ensure that employees using privately-owned vehicles for State business were properly licensed and insured as required by law.

In both fiscal years 1995 and 1994, the Treasurer did not document that employees using privately-owned vehicles for State business were properly licensed and insured as required by State statute. The Illinois Vehicle Code (625 ILCS 5/10-101(b)) requires that every employee of the State, who operates for purposes of State business a vehicle not owned, leased or controlled by the State, shall procure the minimum amount of insurance as required by State law.

We recommended the Treasurer implement procedures to ensure that every employee of the Treasurer's office procures the minimum amount of insurance as required by State law.

The Treasurer accepted the recommendation and emphasized the liability potentially assumed as a consequence of not verifying both the existence of a driver's license and insurance was extremely small in view of the limited number of employees using private vehicles in the conduct of State business.

OTHER FINDINGS

The remaining findings are less significant and are being given attention by the Office of the State Treasurer. We will review progress towards the implementation of our recommendations in our next audit of the Treasurer's Nonfiscal Officer Responsibilities.

Mr. James A. Stapleton, the Treasurer's Chief of Staff, provided the responses to our recommendations.

AUDITORS' OPINION

Our auditors state the Treasurer's financial statements for the non shared State Treasury and locally-held funds are fairly stated for the two years ended June 30, 1995.

WILLIAM G. HOLLAND, Auditor General

WGH:BLB:pp

SUMMARY OF AUDIT FINDINGS

Number of
This Audit
Prior Audit

Audit findings 3 4

Repeated audit findings 0 2

Recommendations implemented or
not repeated 4 1

SPECIAL ASSISTANT AUDITORS

The firm of Geo. S. Olive & Co. LLC were our special assistant auditors for this audit.

OFFICE OF THE STATE TREASURER - NONFISCAL OFFICER RESPONSIBILITIES
FINANCIAL AND COMPLIANCE AUDIT
For The Two Years Ended June 30, 1995

EXPENDITURE INFORMATION AND STATISTICS	FY 1995	FY 1994
● Total Expenditures (All Funds)	\$1,427,600,273	\$1,816,120,798
<u>APPROPRIATED EXPENDITURES</u>	\$1,336,309,915	\$1,759,238,406
% of Total Expenditures	94%	97%
General Revenue Fund - 001		
Personal Services	\$3,554,814	\$3,432,208
Employee Retirement - Contributions Paid by Employer	129,185	131,036
Extra Help	39,149	47,878
State Contribution to State Employees' Retirement System		
State Contribution to Social Security	212,800	140,000
Contractual Services	279,259	263,208
Travel	694,493	689,534
Commodities	46,428	56,657
Printing	31,011	28,399
Equipment	12,358	27,805
Electronic Data Processing	52,485	16,134
Telecommunications	984,499	1,008,831
Operation of Auto Equipment	156,963	132,027
Transition of Treasurer	4,577	7,384
Refunds of Estate Tax & Accrued Interest thereon	149,938	0
Refunds of Accrued Interest on Protested Taxes	2,702,117	3,174,081
Total Expenditures - General Revenue Fund	<u>1,349,405</u>	<u>206,251</u>
	\$10,399,481	\$9,361,433
General Obligation Bond Fund - 101		
Payment of Principal		
Payment of Interest	\$1,060,871,265	\$1,252,010,812
Payments to Refund General Obligation Bonds	247,601,942	234,866,433
Total Expenditures - General Obligation Bond Fund	<u>0</u>	<u>247,010,990</u>
	\$1,308,473,207	\$1,733,888,235
General Obligation Bond Rebate - 107		
Total Arbitrage Rebate Payments	\$2,588,000	\$3,463,800
Bank Service Trust Fund - 373		
Total Payments for Banking Services	\$3,736,996	\$3,489,155
Matured Bond and Coupon Fund - 625		
Total Payments of Matured Bonds and Interest	\$79,436	\$35,994
Estate Tax Collections Distributive Fund - 815		
Total Payments to Counties	\$11,032,795	\$8,999,789
<u>UNAPPROPRIATED EXPENDITURES</u>	\$91,290,358	\$56,882,392
% of Total Expenditures	6%	3%
IPTIP Administrative Trust Fund - 195	\$1,405,977	\$1,952,881
Protest Fund - 401	\$35,821,880	\$1,929,511
Metropolitan Pier and Exposition Fund - 337	\$54,062,501	\$53,000,000
SUPPLEMENTARY INFORMATION	FY 1995	FY 1994
●Property and Equipment Balance at June 30	\$2,774,864	\$2,839,076
●Average Number of Employees	139	171
STATE TREASURER		
During Audit Period: Honorable Patrick Quinn (July 1, 1993 - January 8, 1995) and Honorable Judy Baar Topinka (January 9, 1995 - June 30, 1995)		
Currently: Honorable Judy Baar Topinka		