

**STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL**

COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2007

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2007

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AGENCY OFFICIALS

OFFICE OF THE ARCHITECT OF THE CAPITOL

Architect of the Capitol (10/02/06 - Present)	Mr. Donald McLarty
Acting Director (1/13/06 to 10/01/06)	Mr. Dean McGeath
Director (7/1/05 to 1/12/06)	Mr. Mal Hildebrand
Deputy Director	Mr. Dean McGeath
Fiscal Officer (7/1/05 to 1/1/07)	Ms. Dana Hoover
Administrative Assistant	Ms. Sue Friedrich
Board Member	
Co-Chair (Effective 1-1-2007)	Deborah Shipley, Secretary of the Senate
Co-Chair (Through 12-31-2006)	Linda Hawker, Secretary of the Senate
Co-Chair	Mark Mahoney, Clerk of the House of Representatives
Member	Scott Kaiser, Assistant Secretary of the Senate
Member	Bradley Bolin, Assistant Clerk of the House of Representatives

Agency office is located at:

Suite 602
William G. Stratton Office Building
Springfield, IL 62706



THE OFFICE OF THE ARCHITECT OF THE CAPITOL

WILLIAM G. STRATTON BUILDING SUITE 602 SPRINGFIELD, ILLINOIS 62706
TELEPHONE 217.782.7863 FACSIMILE 217.524.1873

ARCHITECT OF THE CAPITOL
DONALD K. McLARTY, AIA

January 30, 2008

Honorable William G. Holland
Auditor General
Iles Park Plaza
740 East Ash Street
Springfield, IL 62703


Dear Mr. Holland:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Agency. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Agency's compliance with the following assertions during the two-year period ended June 30, 2007. Based on this evaluation, we assert that during the years ended June 30, 2006 and June 30, 2007, the Agency has materially complied with the assertions below.

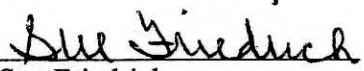
- A. The agency has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The agency has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the agency are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the agency on behalf of the State or held in trust by the agency have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Office of the Architect of the Capitol



Donald K. McLarty, AIA
Architect of the Capitol



Sue Friedrich
Acting Fiscal Officer

COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

ACCOUNTANTS' REPORT

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>This Report</u>	<u>Prior Report</u>
Findings	1	1
Repeated findings	0	0
Prior recommendations implemented or not repeated	1	1

Details of findings are presented in a separately tabbed report section.

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
		FINDINGS (STATE COMPLIANCE)
07-1	9	Inventory and registry of historic items not completed
		PRIOR FINDINGS NOT REPEATED (STATE COMPLIANCE)
07-2	10	Voucher processing weaknesses

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Office management at an exit conference on January 17, 2008. Attending were:

Office of the Architect of the Capitol

Donald McLarty, Architect of the Capitol
Dean McGeath, Deputy Director
Sue Friedrich, Administer Assistant

Office of the Auditor General

Lisa Warden, Audit Manager
David King, Audit Supervisor
Winnie Xu, Auditor

Responses to the recommendations were provided by Donald McLarty, Architect of the Capitol, in a letter dated January 30, 2008.

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OFFICE OF THE AUDITOR GENERAL
WILLIAM G. HOLLAND

INDEPENDENT ACCOUNTANTS' REPORT ON STATE COMPLIANCE,
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

We have examined the State of Illinois, Office of the Architect of the Capitol's (Office) compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the two years ended June 30, 2007. The management of the Office is responsible for compliance with these requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

- A. The Office has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Office has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The Office has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the Office are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the Office on behalf of the State or held in trust by the Office have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the Audit Guide as adopted by the Auditor

General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the Office's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the requirements listed in the first paragraph of this report during the two years ended June 30, 2007. However, the results of our procedures disclosed an instance of noncompliance, which is required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which is described in the accompanying schedule of findings as finding 07-1.

As required by the Audit Guide, immaterial findings relating to instances of noncompliance excluded from this report have been reported in a separate letter.

Internal Control

The management of the Office is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the Office's internal control over compliance with the requirements listed in the first paragraph of this report in order to determine our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the requirements listed in the first paragraph of this report such that there is more than a remote likelihood that noncompliance with a requirement that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as finding 07-1 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a requirement listed in

the first paragraph of this report will not be prevented or detected by the entity's internal control. We did not consider the deficiency described in the accompanying schedule of findings to be a material weakness.

As required by the Audit Guide, immaterial findings relating to internal control deficiencies excluded from this report have been reported in a separate letter.

The Office's response to the finding identified in our examination is described in the accompanying schedule of findings. We did not examine the Office's response and, accordingly, we express no opinion on it.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information as listed in the table of contents as Supplementary Information for State Compliance Purposes is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the 2006 and 2007 Supplementary Information for State Compliance Purposes, except for the Service Efforts and Accomplishments on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 2005 Supplementary Information for State Compliance Purposes, and accordingly, we do not express an opinion thereon.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and agency management and is not intended to be and should not be used by anyone other than these specified parties.


BRUCE L. BULLARD, CPA
Director of Financial and Compliance Audits

January 30, 2008

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF FINDINGS
For the Two Fiscal Years Ended June 30, 2007

07-1 **FINDING** (Inventory and registry of historic items not completed)

The Office of the Architect of the Capitol (Office) did not establish a comprehensive inventory and registry of all historic items for use or display in the legislative complex.

The Legislative Commission Reorganization Act of 1984 (25 ILCS 130/8A-25) states that, “in addition to any property control activities required by law, the Architect of the Capitol shall maintain an inventory and registry of all historic items in the legislative complex.”

Office management stated an inventory and registry of historic items was not aggressively pursued by the prior administration and has not been completed due to the complexity of this project, special skills needed, and funding needed to complete this project. The Office sought and received the necessary appropriation for FY08 and management stated that they expect the inventory and registry to be complete in FY08.

Failure to maintain the required inventory and registry reduces the effectiveness with which the State can track and safeguard assets with historic significance and reduces the State’s ability to detect or prevent loss or theft of historic items. (Finding Code No. 07-1)

RECOMMENDATION

We recommend that the Office complete the projects necessary for establishing a comprehensive inventory and registry of all historic items for use or display in the legislative complex.

OFFICE RESPONSE

As outlined in a memorandum submitted to the Auditor’s General’s office in August 2007, this Office requested and received FY08 funds for this effort. Once funds were released, OAC solicited a fee proposal for professional services required to complete a Historic Structures Report along with an inventory of historic items in the Capitol. This proposal has been presented to the OAC Board for review and we are currently in the process of executing a contract for this work to be completed by June 2008.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF FINDINGS
For the Two Fiscal Years Ended June 30, 2007

PRIOR FINDINGS NOT REPEATED (STATE COMPLIANCE)

07-2. **Finding** (Voucher processing weaknesses)

During the prior period, eleven of 75 (15%) vouchers tested, totaling \$64,101, were approved for payment from 7 to 111 days late, and the Office did not pay the required interest of \$588 on 2 of 75 (3%) vouchers tested.

During the current period, we did not note any significant instances of late voucher approval or failure to pay required interest during our testing. (Finding Code No. 05-1)

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

SUMMARY

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

- Fiscal Schedules and Analysis:

- Schedule of Expenditures of Federal Awards
- Notes to the Schedule of Expenditures of Federal Awards
- Schedule of Appropriations, Expenditures and Lapsed Balances
- Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
- Schedule of Changes in State Property
- Comparative Schedule of Cash Receipts
- Reconciliation Schedule of Cash Receipts to Deposits Remitted to the State Comptroller
- Analysis of Significant Variations in Expenditures
- Analysis of Significant Variations in Receipts
- Analysis of Significant Lapse Period Spending

- Analysis of Operations:

- Agency Functions and Planning Program
- Average Number of Employees
- Service Efforts and Accomplishments (Not Examined)

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General, except for information on the Service Efforts and Accomplishments on which they did not perform any procedures. However, the accountants do not express an opinion on the supplementary information.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Years Ended June 30,
(in thousands)

Federal Awards/Program Title	Federal CFDA Number	Expenditures	
		2006	2007
Department of Homeland Security			
Pass Through From Illinois Emergency			
Management Agency	97.078	\$ -	\$ 337,000

Note: The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Two Fiscal Years Ended June 30, 2007

1. Significant Accounting Policies

(a) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards presents all the federal financial assistance programs of the State of Illinois, Office of the Architect of the Capitol (Office), for the two years ended June 30, 2007.

(b) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is prepared on the modified accrual basis of accounting.

2. Description of Grant Program

The following is a brief description of the grant program included in the Schedule of Expenditures of Federal Awards:

Buffer Zone Protection Plan Program (CFDA #97.078)

The Office received federal funds from the Department of Homeland Security during FY07. The purpose of this program is to provide funding for the planning, equipment, and management of protective actions, with the objective of protecting, securing, and reducing the vulnerabilities of identified critical infrastructure and key resource sites. This grant is specifically designated to improve the security around the Capitol Complex.

3. Pass Through and Subrecipient

The Office received grant reimbursements from the federal Department of Homeland Security passed through the Illinois Emergency Management Agency. The Office did not provide any awards to subrecipients.

4. Non-cash Assistance

The Office did not receive any non-cash assistance during FY06 or FY07.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2007

	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Reappropriated July 1	Balances Lapsed August 31
			Expenditures July 1 to August 31	Expenditures August 31			
General Revenue Fund - 001							
Personal Services	\$ 457,500	\$ 212,653	\$ -	\$ -	212,653	\$ -	\$ 244,847
Employee Retirement	14,000	6,540	-	-	6,540	-	7,460
Contributions Paid by Employer	73,300	24,511	-	-	24,511	-	48,789
State Contributions to State	28,800	16,941	-	-	16,941	-	11,859
Employees' Retirement System	960,500	564,789	64,464	-	629,253	-	331,247
State Contributions to Social Security	7,600	4,124	-	-	4,124	-	3,476
Contractual Services	4,000	2,025	(203)	-	1,822	-	2,178
Travel	2,000	1,339	-	-	1,339	-	661
Commodities	6,300	3,196	211	-	3,407	-	2,893
Printing	17,700	5,533	9,445	-	14,978	-	2,722
Equipment	9,500	6,182	1,428	-	7,610	-	1,890
Electronic Data Processing							
Telecommunications							
Total General Revenue Fund	\$ 1,581,200	\$ 847,833	\$ 75,345	\$ -	\$ 923,178	\$ -	\$ 658,022

OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
 For the Fiscal Year Ended June 30, 2007

	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Reappropriated July 1	Balances Lapsed August 31
			Expenditures July 1 to August 31	Expenditures August 31			
P.A. 94-798 FISCAL YEAR 2007							
Capital Development Fund - 141							
State Capitol Rehabilitation - 20	\$ 595,767	\$ 32,309	\$ -	\$ 32,309	\$ 563,458	\$ -	
State Capitol Rehabilitation - 21	3,883	-	-	-	3,883	-	
Total Capital Development Fund	\$ 599,650	\$ 32,309	\$ -	\$ 32,309	\$ 567,341	\$ -	
Total - All Appropriated Funds	\$ 2,180,850	\$ 880,142	\$ 75,345	\$ 955,487	\$ 567,341	\$ 658,022	
Capitol Special Project Fund - 403							
Capitol Special Project - 55	\$ 337,387	\$ -	\$ -	\$ 337,387			
Total - All Non-Appropriated Funds	\$ 337,387	\$ -	\$ -	\$ 337,387			
Grand Total - All Funds	\$ 1,217,529	\$ 75,345	\$ -	\$ 1,292,874			

Note: Appropriations, expenditures, balances reappropriated and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2006

	Appropriations (Net of Transfers)	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Reappropriated July 1	Balances Lapsed August 31
		Expenditures Through June 30	Expenditures July 1 to August 31			
P.A. 94-0015 FISCAL YEAR 2006						
General Revenue Fund - 001						
Personal Services	\$ 357,500	\$ 307,667	\$ -	\$ 307,667	\$ -	\$ 49,833
Employee Retirement	14,000	9,801	-	9,801	-	4,199
Contributions Paid by Employer						
State Contributions to State	73,300	24,001	-	24,001	-	49,299
Employees' Retirement System	28,800	23,759	124	23,883	-	4,917
State Contributions to Social Security	203,500	26,338	100,409	126,747	-	76,753
Contractual Services	4,800	3,986	260	4,246	-	554
Travel	3,500	1,305	-	1,305	-	2,195
Commodities						
Printing	1,000	601	-	601	-	399
Equipment	5,300	3,041	-	3,041	-	2,259
Electronic Data Processing	11,700	2,648	-	2,648	-	9,052
Telecommunications	6,500	4,080	403	4,483	-	2,017
Total General Revenue Fund	\$ 709,900	\$ 407,227	\$ 101,196	\$ 508,423	\$ -	\$ 201,477
Capital Development Fund - 141						
State Capitol Rehabilitation - 20	\$ 603,165	\$ 7,398	\$ -	\$ 7,398	\$ 595,767	\$ -
State Capitol Rehabilitation - 21	3,883	-	-	-	3,883	-
Total Capital Development Fund	\$ 607,048	\$ 7,398	\$ -	\$ 7,398	\$ 599,650	\$ -
Grand Total - All Funds	\$ 1,316,948	\$ 414,625	\$ 101,196	\$ 515,821	\$ 599,650	\$ 201,477

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2007	2006	2005
General Revenue Fund - 001	P.A. 94-798	P.A. 94-0015	P.A. 93-0842
<hr/>			
Appropriations (Net of Transfers)	\$ 1,581,200	\$ 709,900	\$ 676,100
<hr/>			
<u>Expenditures</u>			
Personal Services	\$ 212,653	\$ 307,667	\$ 276,057
Employee Retirement			
Contributions Paid by Employer	6,540	9,801	11,063
State Contributions to State			
Employees' Retirement System	24,511	24,001	44,547
State Contributions to Social Security	16,941	23,883	20,126
Contractual Services	629,253	126,747	9,089
Travel	4,124	4,246	1,031
Commodities	1,822	1,305	3,770
Printing	1,339	601	-
Equipment	3,407	3,041	285
Electronic Data Processing	14,978	2,648	7,224
Telecommunications	7,610	4,483	4,827
	<hr/>		
Total Expenditures	\$ 923,178	\$ 508,423	\$ 378,019
	<hr/>		
Lapsed Balances	\$ 658,022	\$ 201,477	\$ 298,081
	<hr/>		
Capital Development Fund - 141			
<hr/>			
Appropriations (Net of Transfers)	\$ 599,650	\$ 607,048	\$ 690,774
<hr/>			
<u>Expenditures</u>			
State Capitol Rehabilitation - 20	\$ 32,309	\$ 7,398	\$ 83,635
State Capitol Rehabilitation - 21	-	-	91
	<hr/>		
Total Expenditures	\$ 32,309	\$ 7,398	\$ 83,726
	<hr/>		
Balances Reappropriated	\$ 567,341	\$ 599,650	\$ 607,048
	<hr/>		
Lapsed Balances	\$ -	\$ -	\$ -
	<hr/>		

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2007	2006	2005
<u>Total - All Appropriated Funds</u>			
Appropriations (Net of Transfers)	\$ 2,180,850	\$ 1,316,948	\$ 1,366,874
Total Expenditures	\$ 955,487	\$ 515,821	\$ 461,745
Balances Reappropriated	\$ 567,341	\$ 599,650	\$ 607,048
Lapsed Balances	\$ 658,022	\$ 201,477	\$ 298,081
<u>Non-Appropriated Funds</u>			
Capitol Special Project Fund - 403			
Capitol Special Project - 55	\$ 337,387	\$ -	\$ -
Total Expenditures	\$ 337,387	\$ -	\$ -
Total - All Non-Appropriated Funds	\$ 337,387	\$ -	\$ -
<u>Grand Total - All Funds</u>			
Total Expenditures	\$ 1,292,874	\$ 515,821	\$ 461,745

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Two Years Ended June 30, 2007

	<u>Equipment</u>
Balance at July 1, 2005	\$ 211,261
Additions	3,445
Deletions	(3,365)
Net Transfers	<u>(20,978)</u>
Balance at June 30, 2006	<u><u>\$ 190,363</u></u>
Balance at July 1, 2006	\$ 190,363
Additions	6,225
Deletions	(5,465)
Net Transfers	<u>(39,701)</u>
Balance at June 30, 2007	<u><u>\$ 151,422</u></u>

Note: The above schedule has been derived from Agency records which have been reconciled to property reports submitted to the Office of the Comptroller.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
COMPARATIVE SCHEDULE OF CASH RECEIPTS
For the Fiscal Years Ended June 30,

<u>CAPITOL SPECIAL PROJECT FUND - 403</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
IEMA - Federal Grant	<u>\$ 337,387</u>	<u>\$ -</u>	<u>\$ -</u>
Total Capitol Special Project Fund	<u><u>\$ 337,387</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**RECONCILIATION SCHEDULE OF CASH RECEIPTS
TO DEPOSITS REMITTED TO THE STATE COMPTROLLER**
For the Fiscal Year Ended June 30,

<u>CAPITOL SPECIAL PROJECT FUND - 403</u>	<u>2007</u>
Receipts per Office Records	\$ 337,387
Add: Deposits in Transit, Beginning of Year	-
Less: Deposits in Transit, End of Year	<u>-</u>
Deposits Recorded by the Comptroller	<u><u>\$ 337,387</u></u>

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2007

Significant variances in expenditures were determined to be changes of \$1,000 or more and at least 20% between fiscal years and are explained below.

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2006 AND 2007

General Revenue Fund - 001

Personal Services

The decrease in personal services expenditures in FY07 was due to two vacant positions for part of FY07.

Contractual Services

The increase in FY07 contractual services expenditures was due to decorative painting in the Capitol Building which cost \$512,220 in FY07.

Electronic Data Processing

The increase in FY07 expenditures was due to the purchase of a laptop, projector and screen.

Telecommunications

The increase in FY07 telecommunication expenditures was due to the Office upgrading to eight new phones and switching over from analog to digital service.

Capital Development Fund - 141

State Capitol Rehabilitation - 20

The increase in FY07 expenditures was due to new projects being started and completed in the Capitol Building.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2007

Significant variances in expenditures were determined to be changes of \$1,000 or more and at least 20% between fiscal years and are explained below.

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2005 AND 2006

General Revenue Fund - 001

State Contribution to State Employees' Retirement System

There was a decrease in State Contribution to State Employees' Retirement System expenditures due to the percentage rate of State contributions dropping from 16.107% in FY05 to 7.792% in FY06 pursuant to Public Act 94-004.

Contractual Services

The increase in contractual services expenditures was primarily due to an increase in projects undertaken and paid for capital improvement and professional services in FY06.

Travel

The increase in travel expenditures was due to travel to attend the American Institute of Architects National Convention, which was held outside the State of Illinois in FY06.

Commodities

The decrease in commodities expenditures in FY06 was due to a one-time purchase of 40 chairs for \$55 each in FY05.

Equipment

The increase in equipment expenditures in FY06 was due to the Office purchasing ten folding tables, a binding machine and two storage cabinets.

Electronic Data Processing

The decrease in electronic data processing expenditures in FY06 was due to the Office's one-time purchase of a computer and monitor for \$4,236 in FY05.

Capital Development Fund - 141

State Capitol Rehabilitation - 20

The decrease in FY06 rehabilitation expenditures was due to the Office making fewer payments for improvements in FY06. Expenditures vary based on the number, nature, and phase of the projects ongoing during the fiscal year.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2007

The Office received a one-time federal grant in FY07 to improve the security around the State Capitol Complex.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2007

Significant lapse expenditures were determined to be \$1,000 or more and at least 20% of the total expenditures for the fiscal year.

FISCAL YEAR 2007

GENERAL REVENUE FUND - 001

Electronic Data Processing

The Office ordered a \$9,445 fax/scanner/printer/copier in June to replace outdated equipment. This multi-function copier was received and paid for during lapse period.

FISCAL YEAR 2006

GENERAL REVENUE FUND - 001

Contractual Services

Lapse period contractual services expenditures were due to payment of two construction billings, which were received in the lapse period.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

FUNCTIONS AND PLANNING PROGRAM

The Office of the Architect of the Capitol (Office) was established by Public Act 93-0632 as the successor agency to the Legislative Space Needs Commission (LSNC), effective February 1, 2004.

The Office is mandated by statute:

- To prepare and implement a long-range master plan of development for the State Capitol Building and the remaining portions of the legislative complex that addresses the improvement, construction, historic preservation, restoration, maintenance, repair and landscaping needs of the State Capitol Building and remaining portions of the legislative complex;
- To review, approve and monitor contracts for construction, preservation, restoration, maintenance, repair and landscaping work in the legislative complex, and all other activities that alter the historic integrity of the legislative complex;
- To make space allocations in facilities provided for use of the General Assembly and its related agencies.
- To maintain an inventory and registry of all historic items in the legislative complex;
- To acquire land in the City of Springfield, within the area bounded by Washington, Third, Cook, and Pasfield Streets for the purpose of providing space for operation and expansion of the legislative complex or other State facilities;
- To annually report to the Board of the Office of the Architect of the Capitol, the Capitol Historic Preservation Board, and the appointing authorities of the Capitol Historic Preservation Board.

The Office is subject to the Legislative Commission Reorganization Act of 1984 (Act) (25 ILCS 130/1-1 et seq.). The Joint Committee on Legislative Support Services is responsible for establishing general policy and coordinating activities among the legislative support services agencies, including the Office.

The Board of the Office of the Architect of the Capitol is comprised of the Secretary of the Senate, Assistant Secretary of the Senate, Clerk of the House of Representatives and Assistant Clerk of the House of Representative. The Secretary and Clerk of the House are the Co-Chairs of the Board. The Board members do not receive any compensation and their length of office is indefinite.

Effective February 1, 2004, the Capitol Historic Preservation Board (Board) was established to serve as an advisory body to the Office. As of the end of the examination period, seven of the ten

members had been appointed, two appointments had expired, and one position was still vacant. The Board held two meetings in FY07.

Donald K. McLarty was appointed the first Architect of the Capitol in October, 2006.

Board Members

- Co-Chairs: Deborah Shipley, Secretary of the Senate (Effective 1-1-2007)
Linda Hawker, Secretary of the Senate (Through 12-31-2006)
Mark Mahoney, Clerk of the House of Representatives
- Members: Scott Kaiser, Assistant Secretary of the Senate
Bradley Bolin, Assistant Clerk of the House of Representatives

Planning Program

During the examination period, the Office contracted out development of a long-range Capitol Master Plan for the growth and development of the Capitol Complex. The Office is expecting to receive the plan by August 2008. The Capitol Master Plan will set long-term goals for the improvement, construction, capital repairs, and landscaping needs within the Capitol complex. The Board met periodically to consider proposed and ongoing projects.

The Office worked in conjunction with the Capital Development Board (CDB) to develop projects necessary to maintain the State Buildings in the legislative complex. The planning process began with building surveys, architect and engineer studies, facility analysis, and proposed costs. The Office and CDB scheduled planning meetings and discussed bid proposals. The Office was required to approve all construction contracts for the legislative complex.

Monitoring

The Architect, Deputy Director, and the Construction Analyst routinely monitored the progress on individual projects. The Office staff met regularly to review the status of the projects and to approve work in process payments to the contractors. The projects were monitored from planning to completion. The Board held meetings on a monthly basis to monitor the status of on-going projects and review and approve contracts for new projects.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
AVERAGE NUMBER OF EMPLOYEES
For the Years Ended June 30,

AVERAGE NUMBER OF EMPLOYEES

The following table, prepared from Agency records, presents the average number of employees, by function, for the fiscal years ended June 30,

<u>Position</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Agency Head	1	1	1
Deputy Director	1	1	1
Construction Analyst (Part-time)	0	0.5	0.5
Administrative Assistant	1	1	1
Secretary	1	1	1
Total average full-time employees	<u>4</u>	<u>4.5</u>	<u>4.5</u>

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Two Years Ended June 30, 2007
(Not Examined)

The Office of the Architect of the Capitol (Office) reported the following accomplishments during the examination period:

FY06

The Office continued to oversee the improvements, construction, historical preservation, restoration, maintenance, repairs and landscaping for the Capitol Complex. The Office completed several projects during FY06 including: upgrade computer room and electrical system for the Central Management Service's computer facility; stone repair for the Illinois State Museum; repair of fountain granite for the East Lawn; renovation and repairs for the Illinois State Power Plant; asbestos abatement for the Northeast Pipe Chase; upgrade environmental equipment for the Archives Building; upgrade communication and security system at the Capitol Building.

The Office also commenced the following: Phase two of the planning of the Capitol heating, ventilation, and air conditioning design; cooling tower replacement for the State Library; renovation of the waste and vent piping for the Northeast pipe chase of the Howlett Building; and renovation of lighting panel and miscellaneous exterior lighting for the Capitol Building.

FY07

During FY07, the following projects for the Capitol Complex were completed: renovate Senate and House Chambers, upgrade entrance drives, upgrade Capitol Complex door security, upgrade environment equipment, renovation of the doors and auditorium, roof replacement, emergency lighting replacement, renovation of the waste and vent piping, and cooling tower replacement.

The projects completed for the Capitol Building were: demolish areas of the Senate and House Chambers, refinish various areas of the third floor, refinish wood wainscoting and doors, and design and select furniture. Phase five of asbestos abatement for the State Archives' roof drain has been completed, and roof replacement for the College Office Building has also been completed. The Office also upgraded the computer room and building electrical system for the Springfield Computer Facility.

The Office continued to oversee repairs at the Willard Ice Building which included replacing the dock exhaust system. The Office was also involved in designing an upgrade of the snow melt system and replacement of the roof and stone joints for the Office of the Attorney General.