



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

Judicial Inquiry Board

State Compliance Examination
For the Two Years Ended June 30, 2022

Release Date: April 6, 2023

FINDINGS THIS AUDIT: 5	AGING SCHEDULE OF REPEATED FINDINGS			
	Repeated Since	Category 1	Category 2	Category 3
Category 1:	2020		22-02	
Category 2:	2016		22-01	
Category 3:				
TOTAL				

	New	Repeat	Total
Category 1:	1	0	1
Category 2:	2	2	4
Category 3:	0	0	0
TOTAL	3	2	5

FINDINGS LAST AUDIT: 5

SYNOPSIS

- (22-01) The Judicial Inquiry Board (Board) did not timely deposit a cash receipt
- (22-02) The Board did not maintain adequate controls over its contractual services expenditures.
- (22-04) The Board's internal controls over its voucher processing function were not operating effectively.

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.

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**INADEQUATE CONTROLS OVER CASH
COLLECTIONS**

The Board did not timely deposit a cash receipt.

**Board deposited \$6,993 refund 97
days late**

During our testing, we noted the one (100%) refund receipt tested, totaling \$6,993, was deposited 97 days late (Finding 1, pages 8). **This finding has been reported since 2016.**

We recommended the Board comply with the requirements of the State Officers and Employees Money Disposition Act.

Board agreed with the finding

The Board agreed with the recommendation.

**INADEQUATE CONTROLS OVER CONTRACTUAL
SERVICES**

The Board did not maintain adequate controls over its contractual services expenditures.

During our testing, we noted the following exceptions for one of 2 (50%) contracts tested, totaling \$240,000:

**Contract not signed before start of
service, not filed timely, COD not
properly completed, and missing
required certifications**

- The contract did not include the actual date when the contract was signed by the Board. Additionally, the dated vendor signature was 41 days after the start of services
- The contract was not filed with the Office of Comptroller within 30 calendar days after execution. Additionally, the Board did not file the Late Filing Affidavit for this contract.
- The contract did not include a properly completed contract obligation document (COD). Specifically, the professional and artistic contract was for legal services not subject to the State Indemnification Act, however the COD did not contain a statement or words of similar import in the COD description block, as required.
- The contract did not include the Legal Status Disclosure Certification and Environmental Protection Compliance Certification. The contract was a professional and artistic contract.

**Interagency agreement signed 1,040
days late**

In addition, one (100%) interagency agreement was signed 1,040 days late. (Finding 2, pages 10-11)

We recommended the Board strengthen controls to ensure timely execution, proper completion, and accurate filing of contracts and related documents, including ensuring submission of Late Filing Affidavits when necessary.

Board agreed with the finding

The Board agreed with the recommendation and stated they have implemented additional measures to ensure compliance.

VOUCHER PROCESSING INTERNAL CONTROLS NOT OPERATING EFFECTIVELY

The Board's internal controls over its voucher processing function were not operating effectively during the examination period.

Due to our ability to rely upon the processing integrity of the Enterprise Resource Planning System (ERP) operated by the Department of Innovation and Technology (DoIT), we were able to limit our voucher testing at the Board to determine whether certain key attributes were properly entered by the Board's staff into ERP. In order to determine the operating effectiveness of the Board's internal controls related to voucher processing and subsequent payment of interest, we selected a sample of key attributes (attributes) to determine if the attributes were properly entered into the State's ERP based on supporting documentation. The attributes tested were 1) vendor information, 2) expenditure amount, 3) object(s) of expenditure, and 4) the later of the receipt date of the proper bill or the receipt date of the goods and/or services.

Controls not operating effectively

Our testing noted four of 140 (3%) attributes were not properly entered into the ERP System. Therefore, the Board's internal controls over voucher processing were not operating effectively.

Due to this condition, we qualified our opinion because we determined the Board has not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

Even given the limitations noted above, we conducted an analysis of the Board's expenditures data for fiscal years 2021 and 2022 to determine compliance with the State Prompt Payment Act and the Illinois Administrative Code. We noted the following noncompliance:

Vouchers approved between 1 and 183 days late

- The Board did not timely approve 41 of 324 (13%) vouchers processed during the examination period, totaling \$253,362. We noted these vouchers were approved between 1 and 183 days late.

Interest not paid to vendor

- The Board owed one vendor interest totaling \$5 in fiscal year 2021; however, the Board had not approved this vouchers for payment to the vendor. (Finding 4, pages 14-16)

We recommended the Board design and maintain internal controls to provide assurance its data entry of key attributes into ERP is complete and accurate. Further, we recommended the Board approve proper bills within 30 days of receipt and approve vouchers for payment of interest due to vendors.

Board agreed with the finding

The Board agreed with the recommendation and stated they will work to strengthen these controls

OTHER FINDINGS

The remaining findings pertain to the Board’s petty cash reporting and utilization of the State’s Enterprise Resource Planning System. We will review the Board’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 Board for the two years ended June 30, 2022, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Finding 2022-004. Except for the noncompliance described in this finding, the accountants stated the Board complied, in all material respects, with the requirements described in the report

This State compliance examination was conducted by Roth & Co, LLP.

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:JGR