

**STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER**

COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2008

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2008

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STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2008

AGENCY OFFICIALS

OFFICE OF THE STATE APPELLATE DEFENDER

State Appellate Defender (1/1/08 through Present)	Michael J. Pelletier
State Appellate Defender (7/1/06 through 12/31/07)	Theodore A. Gottfried
Deputy State Appellate Defender (2/1/08 through Present)	David P. Bergschneider
Deputy State Appellate Defender (2/1/08 through Present)	Daniel D. Yuhas
Legal Director (7/1/06 through 1/31/08)	David P. Bergschneider
Chief Fiscal Officer	Tonya Janecek

Agency administrative office is located at:

400 W. Monroe
Suite 202
Springfield, Illinois



**OFFICE OF THE STATE APPELLATE DEFENDER
ADMINISTRATIVE OFFICE**

**400 West Monroe • Suite 202
PO Box 5240
Springfield, Illinois 62705-5240
Telephone: 217/782-7203 • Fax: 217/782-5385
www.state.il.us/defender/ • E-mail: osad@osad.state.il.us**

**MICHAEL J. PELLETIER
STATE APPELLATE DEFENDER**

**DAVID P. BERGSCHNEIDER
DANIEL D. YUHAS
DEPUTY STATE APPELLATE DEFENDERS**

MANAGEMENT ASSERTION LETTER

June 3, 2009

AGENCY OFFICES:

FIRST JUDICIAL DISTRICT
203 North LaSalle Street, 24th Floor
Chicago, IL 60601
(312) 814-5472
1stDistrict@osad.state.il.us

SECOND JUDICIAL DISTRICT
2C10 Larkin Avenue
Elgin, IL 60123
(847) 695-8822
2ndDistrict@osad.state.il.us

THIRD JUDICIAL DISTRICT
1100 Columbus Street
Ottawa, IL 61350
(815)434-5531
3rdDistrict@osad.state.il.us

FOURTH JUDICIAL DISTRICT
400 West Monroe Street, 3rd Floor
Springfield, IL 62704
(217) 782-3654
4thDistrict@osad.state.il.us

FIFTH JUDICIAL DISTRICT
117 North Tenth Street, Suite 300
Mt. Vernon, IL 62864
(618) 244-8471
5thDistrict@osad.state.il.us

SUPREME COURT UNIT
400 West Monroe Street, 3rd Floor
Springfield, IL 62704
(217) 782-1989
scu@osad.state.il.us

CAPITAL TRIAL ASSISTANCE UNIT
20 North Clark, 28th Floor
Chicago, IL 60602
(312) 793-2056
ctau@osad.state.il.us

CAPITAL POST-CONVICTION UNIT
20 North Clark Street, 28th Floor
Chicago, IL 60602
(312) 814-5100
cpc@osad.state.il.us

EXPUNGEMENT UNIT
Springfield Office
(866) 431-4907
expungement.springfield@osad.state.il.us
Chicago Office
(866) 787-1776
expungement.chicago@osad.state.il.us

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

Dear Auditor General Holland:

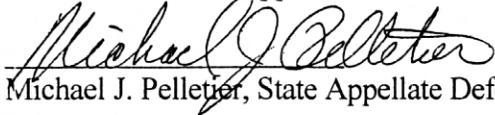
We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Office of the State Appellate Defender (Agency). We are responsible for and we have established and maintained 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, 2008. Based on this evaluation, we assert that during the years ended June 30, 2007 and June 30, 2008, 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 State Appellate Defender



Michael J. Pelletier, State Appellate Defender



Tonya L. Janecek, Chief Fiscal Officer

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2008

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' REPORTS

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	7	2
Repeated findings	1	0
Prior recommendations implemented or not repeated	1	0

Details of findings are presented in the separately tabbed report section of this report.

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (STATE COMPLIANCE)			
08-1	9	Inadequate control over travel expenditures	Significant Deficiency and Noncompliance
08-2	11	Inadequate controls over employees' activity and timekeeping reports	Significant Deficiency and Noncompliance

SCHEDULE OF FINDINGS, continued

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
08-3	13	Employee performance evaluations not conducted timely	Significant Deficiency and Noncompliance
08-4	14	Failure to adopt administrative rules	Significant Deficiency and Noncompliance
08-5	15	Inadequate controls over State property	Significant Deficiency and Noncompliance
08-6	17	Failure to conduct sexual harassment prevention training	Significant Deficiency and Noncompliance
08-7	18	Noncompliance with the Capital Crimes Litigation Act	Significant Deficiency and Noncompliance

PRIOR FINDINGS NOT REPEATED

A	20	Lack of formal flex-time policies and procedure
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EXIT CONFERENCE

A formal exit conference was waived by Tonya Janecek, Chief Fiscal Officer, in correspondence dated May 14, 2009. Responses to the recommendations were provided on May 22, 2009 by Tonya Janecek, Chief Fiscal Officer.

SPRINGFIELD OFFICE:
ILES PARK PLAZA
740 EAST ASH • 62703-3154
PHONE: 217/782-6046
FAX: 217/785-8222 • TTY: 888/261-2887



CHICAGO OFFICE:
MICHAEL A. BILANDIC BLDG. · SUITE S-900
160 NORTH LASALLE · 60601-3103
PHONE: 312/814-4000
FAX: 312/814-4006

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 State Appellate Defender'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, 2008. 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, 2008. However, the results of our procedures disclosed instances of noncompliance, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of findings as findings 08-1, 08-2, 08-3, 08-4, 08-5, 08-6, and 08-7.

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 certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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 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 deficiencies in internal control over compliance described in the accompanying schedule of findings as items 08-1, 08-2, 08-3, 08-4, 08-5, 08-6, and 08-7 to be significant deficiencies.

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 any of the deficiencies described in the accompanying schedule of findings to be material weaknesses.

As required by the Audit Guide, an immaterial finding excluded from this report has been reported in a separate letter.

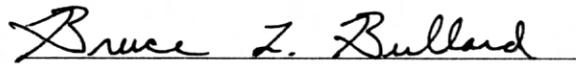
The Office's responses to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the Office's response and, accordingly, we express no opinion on it.

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 2008 and 2007 Supplementary Information for State Compliance Purposes, except for information on 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 2006 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, agency management, and the Office's Board of Commissioners, 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

June 3, 2009

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

08-1. **FINDING** (Inadequate control over travel expenditures)

The Office of the State Appellate Defender (Office) did not exercise adequate control over its travel expenditures. Our testing of the Office's travel expenditures included a sample of 25 vouchers and all of the travel vouchers for the top ten traveling employees for the examination period. We noted the following:

- Three instances of duplicate payments were made to one employee. In each instance, the employee was reimbursed twice for travel occurring on the same day but reported on separate travel vouchers. The duplicate payments resulted in overpayments to an employee totaling \$249.
- One employee was reimbursed for travel, totaling \$574, to the same six destinations for each of five consecutive days on five consecutive travel vouchers. In addition, the travel destinations, activities, and number of hours worked denoted on three of these five (60%) travel vouchers paid were inconsistent with the employee's daily activity reports as submitted to the Office.
- For two of 25 (8%) travel vouchers tested, we noted errors totaling \$15.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds and resources are safeguarded against waste, loss, unauthorized use, and misappropriation. Good internal controls require a thorough review of all travel vouchers and comparison to support to ensure accuracy and to prevent duplicate travel payments.

Office management stated that supervisory staff in one office did not exercise adequate oversight when reviewing travel vouchers. Management stated the current director identified this control weakness upon assuming office in January 2008, and took appropriate corrective action to ensure controls over travel expenditures were properly implemented. The responsible employee and supervisors subsequently left the Office. Management stated other exceptions noted were due to clerical errors.

Inadequate control over travel expenditures could result in overpayments to travelers and is an inefficient use of State resources which may not be prevented or detected in a timely manner. (Finding Code No. 08-1)

RECOMMENDATION

We recommend the Office carefully review travel vouchers to ensure consistency with travel support, reasonableness, mathematical accuracy, and validity of travel claims prior to payment. Further, we recommend the Office consider the need to recoup any travel overpayments.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

AGENCY RESPONSE

The agency will take the necessary steps to ensure consistency and accuracy of travel vouchers submitted. Current procedures include a review of travel vouchers by fiscal department staff for travel support and mathematical accuracy. In addition, Management/Supervisors are diligently reviewing and approving travel vouchers for reasonableness and the validity of the travel. Finally, the Agency will implement a process that includes a review of travel vouchers against previously submitted travel vouchers to prevent duplicate payments.

The employees who received duplicate payments are no longer with the Agency, and we believe it would be too time consuming and too costly to attempt to recoup the \$249 in overpayments. With regards to the employee who was reimbursed for travel to the same destinations, totaling \$574, we recognized that the conduct was suspicious. In at least two instances, when confronted with the same situation, we refused to process more than one of the vouchers. However, we made a decision not to spend the time, money, and investigative resources that would have been necessary to conclusively establish that the traveler had submitted false travel vouchers. This employee resigned his position with the Agency.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

08-2. **FINDING** (Inadequate controls over employees' activity and timekeeping reports)

The Office of the State Appellate Defender (Office) did not exercise oversight over employees' activity reports and timekeeping reports, which were used to monitor employee attendance, accountability, and performance.

As of June 30, 2008, the Office employed 264 employees. Furthermore, the Office had eleven divisions with 20 employees working in the field, including investigators, attorneys, mitigators, and paralegals. Professional employees were allowed to maintain flexible schedules, which varied on a daily basis at each employee's discretion, conditional upon a minimum 5 hour work day and 35 hour work week.

The Office used an electronic calendar program to record, in half-hour increments, the location and specific work completed by its professional staff. The system also generated monthly activity reports for employee oversight and case management. Further, the Office used a computerized employee attendance tracking system to automatically record the time employees logged into and out of the Office's computer system each day. Supervisors had access to and responsibility for monitoring both the activity and timekeeping reports of their staff.

We selected a sample of eight employees from one division and compared those employees' daily activity reports to their timekeeping reports for one pay period. The Office could not provide one employee's activity report for the pay period selected for testing. In addition, we noted discrepancies between the daily activity reports and timekeeping reports for three of 8 (38%) other employees tested. Specifically, the discrepancies noted included differences in the number of hours worked, the activity types reported, and the work locations reported. For each of the three employees with exceptions noted, entries differed for 2 to 6 of the days in the pay period.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds and resources are safeguarded against waste, loss, unauthorized use, and misappropriation. The Office's Policies and Procedures Manual states that all professional staff are required to complete and submit accurate reports, including activity reports, to the State Appellate Defender, with a copy to the Deputy Defender. In addition, good internal controls require monitoring be conducted to ensure that activity and timekeeping reports are accurate and consistent.

Office management stated the discrepancies noted during our testing for one employee were due to employee oversight. Management also stated monthly reports were not submitted timely due to a lack of supervision and oversight in one division. Office management stated that with new management in January 2008, weaknesses were noted and corrective action was taken, including a subsequent review of activity and timekeeping reports. According to agency management, as a result of this review, five employees, including supervisors, resigned from their employment with the Office.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

Failure to ensure the accuracy of employee activity and attendance reporting limits the monitoring usefulness of the reports and increases the risk the Office is paying for services not rendered by an employee. (Finding Code No. 08-2)

RECOMMENDATION

We recommend the Office ensure supervisory staff promptly review employee activity and timekeeping reports for accuracy and consistency. Further, the Office should consider implementing spot checks or other administrative controls to ensure employees are present at reported locations and to investigate any discrepancies noted.

AGENCY RESPONSE

The agency will take steps to review and establish procedures that will allow supervisory staff to ensure that employees are present at reported locations. Further, a review of employee activity and timekeeping reports for accuracy and consistency will be completed with spot checks on a regular basis.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

08-3. **FINDING** (Employee performance evaluations not conducted timely)

The Office of the State Appellate Defender (Office) did not conduct employee performance evaluations timely.

We tested 25 employee files, some of which required multiple (2 to 4) evaluations during the two year period. We noted eleven evaluations for eight different employees (32%) were conducted 2 to 172 days late. We also noted two evaluations for two different employees (8%) were not conducted at all.

The Office's Policies and Procedures Manual states all attorneys with 5 or less years of service with the Office shall be evaluated at least once every 6 months and all other employees shall be evaluated at least once every 12 months. Further, the Office's Policies and Procedures Manual allowed 75 days following the close of the evaluation period to complete the performance evaluation process.

Office management stated statistical reports used to conduct performance evaluations were not completed and available until two weeks after the end of the month. Management further stated evaluation feedback was gathered from each of the employee's supervisors. In addition, the deputy defender reviewed all of the employee's briefs filed and other work products prior to completing evaluations. Management noted that it was difficult to timely complete evaluations due to the large number of attorneys and time required to do so. Further, management stated some of the most untimely evaluations were the responsibility of an office manager who neglected his administrative duties and is no longer with the Office.

Performance evaluations are a systematic and uniform approach used for the development of employees and communication of performance expectations to employees. Performance evaluations should serve as a foundation for salary adjustments, promotion, demotion, and discharge decisions. (Finding Code No. 08-3, 06-1)

RECOMMENDATION

We recommend that the Office implement internal controls to ensure required employee performance evaluations are completed for all employees in a timely manner.

AGENCY RESPONSE

The agency will implement stronger internal controls to ensure that employee evaluations are completed timely. The Human Resource Department will provide reports to supervisors a minimum of 45 days prior to evaluation due dates.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

08-4. **FINDING** (Failure to adopt administrative rules)

The Office of the State Appellate Defender (Office) did not adopt any administrative rules, including rules related to the expungement program.

The Office did not adopt any Administrative Rules required by Illinois Administrative Procedure Act (5 ILCS 100/5 et seq.) and rules related to the expungement program required by the State Appellate Defender Act (725 ILCS 105/10.6e).

Although the Office had implemented the mandated expungement program, it had not adopted formal administrative rules, which are necessary to adequately inform third parties of their rights in this regard.

The Illinois Administrative Procedure Act (5 ILCS 100/5 et seq.) states that each agency shall maintain and file organizational rules, including a current description of the agency's organization, current procedures for information requests, and a current description of the agency's rulemaking procedures. The State Appellate Defender Act (725 ILCS 105/10.6e) states the Office shall adopt the necessary rules for implementation of an expungement program to provide information to persons eligible to have their arrest or criminal history records information ordered expunged, sealed, or impounded.

Office management stated the agency was not aware of the requirement regarding administrative rules. Office management also stated they did not believe rules for implementation of the expungement program were necessary since the statutory directives regarding that program were so clear.

Agency rules inform third parties of their rights, prescribe policy, and establish procedures to assist management in decision making. Formal administrative rules can also help protect agencies from legal challenges and give additional legitimacy to agency actions and agency requests of external parties. (Finding Code No. 08-4)

RECOMMENDATION

We recommend the Office adopt administrative rules regarding the agency's organization, information requests, rulemaking, and the expungement program as required by statute.

AGENCY RESPONSE

The agency will adopt administrative rules regarding the agency's organization, information requests, rulemaking, and the expungement program as required by statute.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

08-5. **FINDING** (Inadequate controls over State property)

The Office of the State Appellate Defender (Office) did not exercise adequate control over the recording and reporting of State property. During our testing, we noted the following:

- Equipment transfers out, totaling \$25,323, were incorrectly reported as deletions on 2 of 8 (25%) Quarterly Reports of State Property (C-15's).

Good business practices require an agency to review all reported information for accuracy before submission. Statewide Accounting Management System (SAMS) (Procedure 29.20.10) requires an agency to report items that have been moved between agencies as property transfers.

- Equipment additions and net transfers were incorrectly reported on 1 of 8 (13%) C-15's. The equipment additions and net transfers were overstated by \$1,267 and \$3,831, respectively, resulting in a \$5,098 overstatement of the Office's equipment inventory as of June 30, 2008.

Good business practices require an agency to review all reported information for accuracy before submission. SAMS (Procedure 29.10.30) states the C-15 should present the total cost of State property, by category, reflected on the agency's records as of the reporting date.

- Two of 25 (8%) equipment items tested were understated on property records by a total of \$117.

SAMS (Procedure 03.30.20) states the cost of equipment should include all of the costs necessary to acquire the asset and place it into service, including net invoice costs and freight charges.

Office personnel stated items were not properly recorded on C-15 reports and property records due to agency oversight.

Failure to maintain accurate property control records increases the potential for fraud and possible loss or theft of State property. (Finding Code No. 08-5)

RECOMMENDATION

We recommend the Office ensure all equipment is accurately recorded on the Office's property records. In addition, we recommend the Office thoroughly review all reports prepared from internal records for accuracy before submission to the State Comptroller.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
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For the Two Years Ended June 30, 2008

AGENCY RESPONSE

The Agency will evaluate and correct our internal reporting procedures to ensure that reports submitted to the Office of the Comptroller are accurate.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

08-6. **FINDING** (Failure to conduct sexual harassment prevention training)

The Office of the State Appellate Defender (Office) did not provide sexual harassment prevention training for all employees as a component of all ongoing or new employee training programs.

During the current examination period, we noted the Office only provided sexual harassment prevention training for the attorneys employed by the Office. However, the Office did not provide sexual harassment prevention training for 38 newly hired employees or 84 staff other than attorneys during the examination period.

The Illinois Human Rights Act (775 ILCS 5/2-105(B)(5)) requires every State agency to “establish, maintain, and carry out a continuing sexual harassment program that shall include... training on sexual harassment prevention and the agency’s sexual harassment policy as a component of all ongoing or new employee training programs.”

Office personnel stated sexual harassment training was not given to non-professional employees and new employees due to a funding shortage.

Failure to provide sexual harassment prevention training to all employees hinders employees from being informed of their rights and responsibilities in the workplace and increases the agency’s risk of liability. (Finding Code No. 08-6)

RECOMMENDATION

We recommend the Office comply with the Illinois Human Rights Act by providing sexual harassment prevention training to all new and existing employees as a component of all ongoing or new employee training programs.

AGENCY RESPONSE

The agency will comply with the Illinois Human Rights Act by providing sexual harassment training to all new and existing employees as a component of all ongoing or new employee training programs.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

08-7. **FINDING** (Noncompliance with the Capital Crimes Litigation Act)

The Office of the State Appellate Defender (Office) did not fully comply with the Capital Crimes Litigation Act (Act).

The Office made its annual appropriations request from the General Revenue Fund rather than the Capital Litigation Trust Fund (Trust Fund) as required for the following items:

- Expenses incurred by the Office in representing petitioners incurred in capital cases in post-conviction proceedings under Article 122 of the Code of Criminal Procedure of 1963;
- Expenses incurred by the Office in relation to petitions filed under Section 2-1401 of the Code of Civil Procedure in relation to capital cases; and
- Expenses incurred by the Office for the representation of those petitioners by attorneys approved by or contracted with the Office.

Capital cases comprised 1 of 41 (3%) and 3 of 41 (7%) Capital Post-Conviction Unit (Unit) cases in Fiscal Years 2007 and 2008, respectively. As of June 30, 2008, the Trust Fund had a balance of \$3,670,240.

The Act (725 ILCS 124/15(d)(3)) requires the Office to request a direct appropriation from the Trust Fund for expenses incurred by the Office in providing assistance to trial attorneys under item (c)(5) of Section 10 of the State Appellate Defender Act and for expenses incurred by the Office in representing petitioners in capital cases in post-conviction proceedings under Article 122 of the Code of Criminal Procedure of 1963; expenses incurred by the Office in relation to petitions filed under Section 2-1401 of the Code of Civil Procedure in relation to capital cases; and expenses incurred by the Office for the representation of those petitioners by attorneys approved by or contracted with the Office.

Office management stated that due to the former governor's commutation of all death sentences in 2003, former Unit capital cases had become non-capital and few new capital cases were received. As a result, the Director determined it would be difficult to allocate costs between capital and non-capital cases, particularly due to uncertainty regarding the timing and extent of work required on the recent capital cases. Management had not quantified the dollar amount that should have been requested from the Trust Fund for capital cases. Further, management did not think funding capital cases from the Trust Fund was mandated.

Failure to request appropriations from the Trust Fund is noncompliance with the Capital Crimes Litigation Act and shifts costs of capital case defense to the General Revenue Fund when funds are available in the Trust Fund. (Finding Code No. 08-7)

RECOMMENDATION

We recommend the Office request appropriations from the proper fund as required by the Act.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

AGENCY RESPONSE

In future budget years we will comply with the Capital Crimes Litigation Act and make an appropriation request from the Capital Litigation Trust Fund for capital post conviction cases.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2008

A. **FINDING** (Lack of formal flex-time policies and procedures)

During the prior period, the Office of the State Appellate Defender (Office) had not adopted formal policies and procedures over employees' flex-time schedules.

During the current period, the Office adopted formal policies and procedures over employees' flex-time schedules. (Finding Code No. 06-2)

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2008

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 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 STATE APPELLATE DEFENDER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30,
(in thousands)

FISCAL YEAR 2008

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. Department of Justice Pass Through from Illinois Criminal Justice Information Authority			
Edward Byrne Memorial Formula Grant Program: Systemic Sentencing Appeals	16.579	404106	\$64
Edward Byrne Memorial Justice Assistance Grant Program: Systemic Sentencing Appeals	16.738	405106	<u>138</u>
Total Expenditures of Federal Awards			<u><u>\$202</u></u>

FISCAL YEAR 2007

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. Department of Justice Pass Through from Illinois Criminal Justice Information Authority			
Edward Byrne Memorial Formula Grant Program: Rural Defense Services	16.579	403102	\$32
Systemic Sentencing Appeals	16.579	404106	<u>241</u>
Total Expenditures of Federal Awards			<u><u>\$273</u></u>

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 STATE APPELLATE DEFENDER
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Two Years Ended June 30, 2008

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 State Appellate Defender (Office), for the two years ended June 30, 2008.

(b) Basis of Accounting

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

2. Description of Grant Programs

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

Edward Byrne Memorial Formula Grant Program – CFDA #16.579

Edward Byrne Justice Assistance Grant Program – CFDA #16.738

Grant
Identification

Number:

Program Title:

403102

Rural Defense Services – The agency received 75% federal funds passed through the Illinois Criminal Justice Information Authority, and the Office provided 25% matching funds. The purpose of this program is to provide funding for Illinois public defenders and court-appointed counsel to hire experts to assist in the defense of their clients.

404106/
405106

Systemic Sentencing Appeals – The agency received 75% federal funds passed through the Illinois Criminal Justice Information Authority, and the Office provided 25% matching funds during Fiscal Year 2007 and 2008. The purpose of this program is to provide funding for attorneys to work on cases that involve sentencing issues.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Two Years Ended June 30, 2008

3. Pass Through and Subrecipient Awards

The Office received funds passed through the Illinois Criminal Justice Information Authority. The Office did not provide any awards to subrecipients.

4. Noncash Awards

The Office did not receive any noncash awards.

5. Cash Returned to Grantor

The Office returned \$16,622 and \$3,458 of unused funds to the Illinois Criminal Justice Information Authority during fiscal years 2007 and 2008, respectively.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2008

Fourteen Months Ended August 31, 2008

P.A. 95-0348	Appropriations (Net after Transfers)	Expenditures Through 6/30/08	Lapse Period Expenditures 7/01 – 8/31/08	Total Expenditures	Balances Lapsed
APPROPRIATED FUNDS					
<u>General Revenue Fund - 001</u>					
General Operations:					
Personal Services	\$ 13,698,000	\$ 13,625,267	\$ 5,084	\$ 13,630,351	\$ 67,649
State Contribution to State Employees' Retirement System	2,268,800	2,259,662	1285	2,260,947	7,853
State Contributions to Social Security	990,010	989,359	594	989,953	57
Contractual Services	2,112,496	2,003,474	86,572	2,090,046	22,450
Travel	97,300	71,994	4,019	76,013	21,287
Commodities	49,500	42,988	144	43,132	6,368
Printing	46,100	40,692	1,787	42,479	3,621
Equipment	79,400	43,593	24,748	68,341	11,059
Electronic Data Processing	788,864	547,021	215,452	762,473	26,391
Telecommunications	155,256	134,611	20,267	154,878	378
Expungement Program	250,200	228,846	5,450	234,296	15,904
Public Defender Training Program	20,000	19,867	50	19,917	83
Total General Operations	<u>\$ 20,555,926</u>	<u>\$ 20,007,374</u>	<u>\$ 365,452</u>	<u>\$ 20,372,826</u>	<u>\$ 183,100</u>

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 STATE APPELLATE DEFENDER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2008

Fourteen Months Ended August 31, 2008

P.A. 95-0348	Appropriations (Net after Transfers)	Expenditures Through 6/30/08	Lapse Period Expenditures 7/01/ – 8/31/08	Total Expenditures	Balances Lapsed
<u>General Revenue Fund - 001 (Cont.)</u>					
Post Conviction Unit:					
Personal Services	\$ 810,000	\$ 732,060	\$ 0	\$ 732,060	\$ 77,940
State Contribution to State					
Employees' Retirement System	134,144	121,279	0	121,279	12,865
State Contributions to Social Security	53,615	53,613	0	53,613	2
Contractual Services	167,758	152,302	9,374	161,676	6,082
Travel	29,000	26,337	1,962	28,299	701
Commodities	3,000	2,788	0	2,788	212
Printing	1,000	729	129	858	142
Equipment	6,500	2,242	3,545	5,787	713
Electronic Data Processing	37,834	17,798	17,112	34,910	2,924
Telecommunications	16,900	13,528	1,025	14,553	2,347
Total Post Conviction Unit	<u>\$ 1,259,751</u>	<u>\$ 1,122,676</u>	<u>\$ 33,147</u>	<u>\$ 1,155,823</u>	<u>\$ 103,928</u>
Systemic Sentencing Appeals - State Matching Portion:					
Expenses Related to Federally Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases	<u>\$ 65,000</u>	<u>\$ 63,636</u>	<u>\$ -</u>	<u>\$ 63,636</u>	<u>\$ 1,364</u>
 Total Fund 001	 <u>\$ 21,880,677</u>	 <u>\$ 21,193,686</u>	 <u>\$ 398,599</u>	 <u>\$ 21,592,285</u>	 <u>\$ 288,392</u>

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2008

Fourteen Months Ended August 31, 2008

P.A. 95-0348	Appropriations (Net after Transfers)	Expenditures Through 6/30/08	Lapse Period Expenditures 7/01 – 8/31/08	Total Expenditures	Balances Lapsed
<u>State Appellate Defender Federal</u>					
<u>Trust Fund - 117</u>					
Systemic Sentencing Appeals - Federal Portion:					
Expenses Related to Federally Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases					
	\$ 300,000	\$ 201,553	\$ -	\$ 201,553	\$ 98,447
<u>Capital Litigation Trust Fund - 614</u>					
Expenses Incurred in Providing Assistance to Trial Attorneys Under Item (c) (5) of Section 10 of the State Appellate Defender Act.					
	\$ 2,922,843	\$ 2,560,601	\$ 70,035	\$ 2,630,636	\$ 292,207
TOTAL ALL APPROPRIATED FUNDS	\$ 25,103,520	\$ 23,955,840	\$ 468,634	\$ 24,424,474	\$ 679,046

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2008

Fourteen Months Ended August 31, 2008

P.A. 95-0348	Expenditures Through 6/30/08	Lapse Period Expenditures 7/1 – 8/31/08	Total Expenditures
NON-APPROPRIATED FUNDS			
<u>State Appellate Defender Federal Trust Fund - 117</u>			
Refund of Unused Federal Funds to the Illinois Criminal Justice Information Authority	\$ 3,458	\$ 0	\$ 3,458
TOTAL NON-APPROPRIATED FUNDS	\$ 3,458	\$ 0	\$ 3,458
GRAND TOTAL ALL FUNDS	\$ 23,959,298	\$ 468,634	\$ 24,427,932

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2007

Fourteen Months Ended August 31, 2007

P.A. 94-798	Appropriations (Net after Transfers)	Expenditures Through 6/30/07	Lapse Period Expenditures 7/01 -8/31/07	Total Expenditures	Balances Lapsed
APPROPRIATED FUNDS					
<u>General Revenue Fund - 001</u>					
General Operations:					
Personal Services	\$ 13,661,533	\$ 13,647,234	\$ 198	\$ 13,647,432	\$ 14,101
State Contribution to State Employees' Retirement System	1,574,913	1,574,890	23	1,574,913	0
State Contributions to Social Security	991,686	991,173	15	991,188	498
Contractual Services	2,266,626	2,129,356	85,839	2,215,195	51,431
Travel	111,800	63,285	2,030	65,315	46,485
Commodities	35,000	30,009	1,618	31,627	3,373
Printing	36,100	33,991	352	34,343	1,757
Equipment	62,400	53,408	4,685	58,093	4,307
Electronic Data Processing	712,935	583,206	110,053	693,259	19,676
Telecommunications	159,800	143,946	13,236	157,182	2,618
Expungement Program	250,200	233,492	8,195	241,687	8,513
Public Defender Training Program	40,000	37,630	387	38,017	1,983
Total General Operations	<u>\$ 19,902,993</u>	<u>\$ 19,521,620</u>	<u>\$ 226,631</u>	<u>\$ 19,748,251</u>	<u>\$ 154,742</u>

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 STATE APPELATE DEFENDER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2007

Fourteen Months Ended August 31, 2007

P.A. 94-798	Appropriations (Net after Transfers)	Expenditures Through 6/30/07	Lapse Period Expenditures 7/01 – 8/31/07	Total Expenditures	Balances Lapsed
<u>General Revenue Fund - 001 (Cont.)</u>					
Post Conviction Unit:					
Personal Services	\$ 804,007	\$ 803,041	\$ 825	\$ 803,866	\$ 141
State Contribution to State					
Employees' Retirement System	92,710	92,582	95	92,677	33
State Contributions to Social Security	60,344	58,526	63	58,589	1,755
Contractual Services	193,601	145,861	3,902	149,763	43,838
Travel	35,000	25,560	1,517	27,077	7,923
Commodities	3,500	2,168	348	2,516	984
Printing	3,000	559	0	559	2,441
Equipment	10,500	4,402	4,436	8,838	1,662
Electronic Data Processing	26,170	20,565	1,502	22,067	4,103
Telecommunications	16,900	14,709	1,191	15,900	1,000
Total Post Conviction Unit	<u>\$ 1,245,732</u>	<u>\$ 1,167,973</u>	<u>\$ 13,879</u>	<u>\$ 1,181,852</u>	<u>\$ 63,880</u>
Systemic Sentencing Appeals - State Matching Portion:					
Expenses Related to Federally Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases	<u>\$ 80,000</u>	<u>\$ 78,853</u>	<u>\$ -</u>	<u>\$ 78,853</u>	<u>\$ 1,147</u>
 Total Fund 001	 <u>\$ 21,228,725</u>	 <u>\$ 20,768,446</u>	 <u>\$ 240,510</u>	 <u>\$ 21,008,956</u>	 <u>\$ 219,769</u>

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2007

Fourteen Months Ended August 31, 2007

P.A. 94-798	Appropriations (Net after Transfers)	Expenditures Through 6/30/07	Lapse Period Expenditures 7/01 – 8/31/08	Total Expenditures	Balances Lapsed
<u>State Appellate Defender Federal</u>					
<u>Trust Fund - 117</u>					
Systemic Sentencing Appeals - Federal Portion:					
Expenses Related to Federally Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases					
	\$ 300,000	\$ 252,016	\$ -	\$ 252,016	\$ 47,984
<u>Capital Litigation Trust Fund - 614</u>					
Expenses Incurred in Providing Assistance to Trial Attorneys Under Item (c) (5) of Section 10 of the State Appellate Defender Act.					
	\$ 2,782,600	\$ 2,623,480	\$ 89,249	\$ 2,712,729	\$ 69,871
TOTAL ALL APPROPRIATED FUNDS	\$ 24,311,325	\$ 23,643,942	\$ 329,759	\$ 23,973,701	\$ 337,624

STATE OF ILLINOIS
OFFICE OF THE STATE APPELATE DEFENDER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2007

Fourteen Months Ended August 31, 2007

P.A. 94-798	Expenditures Through 6/30/07	Lapse Period Expenditures 7/01 – 8/31/07	Total Expenditures
NON-APPROPRIATED FUNDS			
<u>State Appellate Defender Federal Trust Fund - 117</u>			
Refund of Unused Federal Funds to the Illinois Criminal Justice Information Authority	\$ 16,622	\$ 0	\$ 16,622
TOTAL NON-APPROPRIATED FUNDS	\$ 16,622	\$ 0	\$ 16,622
GRAND TOTAL ALL FUNDS	\$ 23,660,564	\$ 329,759	\$ 23,990,323

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

	Fiscal Year		
	2008	2007	2006
	P.A. 95-0348	P.A. 94-798	P.A. 94-0015
General Revenue Fund - 001			
Appropriations (Net of Transfers)	\$ 21,880,677	\$ 21,228,725	\$ 20,367,500
<u>Expenditures</u>			
General Operations:			
Personal Services	\$ 13,630,351	\$ 13,647,432	\$ 12,933,297
State Contribution to State			
Employees' Retirement System	2,260,947	1,574,913	1,008,941
State Contributions to Social Security	989,953	991,188	939,023
Contractual Services	2,090,046	2,215,195	2,710,786
Travel	76,013	65,315	78,978
Commodities	43,132	31,627	44,538
Printing	42,479	34,343	32,893
Equipment	68,341	58,093	61,490
Electronic Data Processing	762,473	693,259	604,082
Telecommunications	154,878	157,182	155,321
Expungement Program	234,296	241,687	159,767
Public Defender Training Program	19,917	38,017	0
Total General Operations	<u>\$ 20,372,826</u>	<u>\$ 19,748,251</u>	<u>\$ 18,729,116</u>
Capital Post Conviction Unit:			
Personal Services	\$ 732,060	\$ 803,866	\$ 839,804
State Contribution to State			
Employees' Retirement System	121,279	92,677	65,484
State Contributions to Social Security	53,613	58,589	61,305
Contractual Services	161,676	149,763	107,627
Travel	28,299	27,077	27,789
Commodities	2,788	2,516	2,829
Printing	858	559	2,924
Equipment	5,787	8,838	11,984
Electronic Data Processing	34,910	22,067	13,745
Telecommunications	14,553	15,900	26,820
Total Post Conviction Unit	<u>\$ 1,155,823</u>	<u>\$ 1,181,852</u>	<u>\$ 1,160,311</u>

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

	Fiscal Year		
	2008	2007	2006
	P.A. 95-0348	P.A. 94-798	P.A. 94-0015
General Revenue Fund - 001 (Cont.)			
Systemic Sentencing Appeals - State Matching Portion:			
Expenses Related to Federally Assisted			
Programs to Work on Systemic			
Sentencing Issues Appeals Cases	\$ 63,636	\$ 78,853	\$ 171,649
Total Expenditures Fund 001	\$ 21,592,285	\$ 21,008,956	\$ 20,061,076
Lapsed Balances	\$ 288,392	\$ 219,769	\$ 306,424
State Appellate Defender Federal Trust Fund - 117			
Appropriations (Net of Transfers)	\$ 300,000	\$ 300,000	\$ 525,000
<u>Expenditures</u>			
Systemic Sentencing Appeals - Federal Portion:			
Expenses Related to Federally Assisted			
Programs to Work on Systemic			
Sentencing Issues Appeals Cases	\$ 201,553	\$ 252,016	\$ 355,948
Lapsed Balances	\$ 98,447	\$ 47,984	\$ 169,052
Capital Litigation Trust Fund - 614			
Appropriations (Net of Transfers)	\$ 2,922,843	\$ 2,782,600	\$ 2,782,600
<u>Expenditures</u>			
Expenses Incurred in Providing Assistance			
to Trial Attorneys Under Item (c) (5)			
of Section 10 of the State Appellate			
Defender Act.	\$ 2,630,636	\$ 2,712,729	\$ 2,782,555
Lapsed Balances	\$ 292,207	\$ 69,871	\$ 45

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

	Fiscal Year		
	2008	2007	2006
	P.A. 95-0348	P.A. 94-798	P.A. 94-0015
TOTAL ALL APPROPRIATED FUNDS			
Appropriations (Net of Transfers)	\$ 25,103,520	\$ 24,311,325	\$ 23,675,100
Total Expenditures	\$ 24,424,474	\$ 23,973,701	\$ 23,199,579
Lapsed Balances	\$ 679,046	\$ 337,624	\$ 475,521
 NON-APPROPRIATED FUNDS			
<u>State Appellate Defender Federal Trust Fund - 117</u>			
Refund of Unused Federal Funds to the Illinois Criminal Justice Information Authority	\$ 3,458	\$ 16,622	\$ 79,757
 <u>State Appellate Defender Special Projects Fund - 361</u>			
Refund of Unused State Matching Funds to the Illinois Criminal Justice Information Authority	\$ -	\$ -	\$ 255
 TOTAL NON-APPROPRIATED FUNDS	 \$ 3,458	 \$ 16,622	 \$ 80,012

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Two Years Ended June 30, 2008

	Equipment
Balance at July 1, 2006	\$ 2,448,576
Additions	136,192
Deletions	(14,816)
Net Transfers	(199,698)
Balance at June 30, 2007	\$ 2,370,254
Balance at July 1, 2007	\$ 2,370,254
Additions	233,248
Deletions	(5,616)
Net Transfers	(185,093)
Balance at June 30, 2008	\$ 2,412,793

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 STATE APPELLATE DEFENDER
COMPARATIVE SCHEDULE OF CASH RECEIPTS
For the Fiscal Years Ended June 30,

<u>General Revenue Fund - 001</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Miscellaneous Receipts	\$ 154	\$ 563	\$ 311
Prior Year Refunds	<u>5,145</u>	<u>686</u>	<u>1,192</u>
 TOTAL	 <u>\$ 5,299</u>	 <u>\$ 1,249</u>	 <u>\$ 1,503</u>

State Appellate Defender Federal Trust Fund – 117

US Department of Justice - Illinois Criminal Justice Information Authority	\$ 189,529	\$ 218,967	\$ 436,995
Prior Year Refunds	-	-	50
Prior Year Warrant Voids	<u>-</u>	<u>-</u>	<u>349</u>
 TOTAL	 <u>\$ 189,529</u>	 <u>\$ 218,967</u>	 <u>\$ 437,394</u>

Capital Litigation Trust Fund - 614

Miscellaneous Receipts	\$ 30	\$ 35	\$ 8
Prior Year Refunds	<u>174</u>	<u>-</u>	<u>580</u>
 TOTAL	 <u>\$ 204</u>	 <u>\$ 35</u>	 <u>\$ 588</u>
 TOTAL RECEIPTS - ALL FUNDS	 <u><u>\$ 195,032</u></u>	 <u><u>\$ 220,251</u></u>	 <u><u>\$ 439,485</u></u>

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
**RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER**
For the Fiscal Years Ended June 30,

<u>General Revenue Fund - 001</u>	<u>2008</u>	<u>2007</u>
Receipts per Office records	\$ 5,299	\$ 1,249
Add: deposits in transit, beginning of year	-	-
Less: deposits in transit, end of year	<u>(17)</u>	<u>-</u>
Deposits recorded by Comptroller	<u>\$ 5,282</u>	<u>\$ 1,249</u>

State Appellate Defender Federal Trust Fund - 117

Receipts per Office records	\$ 189,529	\$ 218,967
Add: deposits in transit, beginning of year	-	-
Less: deposits in transit, end of year	<u>-</u>	<u>-</u>
Deposits recorded by Comptroller	<u>\$ 189,529</u>	<u>\$ 218,967</u>

Capital Litigation Trust Fund - 614

Receipts per Office records	\$ 204	\$ 35
Add: deposits in transit, beginning of year	-	-
Less: deposits in transit, end of year	<u>-</u>	<u>-</u>
Deposits recorded by Comptroller	<u>\$ 204</u>	<u>\$ 35</u>

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2008

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2008 AND 2007

GENERAL REVENUE FUND (001) – General Operations

State Contribution to State Employees' Retirement System

The increase in State Contribution to State Employees' Retirement System expenditures was due to the contribution percentage increasing from 11.525% in FY07 to 16.561% in FY08.

Commodities

The increase in commodities expenditures was partially due to the timing of office supply orders in early FY08 rather than during FY07. Also, some increased expenditures were due to the replacement of existing stock of some envelopes and accordion files due to changes in postal regulations and storage requirements.

Printing

The increase in printing expenditures was due to an increase in the amount of paper used by agency personnel as well as an increase in costs associated with paper supply.

Public Defender Training Program

The decrease in FY08 expenditures was due to program cutbacks by the legislature, which reduced the Office's appropriation from \$40,000 in FY07 to \$20,000 in FY08.

GENERAL REVENUE FUND (001) – Post Conviction Unit

State Contribution to State Employees' Retirement System

The increase in State Contribution to State Employees' Retirement System expenditures was due to the contribution percentage increasing from 11.525% in FY07 to 16.561% in FY08.

Electronic Data Processing (EDP)

The increase in EDP expenditures was due to the purchase of new monitors, computers, laptops, and a printer to replace outdated EDP equipment.

STATE APPELLATE DEFENDER FEDERAL TRUST FUND (117)

Expenses related to Federally Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases

The decrease in expenditures was due to the Office receiving less funding passed through the Illinois Criminal Justice Information Authority for the Systemic Sentencing Grant. Because grant funding for this type of work decreased, costs associated with these cases were absorbed by the Office's regular operations appropriations.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2008

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2008 AND 2007 (Continued)

STATE APPELLATE DEFENDER FEDERAL TRUST FUND (117) (Continued)

Refund of Unused Federal Funds to the Illinois Criminal Justice Information Authority

The decrease in FY08 expenditures was due to a higher percentage of grant funds expended during FY08 than in FY07, yielding a smaller refund amount.

STATE APPELLATE DEFENDER SPECIAL PROJECTS FUND (361)

Refund of Unused State Matching Funds to the Illinois Criminal Justice Information Authority

During FY08, the Office did not receive matching funds from the Illinois Criminal Justice Information Authority.

STATE OF ILLINOIS
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ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2008

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

GENERAL REVENUE FUND (001) – General Operations

State Contribution to State Employees' Retirement System

The increase in State Contribution to State Employees' Retirement System expenditures was due to the contribution percentage increasing from 7.792% in FY06 to 11.525% in FY07.

Commodities

The decrease in commodities expenditures was due to the timing of office orders.

Expungement Program

The increase in Expungement Information Program expenditures was due to the hiring of an attorney and a legal secretary in November 2005. A full year's worth of costs associated with these hirings was incurred during FY07, whereas approximately seven months worth of costs were incurred during FY06.

Public Defender Training Program

The Agency no longer receives a Public Defender Training Program grant from Illinois Criminal Justice Information Authority. The Agency received this grant from a new appropriation in the General Revenue Fund in FY07.

GENERAL REVENUE FUND (001) – Post Conviction Unit

State Contribution to State Employees' Retirement System

The increase in State Contributions to State Employees' Retirement System expenditures was due to the contribution percentage increasing from 7.792% in FY06 to 11.525% in FY07.

Contractual Services

The Agency relocated its Chicago's Capital Post Conviction Unit and Capital Trial Assistance Unit office to 20 North Clark during FY06. The increase in FY07 expenditures was due to the increase in rent costs associated with the office relocation.

Printing

The decrease in printing expenditures was due to the purchase of large amount of paper at the end of FY06.

Electronic Data Processing

The increase in EDP expenditures was due to the purchase of new software, monitors, computers, and laptops to replace outdated EDP software and equipment.

STATE OF ILLINOIS
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ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2008

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

Telecommunications

The decrease in telecommunications expenditures was due to the costs associated with installing telephone lines at the new office location being incurred during FY06. No such costs were required in FY07.

GENERAL REVENUE FUND (001) – Systemic Sentencing Appeals – State Matching Portion

Expenses Related to Federally Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases

The decrease in FY07 expenditures is due to the Rural Defense Services grant passed through the Illinois Criminal Justice Information Authority ending July 31, 2006. The Office did not receive any new funding for the grant during FY07.

STATE APPELLATE DEFENDER FEDERAL TRUST FUND (117)

Expenses Related to Federally Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases

The decrease in FY07 expenditures is due to the Rural Defense Services grant passed through the Illinois Criminal Justice Information Authority ending July 31, 2006. The Office did not receive any new funding for the grant during FY07.

Refund of Unused Federal Funds to the Illinois Criminal Justice Information Authority

The decrease in FY07 expenditures was due to the Rural Defense Service grant passed through the Illinois Criminal Justice Information Authority ending July 31, 2006. The Agency only received Systemic Sentencing Appeals grant passed through the Illinois Criminal Justice Information Authority.

STATE APPELLATE DEFENDER SPECIAL PROJECTS FUND (361)

Refund of Unused State Matching Funds to the Illinois Criminal Justice Information Authority

The Agency did not receive any matching grant funds from the Illinois Criminal Justice Information Authority in FY07.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Fiscal Years Ended June 30, 2008

Significant variances in receipts were determined to be changes of \$25,000 and at least 20% between fiscal years, and are explained below.

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2007 AND 2008

No significant variations in receipts between Fiscal Years 2007 and 2008 noted.

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

State Appellate Defender Federal Trust Fund – 117

US Department of Justice – Illinois Criminal Justice Information Authority

The decrease in federal receipts was primarily due to the end of the Rural Defense Service grant. The Office received \$159,333 in Fiscal Year 2006 for this program but only received \$20,000 in Fiscal Year 2007. In addition, the Office received \$267,662 in Systemic Sentencing Appeal grant monies during Fiscal Year 2006. The Office only received \$198,967 in Systemic Sentencing Appeal grant monies during Fiscal Year 2007. Further, the Office received \$10,000 in Public Defender Training grant monies during Fiscal Year 2006 but did not receive any further funding for this program during Fiscal Year 2007.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Fiscal Years Ended June 30, 2008

FISCAL YEAR 2008

GENERAL REVENUE FUND (001) – General Operations

Equipment

Office furniture was ordered late in Fiscal Year 2008. The related invoices were not received and processed until the lapse period.

Electronic Data Processing

EDP equipment was purchased late in Fiscal Year 2008 to update and replace older equipment. The related invoices were not received and processed until the lapse period.

GENERAL REVENUE FUND (001) – Post Conviction Unit

Equipment

Office furniture was ordered late in Fiscal Year 2008. The related invoices were not received and processed until the lapse period.

Electronic Data Processing

EDP equipment was purchased late in Fiscal Year 2008 to update and replace older equipment. The related invoices were not received and processed until the lapse period.

FISCAL YEAR 2007

GENERAL REVENUE FUND (001) – Post Conviction Unit

Equipment

Office furniture was purchased late in Fiscal Year 2007. The related invoices were not received and processed until the lapse period.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2008

AGENCY FUNCTIONS AND PLANNING PROGRAM

FUNCTIONS

The Office of the State Appellate Defender was created on August 18, 1972 through the State Appellate Defender Act (725 ILCS 105/10). The primary function of the Office is to represent indigent persons on appeal in criminal cases when appointed by the Illinois Supreme Court, the Appellate Court, or the Circuit Court.

Mr. Michael J. Pelletier is the State Appellate Defender and was appointed by the Illinois Supreme Court to serve a four-year term, effective January 1, 2008. Prior to Mr. Pelletier's appointment, Mr. Theodore A. Gottfried served as the State Appellate Defender from his initial appointment in December 1972 until his retirement on December 31, 2007.

The Office is comprised of the following district offices and special units:

Administrative Office State Appellate Defender Michael Pelletier 400 W. Monroe Suite 202 Springfield, Illinois	First District Office Deputy Defender Patricia Unsinn 203 N. LaSalle, 24 th Floor Chicago, Illinois	Second District Office Deputy Defender Thomas Lilien 2010 Larkin Avenue Elgin, Illinois
Third District Office Deputy Defender Robert Agostinelli 1100 Columbus Street Ottawa, Illinois	Fourth District Office Deputy Defender Gary R. Peterson 400 W. Monroe Suite 303 Springfield, Illinois	Fifth District Office Deputy Defender Daniel Kirwan 117 North Tenth Street Suite #300 Mount Vernon, Illinois
Supreme Court Unit Deputy Defender Charles Schiedel 400 W. Monroe Suite 303 Springfield, Illinois 20 N. Clark, 28 th Floor Chicago, Illinois	Capital Post Conviction Unit Deputy Defender Anna E. Carlson 20 N. Clark, 28 th Floor Chicago, Illinois	Capital Trial Assistance Unit Deputy Defender Cheryl Bormann 400 W. Monroe Suite 303 Springfield, Illinois 20 N. Clark, 28 th Floor Chicago, Illinois 300 West Main Street Belleville, Illinois

STATE OF ILLINOIS
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For the Two Years Ended June 30, 2008

The Supreme Court Unit is responsible for handling death penalty cases which are appealed directly from the Circuit Court to the Illinois Supreme Court. The Capital Post Conviction Unit is responsible for providing trial and appellate representation in capital post-conviction proceedings. The Capital Trial Assistance Unit is to ensure that indigent defendants facing the death penalty receive the assistance of zealous, dedicated attorneys, armed with resources adequate to properly investigate and defend their cases at trial and at sentencing. Each District Office, the Supreme Court Unit, the Capital Post Conviction Unit, and the Capital Trial Assistance Unit have a Deputy Defender who is responsible for the administration and supervision of that office.

PLANNING PROGRAM

The Office's formal planning program is limited because its activities throughout the year are contingent upon the number of appeals cases to which they are appointed. The Office's mission is to provide each client appointed by the Courts with high quality legal services and maintain a staff that is dedicated to its clients' interests and improvement of the criminal justice system.

The Office conducts much of its planning in conjunction with the budget process. Deputy Defenders from each division participate in planning and executing their office's budget. The Chief Fiscal Officer prepares and monitors the agency-wide budget using this information. The State Appellate Defender advises on and approves the budget. The State Appellate Defender holds quarterly meetings with the Deputy Defenders to assess the budget, monitor caseload progress, and to ensure that each division is operating effectively. The Office has documented policies and procedures to ensure attorneys are achieving minimum standards of quality and productivity.

The Office monitors the caseloads handled by the courts and maintains statistical records of all cases handled by each district office, both as a historical record and as a guideline for future expected activity.

BOARD OF COMMISSIONERS

The Office has a Board of Commissioners who meet semi-annually. The Board approves the Office's operational budget and the number of employees. The Board also advises and recommends policies for the operation of the Office. The members of the Board as of June 30, 2008 were:

- Thomas M. Breen, Chairman
- Michael B. Metnick
- Honorable David R. Donnersberger
- Honorable Charles R. Hartman
- Edwin A. Burnette
- David Reid Clark
- Honorable Thomas R. Rakowski
- Honorable Scott D. Drazewski
- Honorable E. Kyle Vantrease

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2008

AVERAGE NUMBER OF EMPLOYEES

The average number of personnel employed by the districts/divisions within the Office of the State Appellate Defender was as follows:

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Administrative Office	13	13	13
First District Office	117	125	125
Second District Office	22	22	20
Third District Office	20	19	19
Fourth District Office	25	27	25
Fifth District Office	15	15	15
Supreme Court Unit	9	9	9
Capital Post Conviction Unit	12	14	13
Capital Trial Assistance Unit	24	25	27
Expungement Program	2	3	3
IT Department	5	5	5
Total	<u>264</u>	<u>277</u>	<u>274</u>

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Years Ended June 30,
(Not Examined)

Caseload Activity

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Cases Pending at Beginning of Year	5,168	5,162	5,475
<u>Plus Cases:</u>			
Appointed	3,081	3,253	3,078
Re-opened	52	62	25
<u>Less Cases:</u>			
Closed	(3,185)	(3,213)	(3,299)
Consolidated	(90)	(96)	(117)
	<u> </u>	<u> </u>	<u> </u>
Cases Pending at Year-end	<u>5,026</u>	<u>5,168</u>	<u>5,162</u>
Average Cost per Case Closed	<u>\$7,566</u>	<u>\$7,371</u>	<u>\$7,004</u>

Note: Average cost per case closed calculated as total non-capitalized expenditures divided by the number of cases closed during the fiscal year.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Years Ended June 30,
(Not Examined)

Briefs Filed

The following presents the number and type of briefs filed by the Office of the State Appellate Defender.

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Number of Original Briefs	1,791	1,960	2,084
Number of Anders Briefs	468	512	413
Number of Death Penalty Briefs	5	1	4
Motions to Withdraw/Dismiss Filed	527	607	587
Summary Motions Filed	246	168	150
Total	<u>3,037</u>	<u>3,248</u>	<u>3,238</u>