

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

For the Two Years Ended June 30, 2009

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2009

TABLE OF CONTENTS

	<u>Page</u>
Agency Officials	1
Management Assertion Letter	2
Compliance Report	
Summary	3
Accountant's Reports	
Independent Accountants' Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes	5
Schedule of Findings	
Current Findings – State Compliance	8
Prior Findings Not Repeated	12
Supplementary Information for State Compliance Purposes	
Summary	13
Fiscal Schedules and Analysis	
Schedule of Appropriations, Expenditures and Lapsed Balances	14
Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances	18
Schedule of Changes in State Property	20
Analysis of Significant Variations in Expenditures	21
Analysis of Significant Lapse Period Spending	23
Analysis of Operations	
Agency Functions and Planning Program	24
Average Number of Employees	26
Service Efforts and Accomplishments (Not Examined)	27

AGENCY OFFICIALS

OFFICE OF THE ARCHITECT OF THE CAPITOL

Architect of the Capitol (11/16/09 through present)	J. Richard Alsop III
Architect of the Capitol (10/02/06 through 4/16/08)	Mr. Donald McLarty
Acting Director (04/16/08 through 12/31/09)	Mr. Dean McGeath
Deputy Director (through 4/15/08)	Mr. Dean McGeath
Senior Project Manager (11/1/08 through present)	Mr. Mark Flowers
Fiscal Officer (11/1/07 through present)	Ms. Sue Friedrich
Administrative Assistant (through 10/31/07)	Ms. Sue Friedrich
Board Member	
Co-Chair (1/1/09 through present)	Jillayn Rock, Secretary of the Senate
Co-Chair (01/01/07 through 12/31/08)	Deborah Shipley, 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

J. Richard Alsop III
AIA LEED AP
Architect of the Capitol

January 26, 2010

Honorable William G. Holland
Auditor General
State of Illinois
Iles Park Plaza
740 East Ash
Springfield, IL 62703-3154

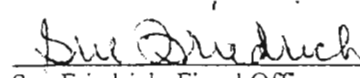
We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grants that could have a material effect on the operations of the Office of the Architect of the Capitol (Office). We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Office's compliance with the following assertions during the two-year period ended June 30, 2009. Based on this evaluation, we assert that during the years ended June 30, 2009 and June 30, 2008, the Office has materially complied with the assertions below.

- 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.

Yours very truly,

Office of the Architect of the Capitol


J Richard Alsop III, Architect of the Capitol


Sue Friedrich, 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' 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>Current</u>	<u>Prior</u>
<u>Findings</u>	<u>Report</u>	<u>Report</u>
Findings	2	1
Repeated findings	0	0
Prior recommendations implemented or not repeated	1	1

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (STATE COMPLIANCE)			
09-1	8	Property control weaknesses	Significant Deficiency and Noncompliance
09-2	10	Long-range master plan for the State Capitol Building and legislative complex not prepared	Significant Deficiency and Noncompliance
PRIOR FINDINGS NOT REPEATED			
A	12	Inventory and registry of historic items not completed	

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Office personnel at an exit conference on December 29, 2009. Attending were:

Office of the Architect of the Capitol

J. Richard Alsop III, Architect of the Capitol
Dean McGeath, Acting Director
Mark Flowers, Senior Project Manager
Sue Friedrich, Fiscal Officer

Office of the Auditor General

Jane Clark, Audit Manager

Responses to the recommendations were provided by J Richard Alsop III, Architect of the Capitol, in a letter dated January 20, 2010.

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 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, 2009. 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.

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, 2009. 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 09-1 and 09-2.

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 as a basis for designing 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.

A *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 and correct noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance with the requirements listed in the first paragraph of this report was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance described in findings 09-1 and 09-2 in the accompanying schedule of findings that we consider to be significant deficiencies in internal control over compliance. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

As required by the Audit Guide, immaterial findings excluded from this report have 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 responses and, accordingly, we express no opinion on them.

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 the 2009 Supplementary Information for State Compliance Purposes, except for 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 2007 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 26, 2010

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2009

09-1. **FINDING** (Property control weaknesses)

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

- 16 equipment items purchased, totaling \$11,477, were not included on the Office's property records at the correct amount. The items did not include installation charges, totaling \$2,560, in the price listed on the property records.
- One item purchased, totaling \$199, was not included on the Office's property records.

These errors resulted in an understatement of the Office's property records totaling \$2,759.

The Illinois Administrative Code (Code) (44 Ill. Adm. Code 5010.240) states the purchase price of the equipment is the price of the equipment delivered and installed, including delivery and installation costs, if any. In addition, the Code (44 Ill. Adm. Code 5010.400) requires agencies to adjust property records within 30 days of acquisition, change or deletion of equipment items. Furthermore, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Office personnel stated deficiencies were caused by an input error. Office personnel further stated the installation charges have since been properly added to the price listed on the property records.

Failure to exercise adequate control over property and maintain accurate property control records increases the potential for fraud and possible loss or theft of State property and reduces the reliability of Statewide consolidated fixed asset information. (Finding Code No. 09-1)

RECOMMENDATION

We recommend the Office comply with the requirements of the Illinois Administrative Code and ensure installation charges are included in the purchase price and items are timely recorded on their equipment records.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2009

OFFICE RESPONSE

We agree with your recommendation to ensure installation charges are included in the purchase price and items are timely recorded on our equipment records.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF FINDINGS

For the Two Years Ended June 30, 2009

- 09-2. **FINDING** (Long-range master plan for the State Capitol Building and legislative complex not prepared)

The Illinois Office of the Architect of the Capitol (Office) has not prepared and implemented a long-range master plan of development for the State Capitol Building and the remaining portion of the legislative complex addressing the improvement, construction, historic preservation, restoration, maintenance, repair, and landscaping needs.

The Legislative Commission Reorganization Act (25 ILCS 130/8A-15(b)) states the Architect of the Capitol shall 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 the remaining portions of the legislative complex. The Architect of the Capitol shall submit the master plan to the Capitol Historic Preservation Board for its review and comment.

Office personnel stated the Capitol Development Board put the long-range master plan project on hold in September 2008 because decisions had not been completed. Office personnel also stated the long-range master plan is 75% completed and is in conjunction with the Stratton Building Assessment. In addition, the Architect of the Capitol resigned in April 2008 further hindering the Office from completing the long-range master plan.

Failure to prepare and implement a long-range master plan is noncompliance with State statute and could result in unforeseen problems relating to the improvement, construction, historic preservation, restoration, maintenance, repair, and landscaping needs of the State Capitol Building and the remaining portion of the legislative complex. (Finding Code No. 09-2)

RECOMMENDATION

We recommend the Office take the appropriate actions to prepare and implement a long-range master plan as required by State statute.

OFFICE RESPONSE

Although it is part of the Legislative Commission Reorganization Act that the Office of the Architect shall prepare, or more realistically have prepared by others under our jurisdiction, a long range masterplan of the Capitol Complex, the contract and funding source are not held with this Office and the approval processes do not lie solely with this Office but are in cooperation with our Board and the Capital Development Board (CDB). The role of the

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2009

Office of the Architect is as a spearhead or facilitator, not the final authority. The decision to move the masterplan project forward is also a multi-party decision, made up of CDB, the Office of the Architect Board and this Office. Preparation and implementation are also not necessarily a linear process – they can and do occur simultaneously as situations warrant.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2009

A. **FINDING** (Inventory and registry of historic items not completed)

During the prior period, 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.

During the current period, the Office prepared a comprehensive inventory and registry of historic items located in the legislative complex. (Finding Code No. 07-1)

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 Appropriations, Expenditures and Lapsed Balances
- Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
- Schedule of Changes in State Property
- Analysis of Significant Variations in Expenditures
- 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 APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Year Ended June 30, 2009

P.A. 95-0731 FISCAL YEAR 2009	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			
General Revenue Fund - 001						
Personal Services	\$ 344,993	\$ 193,506	\$ -	\$ 193,506	\$ -	\$ 151,487
Employee Retirement						
Contributions Paid by Employer	13,822	7,749	-	7,749	-	6,073
State Contribution to State						
Employees' Retirement System	57,285	40,776	-	40,776	-	16,509
State Contributions to Social Security	33,725	14,456	-	14,456	-	19,269
Contractual Services	1,046,520	419,032	459,959	878,991	-	167,529
Travel	9,250	453	-	453	-	8,797
Commodities	3,800	1,324	-	1,324	-	2,476
Printing	10,700	8,962	70	9,032	-	1,668
Equipment	5,985	2,095	-	2,095	-	3,890
Electronic Data Processing	11,115	7,817	-	7,817	-	3,298
Telecommunications	9,500	4,682	419	5,101	-	4,399
Total General Revenue Fund	\$ 1,546,695	\$ 700,852	\$ 460,448	\$ 1,161,300	\$ -	\$ 385,395

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Year Ended June 30, 2009

P.A. 95-0731 FISCAL YEAR 2009	Appropriations (Net of Transfers)	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Reappropriated July 1	Balances Lapsed August 31
		Expenditures July 1 to August 31	Expenditures Through June 30			
Capitol Development Fund - 141						
State Capitol Rehabilitation - 20	\$ 553,641	\$ 5,462	\$ -	\$ 5,462	\$ 548,179	\$ -
State Capitol Rehabilitation - 21	3,883	-	-	-	3,883	-
Total Capitol Development Fund	\$ 557,524	\$ 5,462	\$ -	\$ 5,462	\$ 552,062	\$ -
Grand Total - All Funds	\$ 2,104,219	\$ 706,314	\$ 460,448	\$ 1,166,762	\$ 552,062	\$ 385,395

Note: Appropriations, expenditures, balances reappropriated and lapsed balances were obtained from Office 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 Year Ended June 30, 2008

	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			
General Revenue Fund - 001						
Personal Services	\$ 363,150	\$ 211,919	\$ -	\$ 211,919	\$ -	\$ 151,231
Employee Retirement						
Contributions Paid by Employer	14,550	8,459	-	8,459	-	6,091
State Contribution to State						
Employees' Retirement System	60,300	35,185	-	35,185	-	25,115
State Contributions to Social Security	35,500	15,921	-	15,921	-	19,579
Contractual Services	1,101,600	949,113	48,320	997,433	-	104,167
Travel	7,000	278	-	278	-	6,722
Commodities	4,000	714	-	714	-	3,286
Printing	6,000	145	-	145	-	5,855
Equipment	14,300	13,623	-	13,623	-	677
Electronic Data Processing	11,700	40	-	40	-	11,660
Telecommunications	10,000	4,165	372	4,537	-	5,463
Total General Revenue Fund	\$ 1,628,100	\$ 1,239,562	\$ 48,692	\$ 1,288,254	\$ -	\$ 339,846

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Year Ended June 30, 2008

	Appropriations (Net of Transfers)	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Reappropriated July 1	Balances Lapsed August 31
		Expenditures July 1 to August 31	Expenditures Through June 30			
Capitol Development Fund - 141						
State Capitol Rehabilitation - 20	\$ 563,459	\$ -	\$ 9,819	\$ 9,819	\$ 553,640	\$ -
State Capitol Rehabilitation - 21	3,883	-	-	-	3,883	-
Total Capitol Development Fund	\$ 567,342	\$ -	\$ 9,819	\$ 9,819	\$ 557,523	\$ -
Grand Total - All Funds	\$ 2,195,442	\$ 48,692	\$ 1,249,381	\$ 1,298,073	\$ 557,523	\$ 339,846

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
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED
BALANCES**
For the Years Ended June 30,

	Fiscal Year		
	2009	2008	2007
	P.A. 95-0731	P.A. 95-0348	P.A. 94-0798
General Revenue Fund - 001			
Appropriations (Net of Transfers)	\$ 1,546,695	\$ 1,628,100	\$ 1,581,200
<u>Expenditures</u>			
Personal Services	\$ 193,506	\$ 211,919	\$ 212,653
Employee Retirement			
Contributions Paid by Employer	7,749	8,459	6,540
State Contribution to State			
Employees' Retirement System	40,776	35,185	24,511
State Contributions to Social Security	14,456	15,921	16,941
Contractual Services	878,991	997,433	629,253
Travel	453	278	4,124
Commodities	1,324	714	1,822
Printing	9,032	145	1,339
Equipment	2,095	13,623	3,407
Electronic Data Processing	7,817	40	14,978
Telecommunications	5,101	4,537	7,610
Total General Revenue Fund	\$ 1,161,300	\$ 1,288,254	\$ 923,178
Lapsed Balances	\$ 385,395	\$ 339,846	\$ 658,022
Capitol Development Fund - 141			
Appropriations (Net of Transfers)	\$ 557,524	\$ 567,342	\$ 599,650
<u>Expenditures</u>			
State Capitol Rehabilitation - 20	\$ 5,462	\$ 9,819	\$ 32,309
State Capitol Rehabilitation - 21	-	-	-
Total Capitol Development Fund	\$ 5,462	\$ 9,819	\$ 32,309
Balances Reappropriated July 1	\$ 552,062	\$ 557,523	\$ 567,341
Lapsed Balances	\$ -	\$ -	\$ -

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

	Fiscal Year		
	2009	2008	2007
	P.A. 95-0731	P.A. 95-0348	P.A. 94-798
GRAND TOTAL - ALL APPROPRIATED FUNDS			
Appropriations (Net of Transfers)	<u>\$ 2,104,219</u>	<u>\$ 2,195,442</u>	<u>\$ 2,180,850</u>
Total Expenditures	<u>\$ 1,166,762</u>	<u>\$ 1,298,073</u>	<u>\$ 955,487</u>
Balances Reappropriated July 1	<u>\$ 552,062</u>	<u>\$ 557,523</u>	<u>\$ 567,341</u>
Lapsed Balances	<u><u>\$ 385,395</u></u>	<u><u>\$ 339,846</u></u>	<u><u>\$ 658,022</u></u>
NON-APPROPRIATED FUNDS			
Capitol Special Project Fund - 403			
<u>Expenditures</u>			
Capitol Special Project - 55	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 337,387</u>
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 337,387</u>
GRAND TOTAL - ALL FUNDS			
Total Expenditures	<u><u>\$ 1,166,762</u></u>	<u><u>\$ 1,298,073</u></u>	<u><u>\$ 1,292,874</u></u>

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Two Years Ended June 30, 2009

	Equipment
Balance at July 1, 2007	\$ 151,422
Additions	21,821
Deletions	(3,879)
Net Transfers	(29,779)
Balance at June 30, 2008	\$ 139,585
Balance at July 1, 2008	\$ 139,585
Additions	12,388
Deletions	-
Net Transfers	(12,253)
Balance at June 30, 2009	\$ 139,720

Note: The above schedule has been derived from Office 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
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2009

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2008 AND 2009

General Revenue Fund (001)

Printing

The increase in printing expenditures was due to additional printing of the Capitol Historic Structure Report.

Equipment

The decrease in equipment expenditures was due to the purchase of a recording system and wireless microphones for Board Meetings in Conference Room 602 in FY08.

Electronic Data Processing

The increase in electronic data processing expenditures was due to the purchasing of five desktops and five monitors in FY09.

Capitol Development Fund (141)

State Capitol Rehabilitation – 20

The decrease in the state capitol rehabilitation expenditures was due to the Office making fewer payments for improvements in FY09. Expenditures vary based on phases of projects ongoing during the fiscal year.

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

General Revenue Fund (001)

Employee Retirement Contributions Paid by Employer

The increase in employee retirement contributions paid by employer expenditures was due to the Office hiring a new employee.

State Contribution to State Employees' Retirement System

The increase in state contribution to state employees' retirement system expenditures was due to an increase of the percentage rate of State Contributions rising from 11.525% in FY07 to 16.561% in FY08.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2009

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

General Revenue Fund (001) (continued)

Contractual Services

The increase in contractual services expenditures was due to the Capitol Historic Structure Report which included inventory and registry of all historic items for use or display in the legislative complex.

Travel

The decrease in travel expenditures was due to no architect attending the annual American Institute of Architects (AIA) National Convention and the loss of one contractual employee traveling from Kankakee to Springfield in FY07.

Commodities

The decrease in commodities expenditures was due to the purchasing of additional office supplies in FY07 for the newly hired employee.

Printing

The decrease in printing expenditures was due to the purchasing of copy papers in FY07.

Equipment

The increase in equipment expenditures was due to the Office purchasing a recording system and wireless microphones for Board Meetings in Conference Room 602 in FY08.

EDP

The decrease in electronic data processing expenditures was due to the purchase of one multi-functional copier system, one laptop, one projector and one projector screen in FY07.

Telecommunications

The decrease in telecommunications expenditures was due to the installation of eight digital phones for the office and a polycom phone for Conference Room 602 in FY07.

Capitol Development Fund (141)

State Capitol Rehabilitation – 20

The decrease in the state capitol rehabilitation – 20 expenditures was due to a repair on the 6th floor Capitol Building involving the installation of new drywall, trim, patch, paint and purchase of carpet in FY07.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2009

FISCAL YEAR 2009

General Revenue Fund (001)

Contractual Services

Contractual services expenditures totaling \$459,959 during the lapse period was primarily due to payments for renovation of the south fountain on the east lawn, refinishing of the east corridor window trim, jambs and transoms, and refurbishing seven doors in the east corridor of the Capitol Building. Work had to be scheduled during hours when the legislature were not in session.

FISCAL YEAR 2008

General Revenue Fund (001)

Contractual Services

Contractual services expenditures totaling \$48,320 during the lapse period was primarily due to payments for decorative paint finishes on all ceiling and wall surfaces on the 1st floor, south wing of the public corridor, stripping and refinishing wood surface and painting walls in the southeast stairwell of the Capitol Building. Work had to be scheduled during hours when the legislature were not in session.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2009

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 preserving, 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; and
- 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 composed of the Secretary of the Senate, Assistant Secretary of the Senate, Clerk of the House of Representatives and Assistant Clerk of the House of Representatives. The Secretary and Clerk of the House are the Co-Chairs of the Board. The Board members do not receive any compensation and their term length 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 fieldwork, eight of the ten members have been appointed while two positions had expired. The Board held no meetings in FY08 or FY09.

The State has been without an Architect of the Capitol since April of 2008 due to the resignation of Donald K. McLarty.

Board Members

- Co-Chairman Jillayn Rock, Secretary of the Senate (Effective 1/1/09)
 Deborah Shipley, Secretary of the Senate (Through 12/31/08)
 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 June 2007, the Capitol Master Plan contract was executed by the Capitol Development Board (CDB) for a complete assessment of the Stratton Building in conjunction with preparation of a comprehensive long range plan for the entire Capitol Complex. The assessment of the Stratton Building has been completed by the contractors and a draft report was submitted for review. The master planning effort has concluded the extensive data gathering phase and is currently 75% completed. The final draft of the Capitol Master Plan is scheduled for late 2009. The Capitol Master Plan will set long-term goals for the improvement, construction, Capitol repairs, and landscaping needs within the Capitol complex.

The Board met periodically to consider proposed and ongoing projects.

The Office worked in conjunction with 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 Acting Executive Director and the Senior Project Manager routinely monitored the progress on individual projects. The Office staff met regularly to review the status of the projects and to approve payments to contractors for work in process. The projects were monitored from planning to completion.

The Board held meetings on an intermittent 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 Two 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>2009</u>	<u>2008</u>	<u>2007</u>
Architect of the Capitol	0	1	1
Acting Executive Director	1	0	0
Deputy Director	0	1	1
Senior Project Manager	1	0	0
Administrative Assistant	1	1	1
Secretary	0	0	1
Total average full-time employees	<u>3</u>	<u>3</u>	<u>4</u>

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Two Years Ended June 30, 2009
(Not Examined)

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

FY08

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 FY08, including:

- All abatement and HVAC Phase I system improvements which provide overall upgrades to HVAC systems for the entire South wing of the Capitol, including the recently renovated House Chambers and supporting office spaces;
- Capitol roof replacement on the North and South wings, and the replacement of gutter/downspout ice melt system on both the North and South wing to accommodate new roofing work;
- Stratton Building assessment which aids in determining the future direction of state office space within the Capitol complex;
- Stratton Building emergency stone panel repairs to secure and repair exterior limestone panels which posed a public safety hazard and correct water infiltration problems in various locations throughout the building;
- Re-pointing and new flashing of all exterior limestone facing and replacement of roof at Margret Cross Norton Building;
- Restoration of all decorative paint finishes in the South Corridor space in the Capitol to restore interior finishes throughout the Capitol to their historically documented detailing and colors; and
- Capitol building historic lighting study to provide future guidance for replacement of interior lighting with fixtures of period appropriate detailing and character; furthermore, enhance the restored decorative paint finishes throughout the Capitol building.

The Office also has the following commenced or on going projects: Phase II and III design and planning services for replacement of HVAC systems in the West and North wings of the Capitol, comprehensive long-range master plan for the entire Capitol complex, 4th floor renovation to an existing space for a new Senate Committee Hearing Room, phase II comprehensive historic structure report for the Capitol building, and the continuing program of replacement of interior signage.

FY09

During FY09, the following projects were completed or continued: comprehensive long-range master plan for the entire Capitol complex, phased HVAC improvements in the Capitol so that aging heating/cooling systems may be replaced, and phased improvements related to Life Safety and handicap accessibility for the Capitol Building.