



STATE OF ILLINOIS
**OFFICE OF THE
AUDITOR GENERAL**

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS EMERGENCY MANAGEMENT AGENCY

**COMPLIANCE EXAMINATION
For the Two Years Ended: June 30, 2013**

Release Date: March 5, 2014

Summary of Findings:

Total this audit:	10
Total last audit:	12
Repeated from last audit:	7

SYNOPSIS

- The Agency performed untimely reconciliations of Agency records to the Office of the State Comptroller records.
- The Agency failed to comply with the Radiation Protection Act of 1990.
- The Agency's internal auditing program was not in compliance with the Fiscal Control and Internal Auditing Act (FCIAA).

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

**ILLINOIS EMERGENCY MANAGEMENT AGENCY
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2013**

EXPENDITURE STATISTICS	FY 2013	FY 2012	FY 2011
Total Expenditures.....	\$ 211,451,765	\$ 178,072,123	\$ 214,675,412
OPERATIONS TOTAL.....	\$ 202,571,784	\$ 126,270,163	\$ 173,136,760
% of Total Expenditures.....	95.8%	70.9%	80.6%
Personal Services.....	13,750,134	13,766,656	12,128,330
Other Payroll Costs (FICA, Retirement).....	8,910,358	7,700,041	6,701,552
Contractual Services.....	3,366,785	2,920,095	1,920,048
All Other Operating Expenditures.....	176,544,507	101,883,371	152,386,830
GRANTS AND REFUNDS.....	\$ 8,879,498	\$ 51,034,448	\$ 40,287,583
% of Total Expenditures.....	4.2%	28.7%	18.8%
NON-APPROPRIATED FUNDS.....	\$ 483	\$ 767,512	\$ 1,251,069
% of Total Expenditures.....	0.0%	0.4%	0.6%
Total Receipts.....	\$ 203,439,333	\$ 173,371,495	\$ 196,716,730
Average Number of Employees.....	219	226	223

SELECTED ACTIVITY MEASURES	FY 2013	FY 2012	FY 2011
Cost of Property and Equipment	\$ 50,299,000	\$ 50,157,000	\$ 51,187,000

AGENCY DIRECTOR	
During Examination Period:	Mr. Jonathon Monken
Currently:	Mr. Jonathon Monken

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**UNTIMELY RECONCILIATION OF AGENCY
RECORDS TO THE STATE COMPTROLLER'S
MONTHLY REPORTS**

Failure to reconcile records timely

The Agency did not perform timely reconciliations of their records to the Office of the State Comptroller records. The auditors noted the following reconciliations were not performed timely:

**Cash receipts and cash balance
records were not reconciled timely
during FY2012 and FY2013**

- During FY 2012, the reconciliation between cash receipts collected by the Agency and the Office of the State Comptroller's Monthly Revenue Report for 16 funds were performed by the Agency 1 to 330 days late. During FY 2013, the reconciliations for 14 funds were performed by the Agency 1 to 98 days late. In addition, reconciliations for 1 fund in FY 2012 and 3 funds in FY 2013 were not dated, thus timeliness of reconciliations could not be determined.
- During FY 2012, the reconciliation between the Agency's cash balance and the Office of the State Comptroller's Monthly Cash Report for 14 funds were performed by the Agency between 1 to 315 days late. During FY 2013, the reconciliations for 14 funds were performed by the Agency 2 to 98 days late. In addition, reconciliations for 4 funds in FY 2012 and 1 fund in FY 2013 were not dated, thus timeliness of reconciliations could not be determined. (Finding 1, pages 10-11) **This Finding has been repeated since 2005.**

We recommended the Agency comply with the Office of the State Comptroller procedures and perform monthly reconciliations in a timely manner.

Agency agrees with auditors

Agency officials accepted our recommendation and stated they were able to make great strides from FY 2012 to FY 2013 in getting reconciliations completed in a timely manner. However, the Agency recognizes there are still times when reconciliations are not completed as quickly as they would like due to competing priorities for staff time. The Agency continues to strive to meet the 30 day deadline. *(For the previous Agency response, see Digest Footnote #1)*

**NONCOMPLIANCE WITH RADIATION
PROTECTION ACT OF 1990**

The Agency did not comply with the Radiation Protection Act of 1990, as the Radiologic Technologist Accreditation Advisory Board (RTAAB) was not comprised of the required

number of members.

RTAAB positions vacant at June 30, 2013

As of June 30, 2013, there were only four active members in the RTAAB as nine appointment terms had expired. In addition, the Agency's representative to the RTAAB, serving as an ex-officio member, retired in December 2012, and no one was assigned to the position. (Finding 2, page 12)

We recommended the Agency comply with the Radiation Protection Act of 1990 by continuing to work with the Governor's office to replace RTAAB members as necessary.

Agency agrees with auditors

Agency officials agreed with our recommendation and stated the ex-officio member retired at the end of 2012 and a replacement was appointed in December 2013. Further, they will continue to ensure eligible candidates for vacancies on the RTAAB are forwarded to the Governor's office for consideration.

NONCOMPLIANCE WITH THE FISCAL CONTROL AND INTERNAL AUDITING ACT

Internal Audit program did not comply with State law

The Agency did not ensure that its internal auditing program fully complied with the Fiscal Control and Internal Auditing Act (FCIAA).

Only two of six planned audits were completed during FY 2013

During FY 2013, there were six specific operational and program audits included in the audit plan. Our review of completed internal audits disclosed that the audit plan was not fully implemented. Out of six audits, only two were completed during FY 2013. In addition, no audits relating to internal and administrative controls for grants received or made by the Agency were completed during the last two years. (Finding 8, page 26)

We recommended the Agency complete internal audits of its major systems of internal accounting and administrative controls as required by the FCIAA.

Agency agrees with auditors

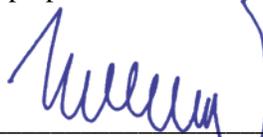
Agency officials accepted our recommendation and stated it was without a Chief Internal Auditor for 7 months of the compliance period, but it strives to meet all requirements of the Act.

OTHER FINDINGS

The remaining findings are reportedly being given attention by the Agency. We will review the Agency's progress towards the implementation of our recommendations in our next engagement.

AUDITORS' OPINION

We conducted a compliance examination of the Agency as required by the Illinois State Auditing Act. We have not audited any financial statements of the Agency for the purpose of expressing an opinion because the Agency does not, nor is it required to, prepare financial statements.



WILLIAM G. HOLLAND
.. Auditor General

WGH:SKM

SPECIAL ASSISTANT AUDITORS

E.C. Ortiz & Co., LLP were our special assistant auditors for this examination.

Digest Footnotes

1. UNTIMELY RECONCILIATION OF AGENCY RECORDS TO THE STATE COMPTROLLER'S MONTHLY REPORTS

2011: "The Agency accepts this finding. The position responsible for completing the reconciliations was hired in February 2011. Prior to this hire, there was no one to complete the reconciliations. The Agency then had another retirement in the fiscal area, which placed other fiscal operation processes in a higher priority than the reconciliations. In November 2011, the Agency was able to hire a staff member to replace the retired employee's position. The staff member is now trained and the reconciliations are now being completed."