

**STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
COMPLIANCE EXAMINATION**

For the Two Years Ended June 30, 2012

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2012

TABLE OF CONTENTS

		Page
Agency Officials		1
Management Assertion Letter		3
Compliance Report:		
Summary		5
Independent Accountants' Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes		7
Schedule of Findings		
Current Findings – State Compliance		11
Prior Findings Not Repeated		30
Supplementary Information for State Compliance Purposes:	Schedule	Page
Summary		32
Fiscal Schedules and Analysis		
Schedule of Appropriations, Expenditures and Lapsed Balances - Fiscal Year 2012	1	33
Schedule of Appropriations, Expenditures and Lapsed Balances - Fiscal Year 2011	2	36
Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances	3	38
Comparative Schedule of Receipts, Disbursements and Fund Balance (Cash Basis) – Locally Held Funds	4	41
Schedule of Changes in State Property	5	42
Comparative Schedule of Cash Receipts	6	43
Reconciliation Schedule of Cash Receipts to Deposits Remitted to the State Comptroller	7	44
Analysis of Significant Variations in Expenditures	8	45
Analysis of Significant Variations in Receipts	9	49
Analysis of Significant Lapse Period Spending	10	52
Analysis of Operations (Not Examined)		
Agency Functions and Planning Program (Not Examined)		53
Average Number of Employees (Not Examined)		58
Service Efforts and Accomplishments (Not Examined)		59

AGENCY OFFICIALS

HISTORIC PRESERVATION AGENCY

Director (Effective May 16, 2012)	Ms. Amy Martin
Acting Director (November 8, 2011 to May 15, 2012)	Ms. Catherine Shannon
Director (Through November 7, 2011)	Ms. Janet Grimes
Deputy Director (Effective August 1, 2011)	Ms. Catherine Shannon
Chief Legal Counsel (Effective October 1, 2011)	Mr. Garth Madison
Chief Legal Counsel (Through September 30, 2011)	Mr. John Knittle
Acting Division Manager, Historic Sites (Effective October 16, 2012)	Ms. Alyson Grady
Acting Division Manager, Historic Sites (August 1, 2011 to October 15, 2012)	Ms. Catherine Shannon
Acting Division Manager, Historic Sites (Through July 18, 2011)	Mr. Robert Weichert
Division Manager, Historical Library	Ms. Kathryn Harris
Acting Division Manager, Executive Office	Ms. Evelyn Taylor
Division Manager, Administrative Services (Effective July 19, 2011)	Mr. Chuck Giger
Division Manager, Administrative Services (Through July 18, 2011)	Mr. Robert Weichert
Division Manager, Preservation Services (Effective October 1, 2011)	Mr. Michael Jackson

AGENCY OFFICIALS (Cont.)

HISTORIC PRESERVATION AGENCY

Executive Director, ALPLM (Effective December 27, 2010)	Ms. Eileen Mackevich
Executive Director, ALPLM (Through December 26, 2010)	Ms. Janet Grimes
Chief Fiscal Officer	Vacant
Chief Accountant	Mr. Eddy Fisher
Chief Information Officer	Mr. Trey McGhee

Agency offices are located at:

313 South Sixth Street
Springfield, IL 62701

1 Old Capitol Plaza
Springfield, IL 62701

112-212 North Sixth Street
Springfield, IL 62701

MANAGEMENT ASSERTION LETTER

June 4, 2013

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 grant agreements that could have a material effect on the operations of the Illinois Historic Preservation 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 Illinois Historic Preservation Agency's compliance with the following assertions during the two-year period ended June 30, 2012. Based on this evaluation, we assert that during the years ended June 30, 2012 and June 30, 2011, the Illinois Historic Preservation Agency has materially complied with the assertions below.

- A. The Illinois Historic Preservation 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 Illinois Historic Preservation 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 Illinois Historic Preservation 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 Illinois Historic Preservation 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.

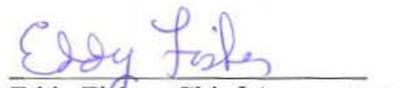
- E. Money or negotiable securities or similar assets handled by the Illinois Historic Preservation Agency on behalf of the State or held in trust by the Illinois Historic Preservation Agency have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

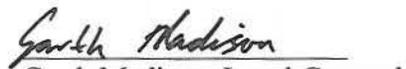
Illinois Historic Preservation Agency



Amy Martin, Director



Eddy Fisher, Chief Accountant



Garth Madison, Legal Counsel

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 Findings</u>	<u>Current Report</u>	<u>Prior Report</u>
Repeated findings	12	17
Prior recommendations implemented or not repeated	9	11
	8	4

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (STATE COMPLIANCE)			
12-1	11	Inadequate control over grant monitoring	Material Weakness and Material Noncompliance
12-2	13	Inadequate controls over donations	Material Weakness and Material Noncompliance
12-3	15	Inadequate controls over travel expenditures	Significant Deficiency and Noncompliance
12-4	17	Inadequate controls over concession leases	Significant Deficiency and Noncompliance
12-5	18	Inadequate controls over State-owned equipment	Significant Deficiency and Noncompliance
12-6	20	Inadequate documentation of employee leave time	Significant Deficiency and Noncompliance

12-7	21	Failure to conduct employee performance evaluations	Significant Deficiency and Noncompliance
12-8	22	Failure to file timely internal control certifications	Significant Deficiency and Noncompliance
12-9	23	Failure to implement the Identity Protection Act	Significant Deficiency and Noncompliance
12-10	25	Inadequate controls over petty cash and change funds	Significant Deficiency and Noncompliance
12-11	27	Failure to comply with the Historic Preservation Agency Act	Significant Deficiency and Noncompliance
12-12	28	Inadequate administration of the Amistad and Freedom Trail Commissions	Significant Deficiency and Noncompliance

PRIOR FINDINGS NOT REPEATED

A	30	Inadequate controls over receipts and refunds
B	30	Inadequate controls over voucher processing
C	30	Inadequate controls over contractual agreements
D	31	Failure to submit GAAP reporting form
E	31	Failure to maintain adequate accounting records
F	31	Failure to develop individual business plans for historic sites
G	31	Failure to maintain an Illinois Register of Historic Places
H	31	Failure to appoint a member to the Local Legacy Board

EXIT CONFERENCE

The Historic Preservation Agency waived an exit conference in correspondence dated May 25, 2013. Responses to the recommendations were provided by the Agency's Chief Accountant, Eddy Fisher in correspondence dated May 25, 2013.

SPRINGFIELD OFFICE:
ILES PARK PLAZA
740 EAST ASH • 62703-3154
PHONE: 217/782-6046
FAX: 217/785-8222 • TTY: 888/261-2887
FRAUD HOTLINE: 1-855-217-1895



CHICAGO OFFICE:
MICHAEL A. BILANDIC BLDG. · SUITE S-900
160 NORTH LASALLE · 60601-3103
PHONE: 312/814-4000
FAX: 312/814-4006
FRAUD HOTLINE: 1-855-217-1895

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, Historic Preservation Agency's 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, 2012. The management of the State of Illinois, Historic Preservation Agency is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Historic Preservation Agency's compliance based on our examination.

- A. The State of Illinois, Historic Preservation 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 State of Illinois, Historic Preservation 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 State of Illinois, Historic Preservation 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 State of Illinois, Historic Preservation 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 State of Illinois, Historic Preservation Agency on behalf of the State or held in trust by the State of Illinois, Historic Preservation Agency have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted 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 State of Illinois, Historic Preservation Agency'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 State of Illinois, Historic Preservation Agency's compliance with specified requirements.

As described in items 12-1 and 12-2 in the accompanying schedule of findings, the State of Illinois, Historic Preservation Agency did not comply with requirements regarding applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations. Compliance with such requirements is necessary, in our opinion, for the State of Illinois, Historic Preservation Agency to comply with the requirements listed in the first paragraph of this report.

In our opinion, except for the noncompliance described in the preceding paragraph, the State of Illinois, Historic Preservation Agency complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2012. However, the results of our procedures disclosed other instances of noncompliance with the requirements, 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 items 12-3 through 12-12.

Internal Control

Management of the State of Illinois, Historic Preservation Agency 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 State of Illinois, Historic Preservation Agency'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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Historic Preservation Agency's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in an entity's internal control over compliance exists when the design or operation of a control over compliance 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 in an entity's internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a 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. We consider the deficiencies in internal control over compliance as described in the accompanying schedule of findings as items 12-1 and 12-2 to be material weaknesses.

A significant deficiency in an entity's internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as items 12-3 through 12-12 to be significant deficiencies.

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

The State of Illinois, Historic Preservation Agency's responses to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the State of Illinois, Historic Preservation Agency's responses and, accordingly, we express no opinion on the responses.

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 for the years ended June 30, 2012 and June 30, 2011 in Schedules 1 through 10 and the Analysis of Operations Section 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 June 30, 2012 and June 30, 2011 accompanying supplementary information in Schedules 1 through 10. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2010 accompanying supplementary information in Schedules 3, 4, 5, 6, 8, and 9 and in the Analysis of Operations Section, and accordingly, we do not express an opinion or provide any assurance on it.

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 Historic Preservation Agency Board of Trustees 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 4, 2013

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

12-1. **FINDING** (Inadequate control over grant monitoring)

The Historic Preservation Agency (Agency) did not exercise adequate controls over its administration of State grants.

We noted the following:

- Two of eight (25%) grant agreements tested, totaling \$42,000, did not include detailed financial budgets or other detailed information regarding the use of the grant funds. The Illinois Grant Funds Recovery Act (30 ILCS 705/4(b) (2)) requires grant agreements to specify what constitutes permissible expenditures of the grant funds.
- For six of eight (75%) grants progress reports tested, totaling \$100,222, the grantees failed to submit required monthly progress reports and completion reports. Three of the grantees failed to provide all required monthly progress reports, and one grantee did not provide any monthly progress reports. Two of the grantees failed to provide both quarterly and completion reports. The grant agreements required monthly and quarterly progress reports to be submitted on or before the 10th of the month. In addition, the grant agreements required a completion report to be provided within 30 days of the end of the project.
- Grant agreement documentation for two of eight (25%) grants tested, totaling \$35,486, did not include an adequate explanation as to why the agreements were amended to increase the amount and percentage paid by the State. For one grant, the original agreement's budget was \$17,200 with the State paying \$12,000, approximately 70%, and the local government paying 30%, \$5,200. The terms of this agreement were amended at the end of the grant period to increase the State share by \$3,200 and decrease the local share by \$1,926. This resulted in the State paying 82% of the costs. In another grant agreement, the original budget was \$18,286, with the State paying \$12,833, approximately 70%, and the local government paying 30%, \$5,453. The terms of this agreement were amended at the end of the grant period to increase the State share by \$12,753 and increase the local share by \$1,294. This resulted in the State paying 79% of the costs. The State Records Act (5 ILCS 160/8) requires the head of each agency to preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency designed to furnish information to protect the legal and financial rights of the State and of persons directly affected by agency's activities.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

Agency officials stated, as they did during the prior engagement, the failure to include the required provisions was due to oversight and staffing changes. They also stated they attempted to obtain the required reports from the grantees, but it remained a problem.

Failure to ensure grant agreements contain all required elements and adequate documentation is maintained could inhibit the State's ability to recover unexpended grant funds and could result in inappropriate expenditures. Failure to obtain required reports timely from grantees impedes the Agency's ability to assess the effectiveness of the programs and the propriety of the grantee's expenditures. (Finding Code No. 12-1, 10-1, 08-1)

RECOMMENDATION

We recommend the Agency implement controls to ensure grant agreements contain provisions necessary to properly administer State grant funds, including, as a minimum, those required by the Illinois Grant Funds Recovery Act. Further, changes in grant terms should be necessary and documented. In addition, we recommend the Agency implement controls to ensure Agency grant monitors require grantees to submit required reports timely to ensure grant funds are being expended as intended.

AGENCY RESPONSE

We concur. The Agency has revised its grant agreements to include all required provisions and certifications. The Agency will reinforce with staff and grantees the requirement to provide detailed budget information and documentation, including progress and completion reports, in a timely manner. The Agency will also review procedures for amending grant agreements to ensure that such changes are documented, justified and appropriate.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

12-2. **FINDING** (Inadequate controls over donations)

The Historic Preservation Agency's (Agency) historical sites did not maintain adequate controls over donations at its historic sites.

According to Agency records, 17 State historic sites maintained locked boxes designated for visitors to make donations. Each site maintains a local bank account for depositing the donated funds. The Historic Preservation Agency Act (Act) (20 ILCS 3405/16(n)) allows for the establishment of local bank or savings and loan association accounts, upon the written authorization of the Director, to temporarily hold income received at any of its properties. In addition, the Agency has written procedures to further guide the administration of donation receipts.

According to Agency records, the donations at the historic sites totaled \$390,848 and \$390,974 in FY12 and FY11, respectively. We reviewed donation procedures at five sites throughout the State and noted the following:

- Four of five (80%) historical sites tested did not remove the cash from the donation boxes daily and record the totals. The staff generally collected, counted, and recorded the cash once a week. The Agency's procedures require money to be counted daily and corresponding records to be maintained.
- Two of five (40%) sites tested did not make weekly deposits as required. The Agency's procedures require deposits to be made regularly or at the very least weekly.
- Two of five (40%) sites tested did not make deposits when the balance of cash exceeded \$500. The Agency's procedures require the funds to be deposited into the local account if donations on hand exceed \$500.
- Two of five (40%) sites tested did not maintain the keys to the donation boxes in a secure location. One location maintained the key in an unlocked desk during the day. At the other location, the key was not secured and was accessible by all employees during the day and stored in an unlocked drawer at night. The Agency's procedures require keys to be kept in a secured lock box at all times.
- One of five (20%) sites tested did not maintain an adequate segregation of duties over the donation box. At a site with 4 employees during testing, the same employee recorded the donation amounts on the ledger, prepared and signed the checks, made the

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

deposits to the local account, issued the checks to the Central Office, and performed the monthly reconciliation. Good internal controls require the Agency to maintain an adequate segregation of duties in order to help ensure the safeguarding of assets.

Agency management stated control issues were mainly due to oversight and a lack of staff in the related areas.

Failure to comply with the Agency's cash donation procedures and segregate cash procedures when possible could result in losses from errors or irregularities. (Finding Code No. 12-2, 10-2)

RECOMMENDATION

We recommend the Agency ensure all historic sites are following the Agency's requirements for donations and maintain a separation of duties when possible.

AGENCY RESPONSE

We concur. The Agency will review its written procedures regarding administration of donation receipts and will require training of all sites staff to ensure the procedures are understood and followed.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

12-3. **FINDING** (Inadequate controls over travel expenditures)

The Historic Preservation Agency (Agency) did not maintain adequate controls over its travel expenditures.

We noted the following during testing:

- Twenty-two of 58 (38%) travel vouchers tested, totaling \$5,987, were submitted from 65 to 330 days after the last day of travel. The Internal Revenue Service (IRS) Publication 535 requires employee travel expense reimbursements to be considered taxable wages if the travel expenses are not submitted within a reasonable period, usually within 60 days of expense being incurred.
- Twelve of 58 (21%) travel vouchers tested were not approved by the traveler's immediate supervisor. The Illinois Administrative Code (80 Ill. Adm. Code 2800.250) requires each travel voucher to be first approved by the individual's immediate supervisor, who shall certify that the travel shown was required by official duties.
- Five of 58 (9%) travel vouchers tested contained reimbursements of travel expenses that were not in accordance with travel allowances. One traveler rented vehicles for two trips and also claimed and received reimbursement for private vehicle mileage totaling \$231. Another traveler submitted three travel vouchers with reimbursements for per diem which exceeded the allowable per diem rates by \$149. The Illinois Administrative Code (Code) (80 Ill. Adm. Code 3000.300) states reimbursement for the use of a private vehicle shall be on a mileage basis and shall be in accordance with promulgated reimbursement schedules. Furthermore, the Code (80 Ill. Adm. Code 3000.500) states per diem allowances specified in the adopted reimbursement schedules are the maximums allowed by the Travel Control Boards.
- The Agency submitted one of four (25%) Travel Headquarters (TA-2s) reports to the Legislative Audit Commission (LAC) nine days late. The State Finance Act (30 ILCS 105/12-3), requires the TA-2s to be completed and filed with the LAC for any individual whose headquarters has been designated as a location other than that at which official duties require the largest part of working time. The TA-2 reports shall be filed no later than July 15 for the period from January 1 through June 30 of that year and no later than January 15 for the period July 1 through December 31 of the preceding year.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

Agency management stated the issues were mainly due to oversight and a lack of staff in the related areas.

Failure to submit travel vouchers in a timely manner could distort travel expenditures from month to month, and according to IRS Publication 535, employee travel expense reimbursements should be considered taxable wages if the travel expenses are not submitted within a reasonable period of time. Failure to exercise adequate internal controls over payments of travel expenditures and inadequate reviews of travel vouchers increases the risk that errors and irregularities will occur and not be detected. Failure to ensure required reports are filed timely is noncompliance with a statutory mandate and lessens the efficiency of State operations. (Finding Code No. 12-3)

RECOMMENDATION

We recommend the Agency ensure travel vouchers are timely submitted and approved. We also recommend the Agency ensure all travel vouchers are completed in accordance with the Illinois Administrative Code and travel regulations. Furthermore, we recommend the Agency ensure the TA-2s are timely filed. We also recommend the Agency seek reimbursement of any overpayment of travel expenses.

AGENCY RESPONSE

We concur. The Agency will reinforce to travelers the requirement to submit reimbursement requests timely, accurately and with all proper approvals. The Agency will also strive to submit all of the Travel Headquarter reports timely and will investigate and seek recovery as needed for reimbursements not in accordance with the travel regulations.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

12-4. **FINDING** (Inadequate controls over concession leases)

The Historic Preservation Agency (Agency) did not have adequate controls over concession leases.

We noted the following during testing:

- Two of five (40%) historical sites tested had three lease agreements with the Foundations for the sites' concessions operations that had been expired from nine to 20 months as of June 30, 2012. The lease agreements required the Foundations (lessees) to vacate the premises if renewal of the agreement was not arranged within 90 days prior to the expiration of the concession leases; however, they were still operating during fieldwork.
- One of five (20%) historical sites tested was unable to provide documentation required by the concession lease. The Foundation's quarterly donation reports were not received by the Agency. The concession lease required quarterly reports of donations to be forwarded to the Agency.

During the prior and current engagements, Agency officials stated the expired agreements were due to the legal counsel position being vacant for some time and the reports were not received due to oversight.

Failure to maintain current concession leases and the required documentation could expose the State to unnecessary liability risks. (Finding Code No. 12-4, 10-3)

RECOMMENDATION

We recommend the Agency implement controls to ensure all concession leases are current and ensure documentation is maintained of all required reports.

AGENCY RESPONSE

We concur. The Agency will aggressively seek to ensure all concession leases are current and up-to-date. We will also stress the requirement to submit documents and reports in a timely manner.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

12-5. **FINDING** (Inadequate controls over State-owned equipment)

The Historic Preservation Agency (Agency) did not maintain sufficient controls over the recording and identification of State-owned equipment.

We noted the following during testing:

- Two of twelve (17%) equipment vouchers tested contained four items totaling \$6,535 that were not recorded on the Agency's property control records.
- Nine of 25 (36%) equipment additions tested totaling \$59,679 were recorded on the Agency's property listing from 28 to 263 days late.
- One of 25 (4%) equipment deletions tested totaling \$250 was removed from the Agency's property records 23 days late.
- Eight of 45 (18%) equipment items observed during historical sites testing were not tagged with a property identification number. In addition, seven of the items were not recorded on the Agency's property control records.

The Illinois Administrative Code (44 Ill. Adm. Code 5010.400) (Code) requires agencies to adjust the property records within 30 days of the acquisition, change, or deletion of equipment items. In addition, the Code requires agencies to mark each piece of State equipment in their possession with a unique 6 digit identification number. Further, the State Property Control Act (30 ILCS 605/4) requires the Agency to be accountable for the supervision, control, and inventory of all property under its jurisdiction and control.

Agency officials stated the issues noted were mainly due to unresolved staffing issues. In addition, the multiple sites and locations within the Agency add to the challenges of maintaining property as required.

Failure to exercise adequate control over equipment increases the likelihood of inaccurate property records and the potential for fraud and possible loss or theft of State property. (Finding Code No. 12-5, 10-4, 08-14)

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

RECOMMENDATION

We recommend the Agency implement controls to ensure all equipment and purchases are timely recorded and removed from the property records. In addition, we recommend the Agency ensure all equipment is tagged and inventoried.

AGENCY RESPONSE

We concur. The Agency will post adjustments to inventory records and will stress the importance of accurately identifying and ensuring all required inventory items, including donated items, are tagged and recorded in a timely manner.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

12-6. **FINDING** (Inadequate documentation of employee leave time)

The Historic Preservation Agency (Agency) did not maintain properly completed timesheets and leave requests.

During testing we noted the following:

- Five of 18 (28%) employees tested had leave requests that were not signed by the employee and/or the supervisor.
- Four of 18 (22%) employees tested submitted their leave requests from 15 to 141 days after the leave was taken.

The Agency's written procedures requires a leave request to be completed by the employee and approved by the supervisor when requesting the use of leave time, and vacation leave slips must be approved prior to usage. In addition, the Illinois Administrative Code (Code) (80 Ill. Adm. Code 303.350) requires employees to provide advance notice of absence from work whenever possible.

Agency officials stated the loss and changing of supervisory staff as well as the logistics of getting all documents to the central office is problematic at times.

Failure to maintain adequate controls over the documentation of employee's leave time increases the risk of the Agency paying for services not rendered by employees. In addition, during the prior engagement, the Agency's timesheets did not document the time spent each day on official State business to the nearest quarter hour. During the current engagement, our sample testing showed the Agency revised its timesheets to include the documentation of the time spent by employees each day on official State business. (Finding Code No. 12-6, 10-7, 08-13)

RECOMMENDATION

We recommend the Agency implement controls to ensure leave requests are properly completed and approved and timely submitted.

AGENCY RESPONSE

We concur. The Agency will reinforce with all staff the requirement to submit leave requests timely and accurately and to have all of the proper approvals affixed. The recent hiring of key managers should also help resolve these issues.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

12-7. **FINDING** (Failure to conduct employee performance evaluations)

The Historic Preservation Agency (Agency) did not conduct employee performance evaluations as required.

We noted the Agency did not perform annual performance evaluations for 17 of 18 (94%) employees tested as required. Four employees did not have any performance evaluations on file during the examination period and the remaining employees only had one evaluation performed during the two fiscal years.

The Illinois Administrative Code (80 Ill. Adm. Code 302.270) requires the Agency to prepare an evaluation on employees not less often than annually.

Agency management stated that although supervisors are periodically reminded to perform the evaluations, they were not always completed due to turnover of key staff.

Performance appraisals are a systematic and uniform approach used for the development of employees and communication of performance expectations to employees. Performance appraisals should serve as a foundation for salary adjustment, promotion, demotion, discharge, layoff, recall, and reinstatement decisions. (Finding Code No. 12-7, 10-8, 08-12)

RECOMMENDATION

We recommend the Agency comply with the Illinois Administrative Code and perform evaluations for all employees.

AGENCY RESPONSE

We concur. The loss of managers and supervisors continues to hamper the Agency in completing evaluations, however, we have recently reemphasized the importance and requirement to have all evaluations completed in a timely manner.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

12-8. **FINDING** (Failure to file timely internal control certifications)

The Historic Preservation Agency (Agency) did not complete and file its internal control certifications as required.

We noted the Agency did not complete an evaluation of internal controls or file a certification in FY11.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3003) requires the chief executive officer of each State agency to conduct an evaluation of their systems of internal fiscal and administrative controls and file a certification regarding the evaluation with the Auditor General by May 1 of each year.

Agency officials stated the evaluation was not completed due to time constraints resulting from staffing shortages.

Timely evaluations of internal controls are necessary to determine whether existing controls are adequate to prevent or detect potential risks. (Finding Code No. 12-8, 10-12)

RECOMMENDATION

We recommend the Agency complete the internal control evaluations and file its certifications annually as required.

AGENCY RESPONSE

We concur. The Agency filed the FY12 and FY13 certifications timely and will continue to do so in the future.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

12-9. **FINDING** (Failure to implement Identity Protection Act)

The Historic Preservation Agency (Agency) failed to implement the provisions of the Identity Protection Act (Act).

During our testing, we noted that the Agency had not issued an identity protection policy.

The Identity Protection Act (5 ILCS 179) required the Agency to draft and approve an identity-protection policy by June 1, 2011. Per the Act, the Policy must:

- Identify the Act.
- Require all employees identified as having access to social security numbers in the course of performing their duties to be trained to protect the confidentiality of social security numbers.
- Direct that only employees who are required to use or handle information or documents that contain social security numbers have access to such information or documents.
- Require that social security numbers from an individual be placed in a manner that makes the social security number easily redacted if required to be released as part of a public records request.
- Require that, when collecting a social security number or upon request by the individual, a statement of the purpose or purposes for which the Agency is collecting and using the social security number be provided.

Agency officials stated the Agency has not drafted and approved an Identity Protection Policy due to oversight, and therefore has not covered these steps in accordance with the statute.

Failure to implement provisions of the Act results in noncompliance with the Act, does not promote the security and control of social security numbers, and increases the likelihood of identity theft. (Finding Code No. 12-9)

RECOMMENDATION

We recommend the Agency develop and approve an identity protection policy as required in the Identity Protection Act.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

AGENCY RESPONSE

We concur. The Agency will develop and approve an identity protection policy.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

12-10. **FINDING** (Inadequate controls over petty cash and change funds)

The Historic Preservation Agency (Agency) did not maintain adequate controls over its petty cash funds and change funds.

During testing, we noted the following:

- Two of 25 (8%) petty cash vouchers tested contained three instances where payments totaled over \$50 to the same vendor on the same date and time, but the purchases were separated to keep the amounts under \$50. The Statewide Accounting Management System (SAMS) (Procedure 09.10.40) states “stringing” of payments to the same vendor (individually less than \$50 but exceeding \$50 in an individual order) is not an approved use of the petty cash fund.
- Petty cash audits were not performed for two funds in FY11 and two funds in FY12. These funds received reimbursements totaling from \$6,469 to \$9,644 in a year. The State Finance Act (30 ILCS 105/13.3) requires management to ensure an internal audit is performed of any petty cash fund which receives reimbursements of more than \$5,000 in a fiscal year. Agency officials stated they reviewed reconciliations and documentation of all funds receiving more than \$5,000 in a year while preparing the Petty Cash Internal Control Certifications (C-86s).
- The Abraham Lincoln Presidential Library and Museum (Library) maintained a change fund in an approved amount of \$100. The change fund was subdivided into four cash drawers in different locations in the Library. One of four (25%) cash drawers was commingled with receipts and was reconciled biweekly, not daily as required. SAMS (Procedure 09.10.40) states it is appropriate to commingle change funds with daily receipts as long as procedures are in place to reconcile daily receipts and properly record any cash overages/shortages.
- One of five (20%) historical sites visited did not maintain an adequate segregation of duties over petty cash. Check writing and signing, bank reconciliations, and warrant deposits were generally all performed by the petty cash custodian, and all four employees had the authority to sign petty cash checks. Good internal controls require a segregation of duties when possible. In addition, the Agency’s petty cash procedures require the reconciliation form to be prepared by someone other than the custodian.

Agency management stated petty cash issues were mainly due to oversight.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

Lack of controls over petty cash and change funds increases the likelihood that a loss from errors and irregularities could occur and would not be detected in the normal course of employees carrying out their assigned duties. (Finding Code No. 12-10)

RECOMMENDATION

We recommend the Agency improve its controls over petty cash to prevent stringing of purchases, perform reconciliations as required, and segregate the duties. In addition, we recommend the Agency ensure petty cash audits are performed on funds receiving over \$5,000 in reimbursements in a year. Further, we recommend the Agency enforce its procedures to reconcile the change fund daily.

AGENCY RESPONSE

We concur. The Agency will continue to stress the importance of adhering to petty cash and change fund procedures. In addition, the Agency will review petty cash procedures with all petty cash custodians to ensure that they understand the Agency's petty cash procedures and comply with them. Furthermore, staff will be reminded to complete all required documentation.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

12-11. **FINDING** (Failure to comply with Historic Preservation Agency Act)

The Historic Preservation Agency (Agency) did not comply with provisions of the Historic Preservation Agency Act (Act) regarding the appointment of certain statutorily mandated positions.

We noted the following:

- The Agency had not appointed anyone to the position of Library Facilities Operations Director. The Act (20 ILCS 3405/33) requires the Lincoln Presidential Library's Director to appoint a Library Facilities Operations Director with the concurrence of the Historic Preservation Agency's Board of Trustees. Agency officials stated there was no funding for a Library Facilities Operations Director position, and library facilities operations were instead managed by the Museum Director, Deputy Director, and the Library Director
- The Agency did not appoint an Internal Auditor as required by the Act. The Act (20 ILCS 3405/34) created the Office of the Internal Auditor of the Historical Preservation Agency. The Act required the Agency's Board to appoint an Internal Auditor to audit and maintain the financial books, records, papers, and transactions of the Lincoln Presidential Library and the Historic Sites and Preservation Division of the Agency. It further required the Internal Auditor to prepare an annual report for each fiscal year of the operations of the Agency and submit it to the Board, the General Assembly, and the Governor. Agency officials stated they had no funding or approval to hire an internal auditor during the engagement period. In addition, the Act requires the Internal Auditor to maintain their books, which is a function held by the Fiscal Office.

Failure to appoint the positions of Library Facilities Operations Director and Internal Auditor is noncompliance with a statutory mandate. (Finding Code No. 12-11)

RECOMMENDATION

We recommend the Agency comply with the Act regarding the appointment of a Library Facilities Operations Director and Internal Auditor or seek legislative remedy.

AGENCY RESPONSE

We concur. The Agency will either seek to obtain funding for the named positions or seek a legislative remedy to the requirements.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

12-12. **FINDING** (Inadequate administration of the Amistad and Freedom Trail Commissions)

The Historic Preservation Agency (Agency) did not comply with provisions of the Historic Preservation Agency Act (Act) regarding the Amistad and Freedom Trail Commissions.

We noted the following during testing:

- The Amistad Commission only consisted of three members as of June 30, 2012, did not meet quarterly as required and did not submit a report of its activities and findings for the period ending June 30, 2012. The Act (20 ILCS 3405/22) created the Amistad Commission (Commission) within the auspices of the Agency. The Commission was to consist of 15 members whose mission was to survey, design, encourage, and promote the implementation of education and awareness programs in Illinois that are concerned with the African slave trade, slavery in America, and the contributions of African Americans in building our country, particularly to students enrolled in schools in the State of Illinois. The Act (20 ILCS 3405/22(1)) required the Commission to report its activities and findings to the Governor and the General Assembly on or before June 30, 2012. During the prior period, Agency officials stated due to the loss of funding, the Amistad Commission did not conduct meetings or prepare a biannual report. During the current period, Agency officials stated the failure of this Commission to file the report and meet as required was due to the lack of appointed committee members.
- The Agency did not establish the Freedom Trail Commission to preserve the history of the freedom trail and the Underground Railroad. The Act (20 ILCS 3405/20) was amended, effective August 8, 2003, to create the Freedom Trail Commission (Commission). The Commission was required to consist of 16 appointed members whose mission was to preserve the history of the freedom trail and the Underground Railroad. The Agency's responsibility was to supervise the budgeting, procurement, and related functions of the Commission and the administrative responsibilities of the staff. The Commission has not been established. Agency officials stated that none of the members of the Freedom Trail Commission have been appointed by the Governor or the General Assembly. The Agency has estimated the costs associated with running the Freedom Trail Commission to be \$225,000, and no funding has been received due to increasing budget constraints.

Failure to comply with the Act regarding the administration of the Commissions is noncompliance with a statutory mandate. (Finding Code No. 12-12, 10-13, 10-16)

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2012

RECOMMENDATION

We recommend the Agency ensure each Commission is adequately staffed and administered to comply with the provisions of the Act.

AGENCY RESPONSE

We concur. The Amistad Commission resumed activities in FY13 once the necessary appointments were made by the Governor and General Assembly, and has had three meetings in 2013. The Agency will work with the Governor's Office and General Assembly to attempt to secure appointments to the Freedom Trail Commission; however, these issues are ultimately not within the Agency's control.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2012

A. **FINDING** (Inadequate controls over receipts and refunds)

During the prior period, the Historic Preservation Agency (Agency) did not maintain documentation of the date receipts and refunds were received, supporting documentation for receipts did not agree to amounts deposited, and the Abraham Lincoln Presidential Library and Museum (ALPLM) did not maintain a record of cash receipts.

During the current period, our sample testing noted supporting documentation agreed to receipts and the ALPLM maintained adequate documentation for cash receipts. However, we noted exceptions regarding the lack of documentation of the receipt date for receipts and refunds; therefore, that issue was reported in our Letter of Immaterial Findings. (Finding Code No. 10-5)

B. **FINDING** (Inadequate controls over voucher processing)

During the prior period, the Agency did not timely approve vouchers, failed to pay the required interest on vouchers, and did not maintain support for the date invoices were received.

During the current period, our sample testing showed the Agency maintained documentation of the date invoices were received and we noted fewer instances of late voucher approvals and required interest not being paid; therefore, the issues were reported in the Letter of Immaterial Findings. (Finding Code No. 10-6)

C. **FINDING** (Inadequate controls over contractual agreements)

During the prior period, the Agency's contracts did not contain all required elements, Contract Obligation Documents (CODs) contained incorrect award code information, and the Agency failed to ensure accurate contract award notice information was posted on the Illinois Procurement Bulletin. In addition, interagency agreements were not signed by all parties prior to the performance of services.

During the current period, our sample testing noted contracts contained all the required elements and interagency agreements were approved timely. In addition, our sample testing showed CODs and the Illinois Procurement Bulletin contained accurate contract award information. (Finding Code No. 10-9)

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2012

D. **FINDING** (Failure to submit GAAP reporting form)

During the prior period, the Historic Preservation Agency failed to submit a generally accepted accounting principles (GAAP) reporting form to report FY10 grant expenditures and accounts payable for the Historic Preservation Agency Trust Fund (749).

During the current period, we noted that there were no expenditures or activity from the 749 fund, and therefore no GAAP forms were required to be filed. (Finding Code No. 10-10)

E. **FINDING** (Failure to maintain adequate accounting records)

During the prior period, the Agency did not maintain accurate expenditure records or perform monthly reconciliations as required.

During the current period, our sample testing showed the Agency maintained accurate accounting records and performed monthly reconciliations as required. (Finding Code No. 10-11)

F. **FINDING** (Failure to develop individual business plans for historic sites)

During the prior period, the Historic Preservation Agency (Agency) failed to develop individual business plans for the historic sites related to Abraham Lincoln.

During the current period, we noted the Agency developed business plans for the historic sites as required. (Finding Code No. 10-14)

G. **FINDING** (Failure to maintain an Illinois Register of Historic Places)

During the prior period, the Agency did not maintain an Illinois Register of Historic Places.

During the current period, we noted legislation (Public Act 97-785) was passed to repeal the statutory requirements. (Finding Code No. 10-15)

H. **FINDING** (Failure to appoint a member to the Local Legacy Board)

During the prior period, we noted the Agency did not have a member serving on the Local Legacy Board (Board) as required by the Local Legacy Act (Act).

During the current period, we noted the Agency inquired into the status of the Board. However, the Board was not active; therefore, this issue was reported in our Letter of Immaterial Findings. (Finding Code No. 10-17)

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2012

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
 - Comparative Schedule of Receipts, Disbursements and Fund Balance (Cash Basis) - Locally Held Funds
 - 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 (Not Examined):
 - Agency Functions and Planning Program (Not Examined)
 - Average Number of Employees (Not Examined)
 - 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 to the June 30, 2012 and June 30, 2011 in Schedules 1 through 10. However, the accountants do not express an opinion on the supplementary information. The accountants' report also states that they have not applied procedures to the Analysis of Operations Section, and accordingly, they do not express an opinion or provide any assurance on it.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations For Fiscal Year 2012

Fourteen Months Ended August 31, 2012

P. A. 97-0057 FISCAL YEAR 2012	Appropriations (Net of Transfers)	Expenditures Through June 30	Approximate Lapse Period Expenditures		Approximate Total Expenditures	Balances Reappropriated	Approximate Balances Lapsed
			July 1 to August 31	August 31			
General Revenue Fund - 001							
Personal Services	\$ 6,655,200	\$ 6,093,968	\$ 560,777	\$ -	\$ 6,654,745	\$ -	\$ 455
State Contributions to Social Security	495,800	453,194	42,327	-	495,521	-	279
Contractual Services	1,078,300	994,377	67,928	-	1,062,305	-	15,995
Travel	25,900	10,854	1,233	-	12,087	-	13,813
Commodities	91,600	80,033	7,582	-	87,615	-	3,985
Printing	47,400	24,743	4,109	-	28,852	-	18,548
Equipment	34,000	19,625	7,387	-	27,012	-	6,988
Electronic Data Processing	45,500	27,032	14,000	-	41,032	-	4,468
Telecommunications	93,600	78,595	12,260	-	90,855	-	2,745
Operation of Automotive Equipment	45,200	45,188	-	-	45,188	-	12
Lump Sums - Amistad Commission Expenses	300,000	-	-	-	-	-	300,000
Lump Sums - Lewis and Clark Historic Site Operations Expense	231,700	212,155	19,357	-	231,512	-	188
Lump Sums - Online Computer Library Center	78,800	77,952	211	-	78,163	-	637
Total Fund 001	\$ 9,223,000	\$ 8,117,716	\$ 737,171	\$ -	\$ 8,854,887	\$ -	\$ 368,113

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations For Fiscal Year 2012

Fourteen Months Ended August 31, 2012

	Appropriations (Net of Transfers)	Expenditures Through June 30	Approximate Lapse Period Expenditures		Approximate Total Expenditures	Balances Reappropriated	Approximate Balances Lapsed
			July 1 to August 31	August 31			
P. A. 97-0057 FISCAL YEAR 2012							
Historic Sites Fund - 538							
Personal Services	\$ 533,100	\$ 377,995	\$ 41,432	\$ -	\$ 419,427	\$ -	\$ 113,673
State Contribution to State Employees' Retirement System	182,300	129,152	14,173	-	143,325	-	38,975
State Contributions to Social Security	40,800	28,204	3,137	-	31,341	-	9,459
Group Insurance	116,000	93,819	4,890	-	98,709	-	17,291
Contractual Services	314,000	256,872	2,398	-	259,270	-	54,730
Travel	31,000	13,731	2,199	-	15,930	-	15,070
Commodities	39,000	13,010	165	-	13,175	-	25,825
Printing	17,600	1,068	-	-	1,068	-	16,532
Equipment	28,000	550	6,094	-	6,644	-	21,356
Electronic Data Processing	5,000	4,352	-	-	4,352	-	648
Telecommunications	33,000	20,672	1,198	-	21,870	-	11,130
Operation of Automotive Equipment	10,000	9,405	282	-	9,687	-	313
Lump Sums - Historic Preservation Programs - Executive Office	90,000	8,122	626	-	8,748	-	81,252
Lump Sums - Historic Preservation Programs - Abraham Lincoln Presidential Library & Museum	135,000	-	-	-	-	-	135,000
Lump Sums - Historic Preservation Programs - Sites	300,000	99,520	106,436	-	205,956	-	94,044
Lump Sums - Historic Preservation Programs - Pres. Serv.	500,000	208,735	12,745	-	221,480	-	278,520
Lump Sums - Operations of Historic Sites (Donations)	600,000	-	-	-	-	-	600,000
Lump Sums - Operations - OSC, JRB and Union Station	300,000	135,421	11,557	-	146,978	-	153,022
Lump Sums - Lincoln Research Project	200,000	-	-	-	-	-	200,000
Lump Sums - Microfilm Operation & Programs Library	225,000	111,424	3,765	-	115,189	-	109,811
Awards & Grants - Historic Preservation Grants - Pres. Serv.	150,000	15,000	-	-	15,000	-	135,000
Awards & Grants - Historic Preservation Grants - Pres. Serv. (Reapprop.)	285,455	179,072	-	-	179,072	106,383	-
Permanent Improvements	75,000	7,470	-	-	7,470	-	67,530
Total Fund 538	\$ 4,210,255	\$ 1,713,594	\$ 211,097	\$ 106,383	\$ 1,924,691	\$ 2,179,181	

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations For Fiscal Year 2012

Fourteen Months Ended August 31, 2012

	Appropriations (Net of Transfers)	Expenditures Through June 30	Approximate Lapse Period Expenditures July 1 to August 31	Approximate Total Expenditures	Balances Reappropriated	Approximate Balances Lapsed
P.A. 97-0057						
P.A. 97-0076	\$ 143,000	-	-	-	\$ 143,000	-
FISCAL YEAR 2012	<u>\$ 143,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 143,000</u>	<u>-</u>
<u>Capital Development Fund - 141</u>						
Permanent Improvements for Sugar Loaf and/or Fox Mounds	\$ 143,000	-	-	-	\$ 143,000	-
Total Fund 141	<u>\$ 143,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 143,000</u>	<u>-</u>
<u>Abraham Lincoln Presidential Library and Museum Fund - 776</u>						
Abraham Lincoln Presidential Library & Museum Operational Expenses	\$ 11,000,000	\$ 9,077,975	\$ 954,337	\$ 10,032,312	-	\$ 967,688
Total Fund 776	<u>\$ 11,000,000</u>	<u>\$ 9,077,975</u>	<u>\$ 954,337</u>	<u>\$ 10,032,312</u>	<u>-</u>	<u>\$ 967,688</u>
TOTAL FISCAL YEAR 2012	<u>\$ 24,576,255</u>	<u>\$ 18,909,285</u>	<u>\$ 1,902,605</u>	<u>\$ 20,811,890</u>	<u>\$ 249,383</u>	<u>\$ 3,514,982</u>

Note 1: Appropriations, expenditures, and lapsed balances were obtained from the Agency's records and have been reconciled to records of the State Comptroller.

Note 2: Expenditure amounts are voucher approved for payment by the Agency and submitted to the State Comptroller for payment to the vendor.

Note 3: Approximate lapse period expenditures do not include interest payments approved for payment by the Agency and submitted to the Comptroller for payment after August.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2011

Eighteen Months Ended December 31, 2011

	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures		Total Expenditures	Balances Reappropriated	Balances Lapsed
			July 1 to December 31	December 31			
P.A. 96-0956							
FISCAL YEAR 2011							
General Revenue Fund - 001							
Lump Sums - Operating Expenses	\$ 10,421,600	\$ 9,005,084	\$ 612,165	\$ 9,617,249	\$ -	\$ 804,351	
Lump Sums - Operational Expenses, Awards & Grants	374,000	294,201	14,135	308,336	-	65,664	
Total Fund 001	\$ 10,795,600	\$ 9,299,285	\$ 626,300	\$ 9,925,585	\$ -	\$ 870,015	
Historic Sites Fund - 538							
Personal Services	\$ 504,200	\$ 405,841	\$ 36,244	\$ 442,085	\$ -	\$ 62,115	
State Contribution to State Employees' Retirement System	153,100	123,493	386	123,879	-	29,221	
State Contributions to Social Security	38,600	31,204	1,634	32,838	-	5,762	
Group Insurance	116,000	93,183	4,631	97,814	-	18,186	
Contractual Services	314,000	153,117	173	153,290	-	160,710	
Travel	31,000	7,527	3,279	10,806	-	20,194	
Commodities	39,000	2,321	1,940	4,261	-	34,739	
Printing	17,600	458	-	458	-	17,142	
Equipment	28,000	458	-	458	-	27,542	
Electronic Data Processing	5,000	-	-	-	-	5,000	
Telecommunications	33,000	8,906	1,587	10,493	-	22,507	
Operation of Automotive Equipment	10,000	5,081	4,719	9,800	-	200	
Lump Sums - Historic Preservation Programs - Exec. Office	90,000	1,263	781	2,044	-	87,956	
Lump Sums - Historic Preservation Programs - ALPLM	135,000	-	-	-	-	135,000	
Lump Sums - Historic Preservation Programs - Sites	300,000	21,827	4,488	26,315	-	273,685	
Lump Sums - Historic Preservation Programs - Pres. Serv.	500,000	166,200	30,551	196,751	-	303,249	
Lump Sums - Operations of Historic Sites (Donations)	600,000	85,746	-	85,746	-	514,254	
Lump Sums - Operations OSC, JRB, and Union Station	300,000	93,304	5,766	99,070	-	200,930	
Lump Sums - Lincoln Research Project	200,000	-	-	-	-	200,000	
Lump Sums - Microfilm Operation & Programs Library	225,000	89,669	-	89,669	-	135,331	
Awards & Grants - Historic Preservation Grants - Pres. Serv.	150,000	-	-	-	-	150,000	
Awards & Grants - Historic Preservation Grants - Pres. Serv. (Reappropri.)	372,924	87,469	-	87,469	285,455	-	
Permanent Improvements	75,000	12,683	13,446	26,129	-	48,871	
Total Fund 538	\$ 4,237,424	\$ 1,389,750	\$ 109,625	\$ 1,499,375	\$ 285,455	\$ 2,452,594	

STATE OF ILLINOIS
 HISTORIC PRESERVATION AGENCY
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
 Appropriations for Fiscal Year 2011

Eighteen Months Ended December 31, 2011

	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period		Balances Reappropriated	Balances Lapsed
			Expenditures July 1 to December 31	Total Expenditures		
P.A. 96-0956 FISCAL YEAR 2011						
<u>Capital Development Fund - 141</u>						
Permanent Improvements for Sugar Loaf and/or Fox Mounds	\$ 143,000	-	-	-	\$ 143,000	-
Total Fund 141	<u>\$ 143,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 143,000</u>	<u>-</u>
<u>Historic Preservation Trust Fund - 749</u>						
Refunds to Funds 538 and 776	\$ 725,000	\$ 720,787	-	\$ 720,787	-	\$ 4,213
Total Fund 749	<u>\$ 725,000</u>	<u>\$ 720,787</u>	<u>-</u>	<u>\$ 720,787</u>	<u>-</u>	<u>\$ 4,213</u>
<u>Abraham Lincoln Presidential Library and Museum Fund - 776</u>						
Abraham Lincoln Presidential Library and Museum Operational Expenses	\$ 11,120,600	\$ 7,893,203	\$ 645,648	\$ 8,538,851	-	\$ 2,581,749
Total Fund 776	<u>\$ 11,120,600</u>	<u>\$ 7,893,203</u>	<u>\$ 645,648</u>	<u>\$ 8,538,851</u>	<u>-</u>	<u>\$ 2,581,749</u>
TOTAL FISCAL YEAR 2011	<u>\$ 27,021,624</u>	<u>\$ 19,303,025</u>	<u>\$ 1,381,573</u>	<u>\$ 20,684,598</u>	<u>\$ 428,455</u>	<u>\$ 5,908,571</u>

Note 1: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.
 Note 2: Expenditure amounts are vouchers approved for payment by the Agency and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2012	2011	2010
			P.A. 96-0042
			P.A. 96-0035
	P.A. 97-0057	P.A. 96-0956	P.A. 96-0819
<u>General Revenue Fund - 001</u>			
Appropriations			
(Net of Transfers)	\$ 9,223,000	\$ 10,795,600	\$ 12,888,300
<u>Expenditures</u>			
Personal Services	\$ 6,654,745	\$ -	\$ 9,354,088
State Contributions to Social Security	495,521	-	693,850
Contractual Services	1,062,305	-	-
Travel	12,087	-	-
Commodities	87,615	-	-
Printing	28,852	-	-
Equipment	27,012	-	-
Electronic Data Processing	41,032	-	-
Telecommunications	90,855	-	-
Operation of Automotive Equipment	45,188	-	-
Lump Sums - Lewis and Clark Historic Site Operations Expenses	231,512	-	-
Lump Sums - Online Computer Library Center	78,163	-	-
Lump Sums - Operating Expenses	-	9,617,249	1,870,935
Lump Sums - Operational Expenses, Awards & Grants	-	308,336	410,424
Total Fund - 001	\$ 8,854,887	\$ 9,925,585	\$ 12,329,297
Lapsed Balances	\$ 368,113	\$ 870,015	\$ 559,003

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2012	2011	2010
	P.A. 97-0057	P.A. 96-0956	P.A. 96-0042 P.A. 96-0035 P.A. 96-0819
Historic Sites Fund - 538			
Appropriations (Net of Transfers)	\$ 4,210,255	\$ 4,237,424	\$ 3,608,747
<u>Expenditures</u>			
Personal Services	\$ 419,427	\$ 442,085	\$ 378,789
State Contribution to State			
Employees' Retirement System	143,325	123,879	62,915
State Contributions to Social Security	31,341	32,838	27,905
Group Insurance	98,709	97,814	54,267
Contractual Services	259,270	153,290	285
Travel	15,930	10,806	384
Commodities	13,175	4,261	737
Printing	1,068	458	-
Equipment	6,644	458	-
Electronic Data Processing	4,352	-	-
Telecommunications	21,870	10,493	-
Operation of Automotive Equipment	9,687	9,800	-
Lump Sums - Historic Preservation Programs - Executive Office	8,748	2,044	-
Lump Sums - Historic Preservation Programs - Sites	205,956	26,315	172,685
Lump Sums - Historic Preservation Programs - Pres. Serv.	221,480	196,751	-
Lump Sums - Operations of Historic Sites (Donations)	-	85,746	32,659
Lump Sums - Operations OSC, JRB, and Union Station	146,978	99,070	67,531
Lump Sums - Microfilm Operation & Programs Library	115,189	89,669	65,173
Awards & Grants - Historic Preservation Grants - Pres. Serv.	15,000	-	-
Awards & Grants - Historic Preservation Grants - Pres. Serv. (Reapprop.)	179,072	87,469	116,883
Permanent Improvements	7,470	26,129	-
Total Fund - 538	\$ 1,924,691	\$ 1,499,375	\$ 980,213
Balance Reappropriated	\$ 106,383	\$ 285,455	\$ 372,924
Lapsed Balances	\$ 2,179,181	\$ 2,452,594	\$ 2,255,610

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2012	2011	2010
			P.A. 96-0042
			P.A. 96-0035
			P.A. 96-0819
<u>Capital Development Fund - 141</u>			
Appropriations (Net of Transfers)	\$ 143,000	\$ 143,000	\$ 143,000
<u>Expenditures</u>			
Permanent Improvements for Sugar Loaf and/or Fox Mounds	\$ -	\$ -	\$ -
Total Fund - 141	\$ -	\$ -	\$ -
Balance Reappropriated	\$ 143,000	\$ 143,000	\$ 143,000
Lapsed Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Historic Preservation Trust Fund - 749</u>			
Appropriations (Net of Transfers)	\$ -	\$ 725,000	\$ 15,000,000
<u>Expenditures</u>			
Historic Sites Operations & Expenses	\$ -	\$ -	\$ 544,077
Presidential Library Operations & Expenses	-	-	2,610,967
Refunds	-	720,787	-
Total Fund - 749	\$ -	\$ 720,787	\$ 3,155,044
Lapsed Balances	<u>\$ -</u>	<u>\$ 4,213</u>	<u>\$ 11,844,956</u>
<u>Abraham Lincoln Presidential Library and Museum Fund - 776</u>			
Appropriations (Net of Transfers)	\$ 11,000,000	\$ 11,120,600	\$ 12,535,800
<u>Expenditures</u>			
Abraham Lincoln Presidential Library & Museum Operational Expenses	\$ 10,032,312	\$ 8,538,851	\$ 3,938,848
Total Fund - 776	\$ 10,032,312	\$ 8,538,851	\$ 3,938,848
Lapsed Balances	<u>\$ 967,688</u>	<u>\$ 2,581,749</u>	<u>\$ 8,596,952</u>
GRAND TOTAL, ALL FUNDS			
Appropriations - Net of Transfers	\$ 24,576,255	\$ 27,021,624	\$ 44,175,847
Total Expenditures	20,811,890	20,684,598	20,403,402
Balances Reappropriated	\$ 249,383	\$ 428,455	\$ 515,924
Lapsed Balances	<u>\$ 3,514,982</u>	<u>\$ 5,908,571</u>	<u>\$ 23,256,521</u>

Note 1: The FY12 and FY10 expenditures and related lapsed balances do not reflect any interest payments approved for payment by the Agency and submitted to the Comptroller for payment after August.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
COMPARATIVE SCHEDULE OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE
(CASH BASIS) - LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2012

		Illinois Historic Preservation Agency Trust Fund (Fund 1331)
Cash Balance at July 1, 2010	\$	2,400,597
Receipts:		
Dividend/Interest Income		42,066
Donations		310,000
Sale of Investments		4,123
Disbursements:		
Contributions to IHPA		(202,251)
Scholarships		(21,000)
Insurance		(254)
Accounting		(3,829)
Consulting		(2,145)
Reimbursed Expenses		(1,116)
Bank Charges		(105)
Licenses and Fees		(430)
Loss on Sale of Investment		(1,457)
Cash Balance at June 30, 2011	\$	2,524,199
Cash Balance at July 1, 2011	\$	2,524,199
Receipts:		
Dividend/Interest Income		39,422
Donations		11,364
Sale of Investments		1,275
Disbursements:		
Contributions to IHPA		(86,710)
Scholarships		(2,980)
Insurance		(254)
Accounting		(8,615)
Consulting		(21,112)
Reimbursed Expenses		(724)
Maintenance and Repairs		(14,326)
Office Supplies		(20)
Art and Photo Supplies		(359)
Bank Charges		(10)
Licenses and Fees		(15,150)
Printing and Copying		(364)
Subscriptions		(53,811)
Income Taxes		(15)
Penalties		(100)
Cash Balance at June 30, 2012	\$	2,371,710

STATE OF ILLINOIS
 HISTORIC PRESERVATION AGENCY
SCHEDULE OF CHANGES IN STATE PROPERTY
 For the Two Years Ended June 30, 2012

	Land and Land Improvements	Buildings and Building Improvements	Equipment	Total
Balance at July 1, 2010	\$ 15,078,956	\$ 264,039,254	\$ 15,566,580	\$ 294,684,790
Additions	-	-	104,171	104,171
Deletions	-	-	(460,364)	(460,364)
Net Transfers	-	1,136,692	11,019	1,147,711
Balance at June 30, 2011	<u>\$ 15,078,956</u>	<u>\$ 265,175,946</u>	<u>\$ 15,221,406</u>	<u>\$ 295,476,308</u>
Balance at July 1, 2011	\$ 15,078,956	\$ 265,175,946	\$ 15,221,406	\$ 295,476,308
Additions	-	548,974	54,331	603,305
Deletions	-	-	(82,083)	(82,083)
Net Transfers	-	2,823,765	44,938	2,868,703
Balance at June 30, 2012	<u>\$ 15,078,956</u>	<u>\$ 268,548,685</u>	<u>\$ 15,238,592</u>	<u>\$ 298,866,233</u>

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

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
COMPARATIVE SCHEDULE OF CASH RECEIPTS
For the Fiscal Years Ended June 30,

	<u>2012</u>	<u>2011</u>	<u>2010</u>
<u>General Revenue Fund - 001</u>			
Reimbursement - Jury Duty, Phones	\$ 39	\$ 102	\$ 77
Miscellaneous	311	332	400
Prior Year Refund	36	36,668	12,474
	<u>36</u>	<u>36,668</u>	<u>12,474</u>
Total - Fund 001	<u>\$ 386</u>	<u>\$ 37,102</u>	<u>\$ 12,951</u>
<u>Historic Sites Fund - 538</u>			
Agriculture Sales	\$ 54,572	\$ 66,388	\$ 51,805
Camping	91,703	99,829	119,824
Concession	4,249	-	3,064
Copy Fees	92,443	102,866	120,360
Donation Box	389,951	403,398	491,503
Department of Interior	1,303,939	203,040	1,332,220
Miscellaneous	1,781	7,771	3,882
National Endowment for the Humanities	-	40,000	35,000
Donations - Individuals/Organizations	125	370	13,703
Property Rental	64,196	58,174	164,094
Refund from 749 Fund	-	680,923	-
Reimbursement - Jury Duty, Phones	19	2	16
Sales of Merchandise	-	-	50
Subscriptions	14,558	22,562	50,033
Underground Parking	187,418	184,759	185,359
Prior Year Refund	-	-	614
	<u>-</u>	<u>-</u>	<u>614</u>
Total - Fund 538	<u>\$ 2,204,954</u>	<u>\$ 1,870,082</u>	<u>\$ 2,571,527</u>
<u>Historic Preservation Agency Trust Fund - 749</u>			
State Agencies- Natural Resources	\$ -	\$ -	\$ 3,875,000
Prior Year Refund	-	732	-
	<u>-</u>	<u>732</u>	<u>-</u>
Total - Fund 749	<u>\$ -</u>	<u>\$ 732</u>	<u>\$ 3,875,000</u>
<u>Presidential Library and Museum Operating Fund - 776</u>			
Admission Fees	\$ 2,058,237	\$ 2,042,870	\$ 1,863,639
Donation Box	5,703	3,946	-
Donations - Individuals/Organization	32,971	413	2,258
State Agencies - Natural Resources	-	-	13,613
Reimbursement - Jury Duty, Phones	122	41	20
Miscellaneous	1,036	1,288	3,500
Parking	125,952	144,961	200,860
Property Rental	123,073	113,752	91,254
Refund from 749 Fund	-	39,864	-
Prior Year Refund	-	1,489	4,050
	<u>-</u>	<u>1,489</u>	<u>4,050</u>
Total - Fund 776	<u>\$ 2,347,094</u>	<u>\$ 2,348,624</u>	<u>\$ 2,179,194</u>
TOTAL RECEIPTS - ALL FUNDS	<u>\$ 4,552,434</u>	<u>\$ 4,256,540</u>	<u>\$ 8,638,672</u>

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
**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>	2012	2011
Receipts per Agency Records	\$ 386	\$ 37,102
Add: Deposits in Transit, Beginning of Year	-	2
Less: Deposits in Transit, End of Year	(3)	-
Deposits Recorded by the Comptroller	\$ 383	\$ 37,104
<u>HISTORIC SITES FUND (538)</u>		
Receipts per Agency Records	\$ 2,204,954	\$ 1,870,082
Add: Deposits in Transit, Beginning of Year	38,359	77,618
Less: Deposits in Transit, End of Year	(13,019)	(38,359)
Deposits Recorded by the Comptroller	\$ 2,230,294	\$ 1,909,341
<u>HISTORIC PRESERVATION AGENCY TRUST FUND (749)</u>		
Receipts per Agency Records	\$ -	\$ 732
Add: Deposits in Transit, Beginning of Year	-	-
Less: Deposits in Transit, End of Year	-	-
Deposits Recorded by the Comptroller	\$ -	\$ 732
<u>PRESIDENTIAL LIBRARY & MUSEUM OPERATING FUND (776)</u>		
Receipts per Agency Records	\$ 2,347,094	\$ 2,348,624
Add: Deposits in Transit, Beginning of Year	126,095	161,650
Less: Deposits in Transit, End of Year	(88,452)	(126,095)
Deposits Recorded by the Comptroller	\$ 2,834,737	\$ 2,384,179

STATE OF ILLINOIS
 HISTORIC PRESERVATION AGENCY
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
 For the Two Years Ended June 30, 2012

The following is a summary of explanations for significant variations in expenditures. Variations between fiscal years were considered significant if greater than \$20,000 and 20%.

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2012 AND 2011

GENERAL REVENUE FUND – 001

Personal Services, State Contributions to Social Security, Contractual Services, Travel, Commodities, Printing, Equipment, Electronic Data Processing, Telecommunications, Lump Sums – Lewis and Clark Historic Site Operations Expense, Lump Sums – On-line Computer Library Center Expenses

For FY12, the appropriation process was changed for operating expenses that were paid from the General Revenue Fund. The Department received individual appropriations designated for specific purposes during FY12 rather than a lump sum appropriation for the above expenses.

HISTORIC SITES FUND - 538

Contractual Services

The increase was due to the Agency using the Historic Sites Fund for operational expenses, as a result of General Revenue Fund reductions.

Lump Sums – Historic Preservation Programs – Sites

The increase was due to an increase in various operational expenses of the State historic sites including payments for utilities, repair and maintenance, petty cash reimbursements, and operation of automotive expenditures.

Lump Sums – Operations of Historic Sites (Donations)

The decrease was due to the Agency using the Historic Preservation Programs - Sites and Lump Sums - Operations for the Old State Capital, Journal Register Building, and Union Station line items for historic site operational expenses instead of this line item.

Lump Sums – Operations for the Old State Capital, Journal Register Building, and Union Station

The increase was due to the Agency no longer using the Operations of Historic Sites (Donations) line item for these historic site operational expenses.

Lump Sums – Microfilm Operation & Programs Library

The increase was due to increased payroll and fringe benefit costs related to the lump sum retirement payment to microfilm staff in FY12.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2012

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2012 AND 2011 (cont.)

Awards & Grants – Historic Preservation Grants – Preservation Services (Reappropriation)

The increase was due to the timing of when certified local government grants were completed and reimbursement requests were made. The grants were for a two year period and many were completed towards the end of the period in FY12.

HISTORIC PRESERVATION AGENCY TRUST FUND - 749

Refunds

The decrease was due to refunds being issued to the 538 fund and the 776 fund as a result of dissolving the 749 Fund in FY11.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2012

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2011 AND 2010

GENERAL REVENUE FUND – 001

Personal Services and State Contributions to Social Security

For FY11, the appropriation process was changed for operating expenses that were paid from the General Revenue Fund. The Agency received a lump sum appropriation for all operational expenses including personal services and State contributions to Social Security.

Lump Sum - Operating Expenses

The increase was due to the Agency receiving a lump sum appropriation for operational expenses in FY11. In FY10, the Agency received individual line item appropriations for personal services and State contributions to Social Security.

Lump Sum - Operational Expenses, Awards & Grants

The decrease was due to the Agency only paying for full-time staff associated with the Lewis and Clark and Online Computer Library Center operations in FY11. Contractual staff salaries were also paid in FY10.

HISTORIC SITES FUND - 538

State Contribution to State Employees' Retirement System, Group Insurance, Contractual Services, Lump Sums - Operations of Historic Sites (Donations), Lump Sums - Operations OSC, JRB, and Union Station, Lump Sums - Microfilm Operations & Programs Library

The increases were due to the Agency no longer using the 749 fund for operational expenses. In FY10, the Historic Sites Division utilized General Revenue funds as well as the 749 fund for operational expenses.

Lump Sums - Historic Preservation Programs - Sites

The decrease was due to FY10 project expenditures associated with constructing pavilions and sidewalks and purchasing picnic tables at the Lewis and Clark State Historic Site.

Lump Sums – Historic Preservation Program – Preservation Services

The increase was due to contractual expenditures for the removal of skeletal remains by a qualified anthropologist to comply with the Paleontological Resources Protection Act. The Agency also updated the existing Historical Archeological and Architectural Geographic Information System (HAARGIS) application to better manage important archeological and architectural data.

STATE OF ILLINOIS
 HISTORIC PRESERVATION AGENCY
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
 For the Two Years Ended June 30, 2012

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2011 AND 2010 (cont.)

Awards & Grants – Historic Preservation Grants – Preservation Services (Reapprop.)

The decrease was due to the timing of when certified local government grants were completed and reimbursement requests were made. The grants were for a two year period and many were completed towards the end FY12 resulting in fewer reimbursement requests in FY11.

Permanent Improvements

The increase was due to repairs being made to a broken water main at the Lincoln's Tomb Historic Site.

HISTORIC PRESERVATION AGENCY TRUST FUND - 749

Historic Sites Operations & Expenses and Presidential Library Operations & Expenses

The decrease was due to the 749 fund being established during FY10. During FY11, this fund was dissolved and refunds were issued to the 538 fund and the 776 fund.

Refunds

The increase was due to refunds being issued to the 538 fund and the 776 fund when the 749 fund was dissolved.

PRESIDENTIAL LIBRARY AND MUSEUM OPERATING FUND - 776

Abraham Lincoln Presidential Library and Museum Operational Expenses

The increase was due to the 776 fund being appropriated to the Department of Natural Resources initially in FY10. The Agency then utilized the General Revenue Fund as well as the newly created 749 Fund in FY10 to cover operational expenses of the ALPLM.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2012

The following is a summary of explanations for significant variations in receipts. Significant variations in receipts were determined to be changes of \$20,000 and at least 20% between fiscal years, and are explained below:

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2012 AND 2011

GENERAL REVENUE FUND - 001

Prior Year Refund

The decrease was due to unexpended bicentennial grant money being returned to the Agency during FY11.

HISTORIC SITES FUND - 538

Department of the Interior

The increase was due to a timing issue when the State changed banking institutions. This change delayed the receipt of federal funds resulting in FY11 funds being received in FY12.

National Endowment for the Humanities

The decrease was due to the grant ending during FY10 and the Agency receiving the last of this grant money during FY11.

Refund from the Historic Preservation State Trust Fund (Fund 749)

The decrease was due to a large refund in FY11 from the 749 Fund to the 538 Fund when Fund 749 was dissolved.

PRESIDENTIAL LIBRARY AND MUSEUM OPERATING FUND - 776

Donations - Individuals/Organization

The increase was due to a large bequest from an individual and a donation from 20th Century Fox for activities associated with filming a movie.

Refund from the Historic Preservation State Trust Fund (Fund 749)

The decrease was due to a FY11 refund from the 749 Fund when it was dissolved.

STATE OF ILLINOIS
 HISTORIC PRESERVATION AGENCY
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
 For the Two Years Ended June 30, 2012

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2011 AND 2010

GENERAL REVENUE FUND – 001

Prior Year Refund

The increase was due to approximately \$31,000 of unexpended bicentennial grant money being returned to the Agency during FY11.

HISTORIC SITES FUND - 538

Department of the Interior

The decrease was due to the timing of federal draws. In FY10, federal draws from previous fiscal years were received.

Refund from the Historic Preservation State Trust Fund (Fund 749)

The increase was due to a refund in FY11 from the 749 Fund when it was dissolved.

Property Rental

The decrease was due to a short term property rental for \$10,000 per month at the Cahokia Mounds during FY10 that the Agency did not have in FY11.

Subscriptions

The decrease was due to eliminating one of the subscriptions offered by the Agency during FY11 resulting in fewer receipts being collected.

HISTORIC PRESERVATION AGENCY TRUST FUND - 749

State Agencies - Natural Resources

The decrease was due to a one time receipt in FY10 from Department of Natural Resources (DNR) due to an appropriation change where all of the Agency's non-general fund appropriations were made to DNR. The new fund was for FY10 only and the remainder was refunded back to the Agency's funds in FY11.

PRESIDENTIAL LIBRARY AND MUSEUM OPERATING FUND - 776

Parking

The decrease was due to fluctuations in the percentage due to the Agency for the parking concession near the Abraham Lincoln Presidential Library and Museum. A decrease in attendance at the Abraham Lincoln Presidential Museum from FY10 to FY11 also contributed to less parking receipts collected in FY11.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2012

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2011 AND 2010 (cont.)

Property Rental

The increase was due to an increased number of rentals in FY11 at the State historic sites and the Abraham Lincoln Presidential Library and Museum.

Refund from the Historic Preservation State Trust Fund (Fund 749)

The increase was due to a refund in FY11 from the 749 Fund when the fund was dissolved.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2012

The following is a summary of explanations for significant lapse period spending. Lapse period spending was considered to be significant if the expenditures exceeded \$20,000 and at least 20% of the total fiscal year expenditures.

FISCAL YEAR 2012

HISTORIC SITES FUND - 538

Lump Sums – Historic Preservation Programs – Sites

The Agency paid outstanding bills for various historic sites for utilities and the repair and maintenance of buildings and equipment during the lapse period.

FISCAL YEAR 2011

There were no instances of significant lapse period spending noted during fiscal year 2011.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2012

AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)

AGENCY FUNCTIONS

The Historic Preservation Agency (Agency) was created in 1985 by Public Act 84-25. The Agency is responsible for the protection and interpretation of Illinois' history and historic resources. The Agency administers the Abraham Lincoln Presidential Library and Museum, all State-owned historic sites and the State's preservation program, which assists owners of historic properties with rehabilitation and preservation.

The Agency's operations are divided into the following divisions: Administrative Services, Executive Office, Historic Sites, Preservation Services, and the Abraham Lincoln Presidential Library and Museum.

Administrative Services Division

The Administrative Services Division is responsible for physical plant operations of downtown facilities.

Executive Office

The Executive Office is divided into two areas – Constituent Services and the Director's Office. Constituent Services is responsible for research, education, publications, constituent services industry, and the coordination of special programs and events. The Director's Office oversees Personnel, Fiscal Management, Information Technology as well as oversight of the Agency.

Preservation Services Division

The Preservation Services Division identifies, records, preserves and promotes the historic places of Illinois as the federally designated State Historic Preservation Office (SHPO). The Division receives federal matching funds to support the SHPO activities. The Division reviews 15,000 - 20,000 undertakings each year to assure that historic resources are being properly safeguarded. The Division also reviews and assists historic property owners who utilize preservation tax incentives in their developments. The staff conducts reviews in a timely manner to meet legal requirements and assist owners in construction projects.

Historic Sites Division

The Historic Sites Division is responsible for maintaining, interpreting, collecting, and communicating the cultural history of Illinois through its 60 historic sites and memorials. This is accomplished through public access, educational programs, special events, and public outreach.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2012

Abraham Lincoln Presidential Library and Museum

The Abraham Lincoln Presidential Library and Museum (ALPLM) is responsible for the operation and maintenance of the Abraham Lincoln museum and library site. The ALPLM interprets the life and times of America's greatest president; fosters scholarship into Lincoln's life and times; preserves the documentary and visual history of Illinois; and encourages historical literacy through an ambitious agenda of changing exhibits, conferences, lectures, educational outreach, and on-line programming.

AGENCY LOCATIONS

The Agency's central administrative offices are located in Springfield at these locations:

Executive Office and Administrative Services
313 South Sixth Street
Springfield, IL 62701

Preservation Services
1 Old State Capitol Plaza
Springfield, IL 62701

Abraham Lincoln Presidential Library & Museum
112 - 212 North Sixth Street
Springfield, IL 62701

HISTORIC SITES AND MEMORIALS

Apple River
Elizabeth, IL 61028

Lincoln Log Cabin
Lerna, IL 62440

Bishop Hill
Bishop Hill, IL 61419

Lincoln's New Salem
Petersburg, IL 62675

Black Hawk
Rock Island, IL 61201

Lincoln's Tomb
Springfield, IL 62702

Bryant Cottage
Bement, IL 61813

Lincoln-Herndon Law Office
Springfield IL 62701

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2012

HISTORIC SITES AND MEMORIALS (Cont.)

Cahokia Courthouse
Cahokia, IL 62206

Metamora Courthouse
Metamora, IL 61548

Cahokia Mounds
Collinsville, IL 62234

Mt. Pulaski Courthouse
Mt. Pulaski, IL 62656

Carl Sandburg Home
Galesburg, IL 61401

Old State Capitol
Springfield, IL 62701

Dana-Thomas House
Springfield, IL 62703

Pierre Menard Home
Ellis Grove, IL 62241

David Davis Mansion
Bloomington, IL 61701

Postville Courthouse
Lincoln, IL 62656

Douglas Tomb
Chicago, IL 60616

Pullman State Historic Site
Chicago, IL 60628

Fort De Chartres
Prairie Du Rocher, IL 62277

Lewis & Clark State Historic Site
Hartford, IL 62048

Fort Kaskaskia
Ellis Grove, IL 62241

Shawneetown Bank State Historic Site
Old Shawneetown, IL 62984

Galena State Historic Site
Galena, IL 61036

Vachel Lindsay Home
Springfield, IL 62703

Jubilee College
Brimfield, IL 61517

Vandalia Statehouse
Vandalia, IL 62471

NON-STAFFED SITES:

Other sites maintained by the Agency which are not staffed include:

Albany Mounds
Albany, IL 61230

Kaskaskia Bell Memorial
Ellis Grove, IL 62241

Buel House
Golconda, IL 62938

Kincaid Mounds
Unionville, IL 62910

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2012

NON-STAFFED SITES (Cont.):

Campbell's Island
Rock Island, IL 61204

Korean War Memorial
Springfield, IL 62701

Crenshaw House
Equality, IL 62934

Lincoln Monument
Dixon, IL 61021

Emerald Mound
Lebanon, IL 62254

Lincoln Trail Memorial
Lawrenceville, IL 62439

Governor Bond Memorial
Chester, IL 62233

Lovejoy Memorial
Alton, IL 62002

Governor Cole Memorial
Edwardsville, IL 62025

Martin-Boismenu House
Carondolet, IL 62240

Governor Horner Memorial
Chicago, IL 60618

Moore Home
Charleston, IL 62440

Grand Village of the Illinois
Utica, IL 61373

Norwegian Settlers Memorial
Norway, IL 60551

Halfway Tavern
Iuka, IL 62849

Rose Hotel
Elizabethtown, IL 62931

Hofmann Tower
Lyons, IL 60534

Shawneetown Bank
Old Shawneetown, IL 62984

IL Vietnam Veterans Memorial
Springfield, IL 62701

Sugar Loaf
Collinsville, IL 62234

Jarrot Mansion
Cahokia, IL 62206

Wild Bill Hickok Memorial
Troy Grove, IL 61372

World War II Veterans Memorial
Springfield, IL 62702

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2012

AGENCY PLANNING PROGRAM

The Agency considers its upper management to include the Director, all Division Managers, and senior staff in the Administrative Services Division and Fiscal Management. Upper management participates in the key management decisions for budgeting, purchasing, hiring and firing of employees. The Agency is under the direct supervision of a seven-member Board of Trustees appointed by the Governor. This Board is the ultimate decision-maker concerning major policies of the Agency. Meetings are held approximately every quarter and are attended by board members, the Agency Director, and all Division Managers and are documented by minutes of each meeting.

The Agency maintains long and short-term goals and objectives, which are reviewed periodically, and updated when appropriate. Due to budget restrictions, upper management has taken a serious look at what programs and services are the most significant through evaluation of the Agency's mission and statutory requirements. Representatives from each division, both management and staff, have been involved in the development of the goals.

Communication between the five Divisions is accomplished mainly through telephone conversations, and memoranda throughout the offices. In general, a monthly staff meeting is held in which the Director, all Division Managers, key staff from the Administrative Services Division and Fiscal Management and Information Technology meet. Also, some divisions have a weekly staff meeting and Museum and Library staff meet every other week.

BOARD OF TRUSTEES

The Agency is governed by a Board of Trustees which is responsible for setting and determining policy for the Agency. The Board is to be composed of seven members who have been appointed by the Governor, by and with consent of the Senate. Board meetings are held and are attended by Board members, the Agency Director, and all Division Managers. Members of the Board as of June 30, 2012 are listed below:

- Ms. Sunny Fischer, Chair
- Mr. Daniel J. Arnold, Trustee
- Ms. Julia Sniderman Bachrach, Trustee
- Ms. Jeanie Cooke, Trustee
- Ms. Melinda Spitzer Johnson, Trustee
- Mr. Anthony J. Leone, Jr., Trustee
- Dr. Shirley J. Portwood, Trustee

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF OPERATIONS
For the Years Ended June 30,

AVERAGE NUMBER OF EMPLOYEES (NOT EXAMINED)

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

<u>Division</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Executive Office	16	17	17
Preservation Services	14	15	15
Administrative Services	7	7	7
Historical Sites	67	69	74
Presidential Library & Museum	<u>73</u>	<u>81</u>	<u>83</u>
Total average full-time employees	<u><u>177</u></u>	<u><u>189</u></u>	<u><u>196</u></u>

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2012

SERVICE EFFORTS AND ACCOMPLISHMENTS (NOT EXAMINED)

The following table details the number of visitors to State-owned historic sites and donations collected:

Site	<u>2012</u>		<u>2011</u>	
	Number of Visitors	Cash Donations Collected	Number of Visitors	Cash Donations Collected
Apple River Fort	13,484	\$3,871	14,313	\$4,870
Bishop Hill	24,362	5,184	24,578	5,460
Black Hawk	127,745	2,865	126,683	2,706
Bryant Cottage	7,134	364	6,814	466
Cahokia Mounds	294,541	74,558	292,223	61,745
Cahokia Courthouse	2,202	-	5,280	-
Carl Sandburg Home	2,468	2,888	2,444	2,372
Dana-Thomas House	17,550	44,100	19,874	55,499
David Davis Mansion	63,100	13,345	58,817	12,420
Douglas Tomb	4,041	-	4,944	-
Fort De Chartres	33,460	4,621	40,280	3,545
Galena Complex (includes Grant's Home, Old Market House, and Washburne House)	98,356	83,152	95,279	74,443
Lewis and Clark Memorial	83,312	17,080	84,367	17,549
Lincoln Log Cabin	81,790	10,648	76,861	8,140
Lincoln Tomb	285,567	-	293,581	-
Lincoln's New Salem	430,280	58,697	392,401	74,519
Metamora Courthouse	13,368	-	18,732	-
Old State Capitol/Lincoln Herndon	150,175	60,574	144,292	57,551
Pullman	15,954	125	12,726	-
Pierre Menard/Ft. Kaskaskia	63,254	352	44,329	2,922
Postville/Mt. Pulaski	3,947	-	1,985	275
Vandalia State House	29,846	8,424	6,557	6,491
Vachel Lindsay House	4,202	-	4,454	-
Vietnam Veteran's Memorial	149,048	-	145,409	-
Totals	1,999,186	\$390,848	1,937,223	\$390,973

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2012

Abraham Lincoln Presidential Library and Museum

The Abraham Lincoln Presidential Library and Museum interprets the life and times of America’s greatest president; fosters scholarship into Lincoln’s life and times; preserves the documentary and visual history of Illinois; and historical literacy through an ambitious agenda of changing exhibits, conferences, lectures, educational outreach, and on-line programming.

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Library users	51,767	39,004	47,270
Museum attendance	294,959	297,109	356,009
Items acquired	3,678	3,488	2,393
Conservation treatments performed	2,575	2,429	2,268
Percent of research letters answered in 30 days	90%	85%	85%
Percent of conservation treatments completed in 30 days	85%	90%	87%