



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

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

JUDICIAL INQUIRY BOARD

**COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2012**

Release Date: May 23, 2013

Summary of Findings:

Total this audit:	5
Total last audit:	2
Repeated from last audit:	2

SYNOPSIS

- The Secretary of State was not notified of a Board member whose position required them to file a statement of economic interest.
- The Board did not establish and maintain effective internal controls over expenditures.
- The Board was not composed of nine members as required by the Constitution of the State of Illinois.

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

**JUDICIAL INQUIRY BOARD
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2012**

EXPENDITURE STATISTICS	2012	2011	2010
Total Expenditures.....	\$ 588,813	\$ 649,895	\$ 611,995
OPERATIONS TOTAL.....	\$ 588,813	\$ 649,895	\$ 611,995
% of Total Expenditures.....	100.0%	100.0%	100.0%
Personal Services.....	304,452	-	306,590
Other Payroll Costs (FICA, Retirement).....	33,363	-	22,090
All Other Operating Expenditures.....	250,998	-	-
Lump Sums - Operational Expenses.....	-	649,895	283,315
Total Receipts.....	\$ 325	\$ 245	\$ -
Cost of Property and Equipment.....	\$ 79,300	\$ 78,950	\$ 78,047
Average Number of Employees.....	5	5	5

SELECTED ACTIVITY MEASURES (Not Examined)	2012	2011	2010
Number of compliants received/initiated.....	524	453	376
Complaints filed with the Illinois Courts Commission.....	1	2	1

EXECUTIVE DIRECTOR
During Examination Period: Ms. Kathy D. Twine
Currently: Ms. Kathy D. Twine

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**FAILURE TO FILE AN ECONOMIC INTEREST
STATEMENT**

The Board did not notify the Secretary of State of a Board member whose position required them to file a statement of economic interest.

**Board member did not file economic
interest statement**

During testing, the auditors noted a Board member was omitted from the list of individuals required to file a statement of economic interest and, therefore, did not file the required economic interest statement for Fiscal Year 2011 with the Secretary of State. (Finding 1, page 9)

We recommended the Board notify the Secretary of State of all individuals required to file a statement of economic interests, as required by State law.

Board agrees with the auditors

Board officials agreed with our recommendation.

**NEED TO ENHANCE INTERNAL CONTROL OVER
EXPENDITURES**

The Board did not establish and maintain effective internal controls over expenditures.

During testing, the auditors noted the following:

- The Board did not have an adequate process to identify and pay interest penalties in accordance with the State Prompt Payment Act. The auditors noted the following exceptions:
 - At the conclusion of Fiscal Year 2012, the auditors inquired with Board staff concerning any outstanding and unpaid prompt payment interest. After the Board had the Department of Central Management Services run a query in the Accounting Information System, the system report identified six unpaid prompt payment interest vouchers, totaling \$1,899.
 - The Board was unable to provide documentation of any outstanding and unpaid prompt payment interest liabilities for Fiscal Year 2011.
 - During voucher testing, the auditors noted three of 84 (4%) vouchers tested, totaling \$48,161, had unpaid prompt payment interest, totaling \$1,131. Two of these vouchers were for Fiscal Year 2011 invoices and one voucher was for a Fiscal Year 2012 invoice.

**Unpaid prompt payment interest
liabilities in Fiscal Year 2012,
totaling \$1,899**

**Board unable to compute unpaid
prompt payment interest liabilities
for Fiscal Year 2011**

Board's staff needs additional training on the Board's voucher processing system

- The Board's staff needs additional training to effectively utilize Department of Central Management Service's Accounting Information System, which serves as the Board's voucher processing system. During our review, we noted the Board's staff was unable to identify all unpaid prompt payment interest vouchers or generate system inquiries and reports due to the Board's limited experience with the operational functions of Accounting Information System.
- The Board's expenditure records did not agree with and were not reconciled by the Board to the State Comptroller's Monthly Appropriations Status Report (SB01) from September 2011 through January 2012 during the extended Lapse Period for Fiscal Year 2011. (Finding 4, pages 15-17)

We recommended the Board implement controls to comply with the State Prompt Payment Act and the Statewide Accounting Management System. In addition, the Board should ensure employees obtain sufficient training to perform duties efficiently and effectively.

Board officials disagree

Board officials disagreed that they were unable to provide documentation of any outstanding and unpaid prompt payment interest liabilities for Fiscal Year 2011, stating they "provided the Auditor with a *Schedule* and various *Vouchers* indicating paid prompt payments to vendors. During testing, the Auditor did not indicate any prompt payments were unpaid or outstanding."

Auditors' Comment

In an auditors' comment, we noted that contrary to the Board's response, the auditors noted two Fiscal Year 2011 invoices in the finding above where the Board did not pay incurred prompt payment interest liabilities.

LACK OF REQUIRED BOARD MEMBERS

Board was not composed of the required nine members

The Judicial Inquiry Board (Board) was not composed of nine board members as required by the Constitution of the State of Illinois. During testing, the auditors noted two of four (50%) non-lawyer positions were vacant. These seats were vacated 81 and 630 days prior to June 30, 2012. (Finding 5, page 18)
This finding was first reported in 2008.

We recommended the Board continue to work with the Governor to ensure the Board's vacancies are filled in a timely manner as required by the Constitution.

Board agrees to work with the Governor's Office

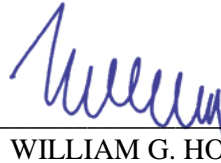
Board officials stated they will continue to make efforts to communicate with the Governor regarding the Board's vacancies. (For the previous Board response, see *Digest Footnote #1.*)

OTHER FINDINGS

The remaining findings pertain to: 1) inadequate internal controls over equipment, and 2) inadequate internal control over personal services. We will follow up on these findings during our next examination of the Board.

AUDITORS' OPINION

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



WILLIAM G. HOLLAND
Auditor General

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AUDITORS ASSIGNED

This compliance examination was performed by the Office of the Auditor General's staff.

DIGEST FOOTNOTE

#1 – LACK OF REQUIRED BOARD MEMBERS – Previous Board Response

Although the Board is not constitutionally required to ensure that vacancies are filled in a timely manner (the Governor has sole responsibility for the appointment of non-judicial members), the Board will continue to actively work with the Governor's office concerning the matter.