



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

William G. Holland, Auditor General

**SUMMARY REPORT DIGEST**

**LAW ENFORCEMENT TRAINING AND STANDARDS BOARD**

Compliance Examination  
 For the Two Years Ended June 30, 2014

Release Date: February 19, 2014

FINDINGS THIS AUDIT: 7	New	Repeat	Total	AGING SCHEDULE OF REPEATED FINDINGS			
				Repeated Since	Category 1	Category 2	Category 3
Category 1:	2	2	4	2012	14-3		
Category 2:	1	2	3	2008	14-4	14-5	
Category 3:	0	0	0	2006		14-7	
<b>TOTAL</b>	<b>3</b>	<b>4</b>	<b>7</b>				
<b>FINDINGS LAST AUDIT: 5</b>							

**SYNOPSIS**

- (14-1) The Board was not in compliance with the Fiscal Control and Internal Auditing Act.
- (14-3) The Board had inadequate controls over property and related property records.
- (14-4) The Board did not have adequate controls over voucher processing.
- (14-5) The Board lacked adequate controls over employee attendance and related records.
- (14-7) The Board did not timely conduct employee performance appraisals.

**Category 1:** Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).  
**Category 2:** Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.  
**Category 3:** Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

{Expenditures and Activity Measures are summarized on next page.}

**LAW ENFORCEMENT TRAINING AND STANDARDS BOARD  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2014**

<b>EXPENDITURE STATISTICS</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>Total Expenditures.....</b>	<b>\$ 15,103,200</b>	<b>\$ 14,968,638</b>	<b>\$ 12,886,498</b>
OPERATIONS TOTAL.....	\$ 3,072,305	\$ 3,004,620	\$ 3,113,152
% of Total Expenditures.....	20.3%	20.1%	24.2%
Personal Services.....	1,196,286	1,146,734	1,273,287
Other Payroll Costs (FICA, Retirement).....	930,970	902,447	861,141
All Other Operating Expenditures.....	945,049	955,439	978,724
AWARDS AND GRANTS.....	\$ 12,030,895	\$ 11,964,018	\$ 9,773,346
% of Total Expenditures.....	79.7%	79.9%	75.8%
<b>Total Receipts.....</b>	<b>\$ 17,309,342</b>	<b>\$ 17,891,516</b>	<b>\$ 19,126,905</b>
<b>Average Number of Employees.....</b>	<b>17</b>	<b>16</b>	<b>18</b>

<b>SELECTED ACTIVITY MEASURES (not examined)</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Law Enforcement Officers completing mandated basic training.....	1,177	1,159	592
County Corrections Officers completing mandated basic training.....	538	328	471
Public Safety Personnel trained utilizing in-service training delivery system.....	46,089	44,800	47,209

<b>EXECUTIVE DIRECTOR</b>	
During Examination Period:	Mr. Kevin T. McClain
Currently:	Mr. Kevin T. McClain

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**NONCOMPLIANCE WITH THE FISCAL CONTROL  
AND INTERNAL AUDITING ACT**

The Law Enforcement Training Standards Board (Board) did not comply with the Fiscal Control and Internal Auditing Act.

**FY13 FCIAA Certification not  
filed**

A review of the Boards' Annual Certification of Controls (Certification) noted the Fiscal Year 2013 Certification was not filed with the Office of the Auditor General.

**Material weaknesses noted in FY14  
FCIAA Certification**

The Fiscal Year 2014 Certification was filed in accordance with the Act and the Board stated the following material weakness: "lack of resources prevents proactive activity to ensure compliance with mandatory statutory provisions related to training" and the cost of the weakness is "no formalized procedures and headcount to safeguard funds, property, and other assets and resources against waste, loss, unauthorized use, and misappropriation."

**Several exceptions attributed to  
internal control weaknesses**

Several exceptions attributable to internal control weaknesses were noted during testing and are specifically addressed in the remaining findings. (Finding 1, pages 10-11).

We recommended the Board comply with the requirements of the Act by timely filing all required Certifications. Also, the Board should allocate sufficient resources in order to maintain effective internal controls to safeguard funds and property. Further, the Board should establish compensating controls to mitigate the risk of inadequate segregation of duties.

**Board agrees with the auditors**

The Board accepts the recommendation and stated the Board hired a new employee whose duties will include addressing the auditor's recommendation.

**NEED TO IMPROVE CONTROLS OVER EQUIPMENT  
AND RELATED RECORDS**

The Board did not maintain sufficient controls over its equipment and related records.

Some of the issues we noted are as follows:

**\$5,939 in equipment additions not  
recorded**

- Four of nine (44%) additions tested were not added to the Board's property records. The four items totaled \$5,939.

**Quarterly C-15 reports filed with  
inaccuracies**

- Six of eight (75%) quarterly Agency Reports of State Property (C-15) filed with the Comptroller were revised by the Board. Additionally, two of the eight

(25%) C-15 reports incorrectly reported the net amount of additions and deletions rather than each amount separately.

**\$12,862 capital lease not recorded in property records**

- A capital lease valued at \$12,862 was not listed on the property records. The lease was for two copiers.

**Equipment items could not be located**

- Twenty-five of 62 (40%) items selected from the property control records could not be located. (Finding 3, pages 14-16).

We recommended the Board establish controls over equipment and property reporting by implementing procedures to ensure the property control records are adjusted timely for equipment transactions, disclose the current location, properly tag all equipment items, and record capital leases. Additionally, we recommended all C-15's filed with the Office of the State Comptroller be accurately prepared and reviewed.

**The Board agrees with the auditors**

The Board accepts the recommendation and stated they will continue their efforts to fill outstanding vacancies.

**VOUCHER PROCESSING WEAKNESSES**

The Board did not exercise adequate control over voucher processing.

During our testing, we noted the following:

**Vouchers not approved timely**

- Twenty-two of 176 (13%) vouchers tested, totaling \$645,476, were approved for payment from 1 to 181 days late.

**One employee receiving and approving vouchers**

- Four of 176 (2%) vouchers tested, totaling \$21,365, had the same individual signing as the receiving officer and agency head.

**Vouchers were not properly approved**

- Twenty-five of 176 (14%) vouchers tested, totaling \$2,698,739, had only one signature of approval. The approval was by the same person who prepared the voucher or was a stamped signature which the preparer had access and authority to use.

**Vouchers approved following submission to IOC**

- Twenty-one of 176 (12%) vouchers tested, totaling \$333,546, contained an approval agency head signature after the voucher had been submitted to the Illinois Office of the Comptroller.

**Incorrect detail object code used**

- Nine of 176 (5%) vouchers tested, totaling \$5,452, did not utilize the correct detailed object code.
- Approval and receiving officer testing on 6 of 176

**Lack of documentation**

(3%) vouchers, totaling \$46,630, could not be completed due to a lack of documentation of signatures.

**Voucher could not be located**

- One of 176 (1%) vouchers, totaling \$2,376, could not be located by the Board. The voucher was for travel direct billings. (Finding 4, pages 17-19). **This finding has been repeated since 2008.**

We recommended the Board comply with the Illinois Administrative Code, the Fiscal Control and Internal Auditing Act and Statewide Accounting Management System when processing vouchers in order to safeguard State resources and correctly report information to the Office of the State Comptroller.

**The Board agrees with the auditors**

The Board accepts the recommendation and stated they will continue their efforts to fill outstanding vacancies. (*For the previous Department response, see Digest Footnote #1.*)

**INADEQUATE CONTROLS OVER EMPLOYEE ATTENDANCE**

The Board did not exercise adequate controls over employee attendance.

We tested six months of attendance records for eight employees and noted the following:

**Leave slips not submitted timely**

- Seven of eight (88%) employees tested did not submit leave slips timely or in advance. In 10 separate instances, leave slips were submitted from five to 20 days late.

**Leave slips not approved by a supervisor**

- Three of eight (38%) employees tested did not have leave requests properly approved by a supervisor. In four separate instances leave slips were not approved because a leave request form was not submitted.

**Timesheets were not submitted as required**

- Three of eight (38%) employees tested did not submit bi-monthly time sheets as required. We noted one employee did not begin submitting the bi-monthly time sheets until January 2013 and did not start maintaining a printed copy until September 2014. A second employee did not submit two time sheets, and a third did not submit eight time sheets.

**Timesheets did not agree with other supporting documentation**

- Three of eight (38%) employees tested had time sheets that did not agree to the leave requests, daily sign-out sheets, and the Central Time and Attendance System (CTAS). (Finding 5, pages 20-21). **This finding has been repeated since 2008.**

We recommended the Board implement the necessary controls in order to maintain accurate daily attendance records in compliance with the Illinois Administrative Code and their Personnel Manual. Specifically, the Board should ensure employee attendance records are complete, properly approved and reconcile with leave requests. Further, the Board should ensure employees submit leave slips in advance or as timely as possible.

**The Board agrees with the auditors**

The Board accepts the recommendation and stated they will perform regular checks of documentation and records related to leave requests. *(For the previous Department response, see Digest Footnote #2.)*

**PERFORMANCE APPRAISALS NOT CONDUCTED TIMELY**

The Board did not conduct employee performance appraisals timely.

**Annual and probationary appraisals were not prepared as required**

During our testing, we noted the Board did not perform annual or probationary performance appraisals for six of eight (75%) employees tested in accordance with the Illinois Administrative Code (Code). The Board was required to prepare 13 annual evaluations and two probationary evaluations during the examination period for the eight employees tested. The annual evaluations for three employees ranged from 25 to 49 days late and had not been performed for two employees. Additionally, one employee did not receive the first or second probationary evaluation as required by the Board's Personnel Manual. (Finding 7, pages 24-25). **This finding has been repeated since 2006.**

We recommended the Board comply with the Code and conduct all performance appraisals timely for all employees.

**The Board agrees with the auditors**

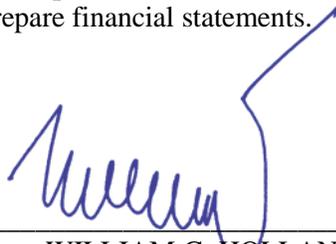
The Board accepts the recommendation and stated this function has been reassigned to existing Board staff. *(For the previous Department response, see Digest Footnote #3.)*

**OTHER FINDINGS**

The remaining findings pertain to inadequate controls over expenditure records and weaknesses in receipts processing. We will review the Board's progress towards the implementation of our recommendations in our next engagement.

### **AUDITOR'S OPINION**

We conducted a compliance examination of the 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.



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WILLIAM G. HOLLAND  
.. Auditor General

WGH:ASW

### **SPECIAL ASSISTANT AUDITORS**

Our Special Assistant Auditors for this examination were West & Company, LLC.

### **DIGEST FOOTNOTES**

#### **#1 – VOUCHER PROCESSING WEAKNESSES**

2012: The Board accepts the recommendation.

#### **#2 – INADEQUATE CONTROLS OVER EMPLOYEE ATTENDANCE**

2012: The Board accepts the recommendation.

#### **#3 – PERFORMANCE APPRAISALS NOT CONDUCTED TIMELY**

2012: The Board accepts the recommendation. The staff member trained in evaluations ensured the Board was current by the end of the audit period.