

REPORT DIGEST

ILLINOIS STATE & LOCAL LABOR RELATIONS BOARDS COMPLIANCE AUDIT FOR THE TWO YEARS ENDED JUNE 30, 1995

SYNOPSIS

- The Agency prepared vouchers for invoices without verifying that the goods had been received.
- The Agency did not maintain accurate and current inventory records of property and equipment as required by the Comptroller.

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

STATE AND LOCAL LABOR RELATIONS BOARDS
COMPLIANCE AUDIT
For The Two Years Ended June 30, 1995

EXPENDITURE STATISTICS	FY 1995	FY 1994	FY 1993
●Total Expenditures (All Funds)	\$1,480,183	\$1,373,281	\$1,348,514
<u>OPERATIONS TOTAL</u>	\$1,480,183	\$1,373,281	\$1,348,514
% of Total Expenditures	100%	100%	100%
Personal Services*	\$994,121	\$948,168	\$897,160
% of Operations Expenditures	68%	69%	66%
Average No. of Employees	28	27	27
Other Payroll Costs (FICA, Retirement)			
% of Operations Expenditures	\$150,582 10%	\$141,783 10%	\$132,992 10%
Contractual Services	\$198,280	\$152,463	\$200,086
% of Operations Expenditures	13%	11%	15%
All Other Items	\$137,200	\$130,867	\$118,276
% of Operations Expenditures	9%	10%	9%
<u>GRANTS TOTAL</u>	\$0	\$0	\$0
% of Total Expenditures	0%	0%	0%
●Cost of Property and Equipment	\$587,496	\$469,320	\$590,381

SELECTED ACTIVITY MEASURES	FY 1995	FY 1994	FY 1993
●Representation petitions	117	159	129
●Charges against labor organizations	64	66	70
●Charges against employers	215	221	257
●Mediation/Arbitration petitions	225	251	237

EXECUTIVE DIRECTOR
During Audit Period: Mr. Brian E. Reynolds Currently: Mr. Brian E. Reynolds

*Excludes positions and salaries paid from Comptroller's appropriation.

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

VOUCHERS PREPARED WITHOUT DOCUMENTING GOODS HAD BEEN RECEIVED

During our audit we tested 8% of the Agency's 1,044 total vouchers and found 28 of 89 vouchers were paid without documentation to verify the goods were received. A generally accepted internal control procedure is to verify receipt of goods or services prior to payment. (Finding 1, page 6)

The Agency accepted our recommendation that they verify and document the receipt of goods before submitting invoices for voucher preparation.

DETAIL PROPERTY AND EQUIPMENT INVENTORY NOT ACCURATELY MAINTAINED

During our audit testing of property and equipment inventory we identified two Xerox copiers acquired in FY 1994 at a cost of \$29,730 and thirty-two computers and four printers acquired in FY 1995 at a cost of \$94,765 were not shown on the property and equipment inventory listing. The State Comptroller Act (15 ILCS 405/17) requires State agencies to maintain accurate, current inventory records in such detail as required by the Comptroller. (Finding 2, page 7)

We recommended the Agency maintain an accurate, current inventory listing at all times, and the Agency concurred.

Ms. Kaye Stanton, Fiscal Officer, provided the responses to our recommendations.

OTHER FINDING

The remaining finding, concerning cash receipts is less significant due to the amounts involved. We will review the Agency's progress in implementing our recommendations during our next audit.

AUDITOR'S OPINION

We conducted a compliance audit of the Board as required by the Illinois State Auditing Act. The Board had no locally held federal or State trust funds. Consequently, there were no financial statements requiring a financial audit leading to an opinion.

WILLIAM G. HOLLAND, Auditor General
WGH:RPU:pp

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	3	2
Repeated audit findings	0	0
Prior audit findings implemented or not repeated	2	4

SPECIAL ASSISTANT AUDITORS

Boyd, Freese, West & Vogt were our special assistant auditors for this audit.