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# REPORT DIGEST

## SUPREME COURT HISTORIC PRESERVATION COMMISSION

### COMPLIANCE EXAMINATION

For the Two Years Ended:  
June 30, 2009

#### Summary of Findings:

Total this audit: 3

Total last audit: N/A

Repeated from last audit: N/A

Release Date:  
May 27, 2010



State of Illinois  
Office of the Auditor General  
**WILLIAM G. HOLLAND**  
AUDITOR GENERAL

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## SYNOPSIS

- The Commission did not maintain sufficient controls over the recording and reporting of its State property.
- The Commission did not maintain adequate segregation of duties in the areas of personal services, expenditure control and State property.

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

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**SUPREME COURT HISTORIC PRESERVATION COMMISSION**  
**COMPLIANCE EXAMINATION**  
**For the Year Ended June 30, 2009**

<b>EXPENDITURE STATISTICS</b>	<b>FY 2009</b>	<b>FY 2008</b>
Total Appropriations .....	\$10,000,000	N/A
Total Expenditures.....	\$177,318	N/A
Cost of Property and Equipment.....	\$60,845	N/A

<b>AGENCY DIRECTOR</b>
During Audit Period: William Wheeler Currently: William Wheeler

## **INTRODUCTION**

The Supreme Court Historic Preservation Commission was created by the Supreme Court Historic Preservation Act (705 ILCS 17 et. seq.) to assist and advise the Supreme Court in regard to the acquisition, collection, documentation, preservation, cataloging, and related matters with respect to historic aspects of buildings, objects, artifacts, documents, and information, regardless of form, relating to the Illinois judiciary.

## **FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS**

### **PROPERTY CONTROL WEAKNESSES**

The Commission did not maintain sufficient controls over the recording and reporting of its State property. Some of the conditions noted follow:

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#### **Insufficient controls over State property**

- The Commission did not reconcile its property listing to the Quarterly Report of State Property (C-15) filed with the Office of the Comptroller (IOC), therefore the Commission's property listing as of June 30, 2009 did not agree to the amount reported on the C-15.
- The Commission did not have support for the date items were received and added to its property listing, therefore, we could not determine the timelines of property record adjustments for 100% of equipment items tested, totaling \$26,112.
- The Commission did not record equipment items on its property listing as the correct cost. Nine inventory items were recorded at amounts \$240 higher than actual cost. (Finding 1, pages 8-9)

We recommended the Commission strengthen internal controls over recording and reporting of its equipment.

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#### **Commission officials accepted recommendation**

Commission officials stated they will strengthen internal controls over recording and reporting equipment and will make its records of property receipt and recording more accessible by adding relevant fields to queries.

## INADEQUATE SEGREGATION OF DUTIES

The Commission did not maintain adequate segregation of duties in the areas of personal services, expenditure control and State property. We noted the following:

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### Inadequate segregation of duties over personal services, expenditure and State property

- One person had authority to maintain employee attendance and leave records, maintain personnel files, and make additions, deductions, or corrections to employee's time.
- One person had authority to requisition goods, prepare vouchers, initiate correction of errors, receive goods, maintain accounting records and perform monthly expenditure reconciliations.
- One person had authority to tag inventory, maintain the property records, perform annual physical inventory, and prepare and sign the Agency Report of State Property (C-15) filed with the Office of the Comptroller. (Finding 2, pages 10-11)

We recommended the Commission allocate sufficient personnel in order to maintain effective internal control over the authorization and custody and recordkeeping duties regarding personal services, expenditure control and State property.

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### Commission officials accepted recommendation

Commission officials agreed that segregation of duties is important and they will explore ways to further mitigate the risks of having an inadequate segregation of duties.

## OTHER FINDINGS

The remaining finding pertains to incomplete personnel policies and procedures. We will follow up on this finding during our next examination of the Commission.

**AUDITORS' OPINION**

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

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WILLIAM G. HOLLAND, Auditor General

WGH:JSC:pp

**AUDITORS ASSIGNED**

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