



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

**ABRAHAM LINCOLN PRESIDENTIAL
 LIBRARY AND MUSEUM**

State Compliance Examination
 For the Two Years Ended June 30, 2021

Release Date: June 2, 2022

FINDINGS THIS AUDIT: 12				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	3	4	2019	1, 2, 3	7, 8, 9, 10	
Category 2:	4	4	8				
Category 3:	0	0	0				
TOTAL	5	7	12				
FINDINGS LAST AUDIT: 15							

SYNOPSIS

- **(21-01)** The ALPLM did not maintain adequate controls over receipts.
- **(21-02)** The ALPLM did not maintain sufficient controls over its property and related fiscal records.

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.

**ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021**

EXPENDITURE STATISTICS	2021		2020		2019	
Total Expenditures (In Thousands).....	\$	11,091	\$	11,260	\$	10,505
OPERATIONS TOTAL.....	\$	11,059	\$	11,153	\$	10,476
% of Total Expenditures.....		100%		99%		100%
Personal Services.....		6,199		6,236		5,877
Other Payroll Costs (FICA, Retirement).....		454		433		433
All Other Operating Expenditures.....		4,406		4,484		4,166
AWARDS AND GRANTS.....	\$	1	\$	-	\$	-
% of Total Expenditures.....		0%		0%		0%
REFUNDS.....	\$	3	\$	10	\$	-
% of Total Expenditures.....		0%		0%		0%
PERMANENT IMPROVEMENTS.....	\$	28	\$	97	\$	29
% of Total Expenditures.....		0%		1%		0%
Total Receipts (In Thousands).....	\$	649	\$	1,292	\$	2,191
Average Number of Employees.....		82		80		74

AGENCY DIRECTOR

During Examination Period through Current: Mr. Alan Lowe (through 9/20/19), Vacant (9/21/19 - 9/29/19), Ms. Melissa Coultas, Acting (9/30/19 - 6/7/21), Ms. Christina Shutt (effective 6/8/21)
Currently: Ms. Christina Shutt

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

INADEQUATE CONTROLS OVER RECEIPTS

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not maintain adequate controls over receipts.

ALPLM's listing of non-admission revenues only included revenues starting in May 2020.

During our testing, we requested the ALPLM provide cash receipts population for Fiscal Years 2020 and 2021. The ALPLM provided its list of receipts from admission and non-admission revenues but was unable to provide a complete and detailed population of receipts from non-admission revenues. The list of receipts from non-admission revenues only included revenues starting May 2020.

Due to these conditions, we were unable to conclude whether the ALPLM's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the ALPLM's receipts.

Even given the population limitation noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, we performed receipts testing and noted the following:

Support for the receipts did not include the date received.

- Twenty-seven of 60 (45%) receipts tested, totaling \$56,997, did not include any documentation to support the date the receipt was received. Therefore, timeliness of the deposit could not be determined.

Receipts were deposited late.

- Two of 60 (3%) receipts tested, totaling \$14,514, were deposited 5 and 37 days late.
- For 18 of 60 (30%) receipts testing, totaling \$22,259, the Receipts Deposit Transmittal (RDT) forms were sent to the Office of the Comptroller between 34 to 104 days after the State Treasurer issued the Treasurer's Draft. (Finding 1, pages 11-12)

We recommended the ALPLM improve controls over the receipts process to ensure complete recording and timely deposit of receipt transactions and transmittal of receipt deposit forms. Further, we recommended the ALPLM maintain accurate documentation to support receipt transactions.

ALPLM accepted the recommendation

ALPLM officials accepted the recommendation and stated they modified the receipt log at the beginning of Fiscal Year 2022 to document the date that receipts are received. In addition, ALPLM officials stated they have received approval for a receipt-deposit extension from the Treasurer and Comptroller that will allow ALPLM to make timely deposits and have

adopted a checklist of daily priorities that is designed to ensure that RDT forms are prepared and submitted timely.

PROPERTY CONTROL WEAKNESSES

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not maintain sufficient controls over its property and related fiscal records.

ALPLM was unable to provide a complete and detailed population of equipment additions.

During our testing, we requested the ALPLM provide various populations related to its equipment. The ALPLM provided its detailed list of owned equipment. However, the ALPLM was unable to provide a complete and detailed population of additions for Fiscal Years 2020 and 2021. The listing of additions supporting the amounts reported as additions on the ALPLM Reports of State Property (Form C-15) submitted to the Office of Comptroller only included Capital Development Board transfers-in. Equipment purchases during the examination period which are capitalizable were not recorded as additions. As a result, we were unable to test the ALPLM's compliance relative to equipment additions.

Due to these conditions, we were unable to conclude whether the ALPLM's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the ALPLM's equipment.

Even given the population limitation noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, we performed receipts testing and noted the following:

Items purchased were not included in the property records.

Annual inventory certification filed with DCMS were inaccurate.

No equipment additions were reflected in the quarterly reports during the examination period.

- For 22 of 29 (76%) equipment vouchers tested, there were 86 equipment items, totaling \$374,216, not capitalized and included in the ALPLM's property records.
- The annual inventory certification filed with the Department of Central Management Services (DCMS) for both Fiscal Years 2020 and 2021 were inaccurate. The ALPLM did not include all additions of equipment during the examination period.
- The Form C-15s submitted to the Office of the Comptroller for Fiscal Years 2020 and 2021 were inaccurate. We noted there were no equipment additions reflected in the quarterly reports during the examination period.
- We selected 25 items of equipment from the ALPLM's detailed list of equipment and requested to physically examine the items. We noted:

- One (4%) item (a wireless headset), with a value of \$5,995, was not found. This item has been sent to DCMS surplus but still included in the ALPLM's property records as of June 30, 2021.
- Two (8%) items (a light fixture and a portable speaker), with a total value of \$6,518, had a different equipment description than noted on the ALPLM's property records.
- We selected 25 items of equipment from various locations within the ALPLM to verify they were included on its property control records. We noted:
 - Five (20%) items (2 speakers, an audio device, a temperature scanner, and a display stand) were not found on the ALPLM's property records.
 - Two (8%) items (a temperature scanner and a display stand) were not included on the 2021 annual inventory report submitted to DCMS.
- We selected 25 items of equipment from the ALPLM's list of deletions. We noted:

Equipment was not timely removed from property records.

- Seven (28%) items, with a total value of \$94,838, were not timely removed from the property records, ranging from 276 to 406 days late.
- For four (16%) items, with a total value of \$38,082, the ALPLM failed to provide the necessary information (i.e., historical cost, purchase price, and date) to the receiving agency.
- For one (4%) item, with a recorded value of \$1,124, the deletion was not properly supported.
- For one (4%) item, with a recorded value of \$1,400, the ALPLM failed to provide a signed and dated deletion form, thus we were unable to test the timeliness of recording the deletion.
- For 10 (40%) items, with a total value of \$47,632, the decreasing inventory adjustment amount per deletion form showed a difference of \$46,912 compared to the property records.
- For three (12%) items, with a total value of \$4,109, the decreasing inventory adjustment form was not properly approved. There is no signature of CMS representative on the deletion form.

Inventory adjustment form was not properly approved.

- For one of six (17%) equipment vouchers tested, totaling \$9,925, no State Property Surplus – New Furniture Affidavit has been submitted with DCMS prior to the purchase of new furniture. (Finding 2, pages 13-16)

We recommended the ALPLM improve its controls over State property to comply with applicable laws and regulations. Specifically, the ALPLM should implement procedures to ensure all equipment transactions are recorded timely and accurately, and documentation is retained. We further recommended the ALPLM include a supervisory review process in its procedures to ensure clerical, technical, and other errors are promptly detected and corrected.

The Agency accepted the recommendation.

ALPLM officials accepted the recommendation and stated they have used the annual physical inventory process to identify and gather details on assets missing from ALPLM's asset records and has a plan to clean up its asset data and migrate it to the State's enterprise resource planning system to leverage processes and controls available in the system. Further, ALPLM officials stated they are in the process of identifying resources available to implement the plan.

OTHER FINDINGS

The remaining findings pertain to inadequate controls over monthly reconciliations, reporting requirements, personal services, grant agreements, voucher processing, fraud risk assessment program, investment of public funds, contracts, and information systems. We will review the ALPLM's progress towards the implementation of our recommendations in our next State compliance examination.

ACCOUNTANT'S OPINION

The accountants conducted a State compliance examination of the ALPLM for the two years ended June 30, 2021, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Finding 2021-001 through 2021-004. Except for the noncompliance described in this finding, the accountants stated the ALPLM complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by Adelfia LLC.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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