

**STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL**

STATE COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2023

**STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITAL
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2023**

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STATE OF ILLINOIS
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STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2023

OAC AGENCY OFFICIALS

Architect of the Capitol	Ms. Andrea Aggertt
Senior Project Manager	Mr. Mark Flowers
Fiscal Officer (1/1/23 to Present)	Ms. Alexis Fricke
Fiscal Officer (7/1/21 to 12/31/22)	Ms. Sue Friedrich
Administrative Assistant (1/1/23 to Present)	Ms. Tiffany Smith
Administrative Assistant (7/1/21 to 12/31/22)	Ms. Sue Friedrich

OAC BOARD OFFICERS

Ex-officio by change of Statute (2/1/04)

Co-Chairpersons of the Board
Mr. Tim Anderson, Secretary of the Senate
Mr. John Hollman, Clerk of the House of Representatives

Member of the Boards
Mr. Scott Kaiser, Assistant Secretary of the Senate
Mr. Bradley Bolin, Assistant Clerk of the House of Representatives

BOARD OFFICE

The Office's primary administrative office is located at:

William G. Stratton Building
401 S. Spring Street, Room 602
Springfield, Illinois 62706



**THE OFFICE OF THE ARCHITECT OF THE CAPITOL
SUITE 602 WILLIAM G. STRATTON BUILDING
SPRINGFIELD, ILLINOIS 62706, (p) 217/782-7863 (f) 217/524-1873**

MANAGEMENT ASSERTION LETTER

10/11/2024

Honorable Frank J. Mautino
Auditor General
State of Illinois
400 West Monroe Street, Suite 306
Springfield, Illinois 62704

Auditor General Mautino:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, Office of the Architect of the Capitol (Office). We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Office’s compliance with the following specified requirements during the two-year period ended June 30, 2023. Based on this evaluation, we assert that during the years ended June 30, 2022, and June 30, 2023, the Office has materially complied with the specified requirements listed below.

- A. The Office has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Office has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The Office has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

Yours truly,

State of Illinois, Office of the Architect of the Capitol

SIGNED ORIGINAL ON FILE

Andrea Aggertt, Architect of the Capitol

SIGNED ORIGINAL ON FILE

Alexis Fricke, Fiscal Officer

**STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2023**

STATE COMPLIANCE REPORT

SUMMARY

The State compliance testing performed during this examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide*.

ACCOUNTANT’S REPORT

The Independent Accountant’s Report on State Compliance and on Internal Control Over Compliance does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report</u>
Findings	3	1
Repeated Findings	0	1
Prior Recommendations Implemented or Not Repeated	1	1

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings				
2023-001	8	New	Inadequate Controls over State Property	Significant Deficiency and Noncompliance
2023-002	10	New	Inadequate Controls over Employee Attendance Records	Significant Deficiency and Noncompliance
2023-003	12	New	Noncompliance with the Legislative Commission Reorganization Act of 1984	Significant Deficiency and Noncompliance

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<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>
Prior Finding Not Repeated			
A	14	2021/2019	Noncompliance with Interagency Agreement

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Office personnel at an exit conference on October 7, 2024.

Attending were:

Office of the Architect of the Capitol

Andrea Aggertt, Architect of the Capitol
Alexis Fricke, Fiscal Officer

Office of the Auditor General

Stephanie Wildhaber, Senior Audit Manager
Maggie Skaggs, Audit Supervisor
Leah Borntreger, Auditor
Trey Petty, Auditor
Dane Greene, Information Specialist

The responses to the recommendations were provided by Ms. Alexis Fricke, Fiscal Officer, in a correspondence dated October 11, 2024.

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OFFICE OF THE AUDITOR GENERAL
FRANK J. MAUTINO

INDEPENDENT ACCOUNTANT'S REPORT
ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Governing Board
State of Illinois, Office of the Architect of the Capitol

Report on State Compliance

We have examined compliance by the State of Illinois, Office of the Architect of the Capitol (Office) with the specified requirements listed below, as more fully described in the *Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide)* as adopted by the Auditor General, during the two years ended June 30, 2023. Management of the Office is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. The Office has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Office has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The Office has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Illinois State Auditing Act (Act), and the *Audit Guide*. Those standards, the Act, and the *Audit Guide* require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing,

and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance with the specified requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our modified opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Office's compliance with the specified requirements.

In our opinion, the Office complied with the specified requirements during the two years ended June 30, 2023, in all material respects. However, the results of our procedures disclosed instances of noncompliance with the specified requirements, which are required to be reported in accordance with criteria established by the *Audit Guide* and are described in the accompanying Schedule of Findings as items 2023-001 through 2023-003.

The Office's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The Office's responses were not subjected to the procedures applied in the examination and, accordingly, we express no opinion on the responses.

The purpose of this report is solely to describe the scope of our testing and the results of that testing in accordance with the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Report on Internal Control Over Compliance

Management of the Office is responsible for establishing and maintaining effective internal control over compliance with the specified requirements (internal control). In planning and performing our examination, we considered the Office's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Office's compliance with the specified requirements and to test and report on the Office's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the specified requirements on a timely basis. A material weakness in internal control is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2023-001 through 2023-003 that we consider to be significant deficiencies.

As required by the *Audit Guide*, immaterial findings excluded from this report have been reported in a separate letter.

The Office's responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The Office's responses were not subjected to the procedures applied in the examination and, accordingly, we express no opinion on the responses.

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing based on the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

JANE CLARK, CPA
Director of Financial and Compliance Audits

Springfield, Illinois
October 11, 2024

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2023

2023-001. **FINDING** (Inadequate Controls over State Property)

The Office of the Architect of the Capitol (Office) did not exercise adequate controls over the recording and reporting of State property.

During testing, we noted the following:

- For two of three (67%) equipment transfers out tested, totaling \$21,164, the Office was unable to provide supporting documentation. As a result, the auditors were unable to determine if necessary information was reported to the receiving agency or if the items were timely removed from property records.
- For 7 of 28 (25%) equipment additions tested, totaling \$29,874, the Office was unable to provide supporting documentation. As a result, the auditors were unable to determine if the items were timely added to the Office’s property records at the correct value.

The State Records Act (5 ILCS 160/8) requires the head of the Office to make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency designed to furnish information to protect the legal and financial rights of the State and of persons directly affected by the agency's activities.

- Five of 28 (18%) items selected for additions testing were recorded on the Office’s property records at an incorrect value resulting in an understatement of assets totaling \$6,919.

The Illinois Administrative Code (Code) (44 Ill. Admin. Code 5010.240 (e)(1)) states agencies must report the purchase price of equipment inventoried and states the purchase price is the price of the equipment delivered and installed (i.e., including delivery and installation costs, if any).

- Two of 26 (8%) items selected during list to floor testing, totaling \$2,604, appeared to be obsolete to the needs of the Office.

The Code (44 Ill. Admin. Code 5010.620 (a)) requires agencies to regularly survey their inventories for transferable equipment and report any such equipment to the Department of Central Management Services. Furthermore, the Code (44 Ill. Admin. Code 5010.610 (c)) states transferable equipment that is no longer serviceable should be scrapped, and any scrap having a market value should be sold.

STATE OF ILLINOIS
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SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2023

2023-001. **FINDING** (Inadequate Controls over State Property)

Office management indicated the issues noted were due to competing priorities.

Failure to maintain supporting documentation could lead to inaccurate reporting of property records. In addition, failure to include tax, delivery, and installations costs in the value of property items is noncompliance with the Illinois Administrative Code. Lastly, failure to review property on a regular basis for obsolete items may lead to unnecessary purchases of similar property items by agencies who could have used the items. (Finding Code No. 2023-001)

RECOMMENDATION

We recommend the Office ensure documentation is maintained to support the changes on its property records and items are recorded at their proper value. Further, we recommend the Office evaluate obsolete items and remove them from the Office and its property records in a timely manner.

OFFICE RESPONSE

Accept.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2023

2023-002. **FINDING** (Inadequate Controls over Employee Attendance Records)

The Office of the Architect of the Capitol (Office) did not exercise adequate controls over employee attendance records.

We reviewed attendance records for five employees and noted the following:

- Three employees (60%) did not submit leave requests for sick time used in a timely manner. We noted for the three employees, there were seven instances in which leave requests were submitted between 7 and 39 days after the leave time was taken.

According to the Office’s Operating Rules and Personnel Policy, employees must submit a completed leave request immediately upon returning to the office after an emergency or unexpected illness.

- For three employees (60%), we noted 14 instances in which leave requests for vacation, compensatory, or personal time were not approved prior to the time being used. The leave requests were approved between 8 and 47 days after the time was used.
- Of the 14 instances mentioned above, we noted 7 instances in which leave requests for vacation, compensatory, or personal time were not submitted for approval by the employee prior to the time being used. The leave requests were submitted between 2 and 9 days after the time was used.

According to the Office’s Operating Rules and Personnel Policy, employees must give advance notice of request to use vacation, compensatory, or personal time to their appropriate supervisor for approval.

Office management indicated the late submissions and approvals were due to oversight and competing priorities.

Failure to submit and approve employee absences in a timely manner results in noncompliance with the Office’s personnel rules and could result in time being used prior to it being earned, errors in employee leave balances, and inaccurate timekeeping reports. (Finding Code No. 2023-002)

RECOMMENDATION

We recommend the Office strengthen controls and ensure leave requests are submitted and approved timely.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2023

2023-002. **FINDING** (Inadequate Controls over Employee Attendance Records)

OFFICE RESPONSE

 Accept.

**STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2023**

2023-003. **FINDING** (Noncompliance with the Legislative Commission Reorganization Act of 1984)

The Office of the Architect of the Capitol (Office) did not comply with the Legislative Commission Reorganization Act of 1984 (Act).

During testing, we noted the following:

- The Office was unable to provide documentation to substantiate the budget request for the implementation of the master plan was submitted to the Capitol Historic Preservation Board for review and comment.

The Act (25 ILCS 130/8A-35) requires the Architect of the Capitol to submit all budget requests to implement the master plan that relate to areas of the legislative complex other than the State Capitol Building to the Capitol Historic Preservation Board for review and comment.

- The Office was unable to provide documentation to support the governing Board approved the final version of the Office’s Master Plan prior to the Plan being implemented.

The Act (25 ILCS 130/8A-15) requires the Office to submit to and receive approval from the Board of the Office of the Architect of the Capitol prior to the implementation of the master plan.

- The Office did not review all contracts for the repair, rehabilitation, construction, or alteration of the Legislative Complex entered into during the period.

The Act (25 ILCS 130/8A-30) allows the Office, upon approval of the Board of the Office of the Architect of the Capitol, to acquire land in Springfield, Illinois, within the area bounded by Washington, Third, Cook, and Walnut Streets and the land and State buildings and facilities within the area bounded by Madison, Klein, Mason, and Rutledge Streets for the purpose of providing space for the operation and expansion of the legislative complex or other State facilities. The Act further requires the Architect of the Capitol to review and either approve or disapprove all contracts for the repair, rehabilitation, construction, or alteration of all State buildings within the bounded area, except the Supreme Court Building and the Fourth District Appellate Court Building.

Office management indicated the issues noted in the first two bullets were due to oversight and competing priorities. In regards to the last bullet, Office management stated they have not received from the Illinois Secretary of State a list of all

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
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For the Two Years Ended June 30, 2023

2023-003. **FINDING** (Noncompliance with the Legislative Commission
Reorganization Act of 1984)

contracts entered into for the repair, rehabilitation, construction, or alteration of Illinois Secretary of State controlled buildings located within the boundary. Since they have not received the list of contracts, the Office is unable to review all contracts as required by the Act. Office management stated they have reached out to the Illinois Secretary of State several times with no resolution.

Failure to submit budget requests to the Capitol Historic Preservation Board and document governing Board approval of the master plan represents failure to perform a mandated duty. Failure to review all contracts reduces the effectiveness of governmental oversight and can lead to the misuse of State resources. (Finding Code No. 2023-003)

RECOMMENDATION

We recommend the Office strengthen controls over documentation and continue to reach out to the Illinois Secretary of State’s Office to obtain the listing of contracts as required by the Act.

OFFICE RESPONSE

Accept.

STATE OF ILLINOIS
OFFICE OF THE ARCHITECT OF THE CAPITOL
SCHEDULE OF FINDINGS – PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2023

A. **FINDING** (Noncompliance with Interagency Agreement)

During the prior examination, the Office of the Architect of the Capitol (Office) did not comply with its interagency agreement with the Capital Development Board (CDB). Specifically, auditors noted documentation of the Office’s vendor decisions and conclusions was not maintained, including the decision to award a contract without performing qualifications-based selection procedures. In addition, the Office did not report any communications relating to this contract to the Illinois Procurement Policy Board (PPB).

During the current examination, our sample testing indicated the Office complied with the CDB interagency agreement and timely performed qualifications-based selections and documented the decisions and conclusions for all three contracts awarded under the agreement during the current examination period. In addition, the Office did not have any procurement communications to report to the Illinois Procurement Policy Board so no exceptions were noted. (Finding Code No. 2021-001, 2019-002)