

## **REPORT DIGEST**

### **ILLINOIS COURT OF CLAIMS FINANCIAL AND COMPLIANCE AUDIT (In Accordance with the Single Audit Act of 1984 and OMB Circular A-128) FOR THE TWO YEARS ENDED JUNE 30, 1995**

#### **SYNOPSIS**

- Federal grant applications were prepared incorrectly resulting in \$1,047,307 not being awarded.
- Federal grant monies were not drawn down in a timely manner.
- Required reports to the U.S. Department of Justice were not prepared and submitted as required. This condition has existed since 1993.

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

## **INTRODUCTION**

The Court of Claims consists of seven judges appointed by the Governor with the advice and consent of the Senate. The Office of the Secretary of State provides employees to perform administrative, accounting, and clerical duties and to serve the function of Clerk of the Court. Five of the six compliance findings reported in this audit, including the three summarized in this Digest, related to the function of Clerk of the Court.

## **FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

### **FAILURE TO PREPARE GRANT APPLICATIONS CORRECTLY**

Federal grant applications were prepared incorrectly which resulted in an under-award of \$1,047,307 for the audit period. We noted \$4,017,000 in federal crime victims grants were awarded during the audit period. However, had proper grant certifications been prepared, \$5,064,307 could have been awarded during the audit period. (Finding 2, page 7)

We recommended federal grant certification forms be prepared in compliance with applicable federal grant guidelines.

Agency officials stated they accepted the recommendation. The individual responsible for filing the incorrect certifications has been replaced and is no longer employed by the Clerk's office. The correct certification amounts from previous years' grants have been calculated, and a request for back awards has been sent to the Department of Justice.

### **FAILURE TO REQUEST FEDERAL DRAWDOWNS IN A TIMELY MANNER**

Federal crime victims grant monies were not drawn down in a timely manner. We noted that drawdowns were requested at the end of the grant period, rather than at the beginning as the grant award allows. Thus, funds could have been received on an average of two years earlier. For fiscal year 1994, \$2,936,000 could have been drawn sooner. During fiscal year 1995, \$1,847,000 could have been requested sooner. (Finding 5, page 11)

We recommended that federal crime victim grant monies be requested as quickly as possible to more fully utilize federal funds and delay expending of State funds.

Agency officials stated they accepted the recommendation. The individual responsible for requesting of grant funds is no longer employed by the Clerk's office. The office has established the capability for electronic transfer of funds with the Treasurer's Office. In addition, the office now monitors crime victim payments more closely and is able to apply for reimbursement on a more timely basis.

### **FAILURE TO FILE REPORTS WITH THE U.S. DEPARTMENT OF JUSTICE**

Required reports to the U.S. Department of Justice were not prepared and submitted as required. **This finding has been repeated since 1993.** Two reports are required to be completed and

submitted to the Department of Justice on a quarterly basis until the grant is completely liquidated. These reports were not prepared. (Finding 6, page 72)

We recommended that required reports be filed in compliance with applicable federal regulations.

Agency officials stated they accepted the recommendation. As a result of the audit, measures have been taken to submit required reports as they are due. (For previous agency responses, see Digest Footnote 1).

### **OTHER FINDINGS**

The remaining findings and recommendations are less significant and are being given appropriate attention by the Agency. We will review progress toward implementing the recommendations during the Agency's next audit.

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WILLIAM G. HOLLAND, Auditor General

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### **SUMMARY OF AUDIT FINDINGS**

<u>Number of This Audit</u>	<u>Prior Audit</u>
Audit findings	61
Repeated audit findings	10
Prior recommendations implemented or not repeated	01

### **SPECIAL ASSISTANT AUDITORS**

Geary & Salisbury, LTD served as special assistant auditors for this audit.

### **DIGEST FOOTNOTES**

#### **#1: FAILURE TO FILE REPORTS WITH THE U.S. DEPARTMENT OF JUSTICE - Previous Agency Responses**

1993:Court of Claims: "The Court will follow the recommendation. The Court points out, however, that one cannot file a form it does not have."

Deputy Clerk: "In the future, if forms are not received for filing, this office will notify the Department of Justice prior to the filing deadline."

### **COURT OF CLAIMS**

### **FINANCIAL AND COMPLIANCE AUDIT**

**For The Two Years Ended June 30, 1995**

<b>EXPENDITURE STATISTICS</b>	<b>FY 1995</b>	<b>FY 1994</b>	<b>FY 1993</b>
<b>●Total Expenditures (All Funds)</b>	<b>\$23,365,476</b>	<b>\$21,568,303</b>	<b>\$12,361,377</b>
<u>OPERATIONS TOTAL</u> % of <b>Total</b> Expenditures	\$3,842,377 16.4%	\$5,401,425 25.0%	\$670,743 5.4%
Personal Services % of Operations Expenditures Average No. of Employees Part-Time Full-Time	\$674,812 17.6%  50 3	\$558,436 10.3%  48 3	\$530,892 79.1%  47 3
Other Payroll Costs (FICA, Retirement) % of Operations Expenditures	\$99,581 2.6%	\$81,541 1.5%	\$78,127 11.6%
Contractual Services % of Operations Expenditures	\$34,347 .9%	\$20,322 .4%	\$19,995 3.0%
Lump Sum and Other Purposes % of Operations Expenditures	\$3,006,694 78.2%	\$4,724,298 87.5%	\$26,200 3.9%
All Other Operations Items % of Operations Expenditures	\$26,943 .7%	\$16,828 .3%	\$15,569 2.4%
<u>GRANTS TOTAL</u> % of <b>Total</b> Expenditures	\$19,523,099 83.6%	\$16,166,878 75.0%	\$11,690,634 94.6%
<b>●Cost of Property and Equipment</b>	<b>\$136,324</b>	<b>\$128,000</b>	<b>\$126,702</b>

<b>SELECTED ACTIVITY MEASURES</b>	<b>FY 1995</b>	<b>FY 1994</b>	<b>FY 1993</b>
<b>●Filing Fees Collected</b>	\$8,950	\$7,375	\$9,155
<b>●Total Claims Awarded</b>	4,207	4,332	3,171
<b>●Total Claims Denied</b>	805	978	652
<b>●Total Claims Dismissed</b>	1,731	1,183	878

<b>CHIEF JUSTICE</b>
During Audit Period: Roger A. Sommer Currently: Roger A. Sommer