

**STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY**

**COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014**

Performed as Special Assistant Auditors for
The Auditor General, State of Illinois

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

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AGENCY OFFICIALS

BOARD OF TRUSTEES

Sunny Fischer, Chairperson
Daniel J. Arnold
Julia S. Bachrach
Jeanie Cooke
Melinda Spitzer Johnson
Gary L. Hammons (6/13/2013 through present)
Ted Flickinger (6/13/2013 through present)
Anthony Leone (7/1/2012 through 6/12/2013)
Shirley Potwood (7/1/2012 through 6/12/2013)

AGENCY OFFICIALS

| | |
|---------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Director | Amy Martin |
| Deputy Director | Vacant (1/20/2015 through present) Catherine Shannon (through 1/19/2015) |
| Executive Director, Abraham Lincoln Presidential Library and Museum | Eileen Mackevich |
| Chief Legal Counsel | Garth Madison |
| Chief Fiscal Officer | Vacant (5/1/2015 through present) Eddy Fisher – Acting (4/3/2005 through 4/30/2015) |
| Division Manager, Historic Sites | Alyson Grady (10/16/2012 through present) Catherine Shannon – Acting (7/1/2012 through 10/15/2012) |
| Division Manager, Preservation Services | Rachel Leibowitz (1/1/2014 through present) Michael Jackson (7/1/2012 through 12/31/2013) |
| Division Manager, Historical Library | Vacant (4/1/2015 through present)) Kathryn Harris (through 3/31/2015) |
| Division Manager, Executive Offices | Chris Wills (1/1/2014 through present) Vacant (3/1/2013 through 12/31/2013) Evelyn Taylor – Acting (7/1/2012 through 2/28/2013) |
| Division Manager, Administrative Services | Mike Norris (9/16/2013 through present) Vacant (7/27/2013 through 9/15/2013) Chuck Giger (7/1/2012 through 7/26/2013) |
| Chief Information Officer | Jeremy Tedrow (9/16/2013 through present) Vacant (7/1/2013 through 9/15/2013) Trey McGhee (7/1/2012 through 6/30/2013) |

STATE OF ILLINOIS
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AGENCY OFFICIALS

AGENCY LOCATIONS

Executive Office and Administrative Services
313 South Sixth Street
Springfield, IL 62701

Preservation Services
1 Old Capitol Plaza
Springfield, IL 62701

Abraham Lincoln Presidential Library & Museum
112-212 North Sixth Street
Springfield, IL 62701

Historic sites and memorials maintained by the Agency which are staffed include:

Apple River
Elizabeth, IL 61028

Lincoln Log Cabin
Lerna, IL 62440

Bishop Hill
Bishop Hill, IL 61419

Lincoln's New Salem
Petersburg, IL 62675

Black Hawk
Rock Island, IL 61201

Lincoln's Tomb
Springfield, IL 62702

Bryant Cottage
Bement, IL 61813

Lincoln-Herndon Law Office
Springfield IL 62701

Cahokia Courthouse
Cahokia, IL 62206

Metamora Courthouse
Metamora, IL 61548

Cahokia Mounds
Collinsville, IL 62234

Mt. Pulaski Courthouse
Mt. Pulaski, IL 62656

Carl Sandburg Home
Galesburg, IL 61401

Old State Capitol
Springfield, IL 62701

Dana-Thomas House
Springfield, IL 62704

Pierre Menard Home
Ellis Grove, IL 62241

David Davis Mansion
Bloomington, IL 61701

Postville Courthouse
Lincoln, IL 62656

Douglas Tomb
Chicago, IL 60616

Pullman State Historic Site
Chicago, IL 60628

Fort De Chartres
Prairie Du Rocher, IL 62277

Lewis & Clark State Historic Site
Hartford, IL 62048

Fort Kaskaskia
Ellis Grove, IL 62241

Shawneetown Bank State Historic Site
Old Shawneetown, IL 62984

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AGENCY OFFICIALS

Galena State Historic Site
Galena, IL 61036

Vachel Lindsay Home
Springfield, IL 62701

Jubilee College
Brimfield, IL 61517

Vandalia Statehouse
Vandalia, IL 62471

Historic sites and memorials maintained by the Agency which are not staffed include:

Albany Mounds
Albany, IL 61230

Kaskaskia Bell Memorial
Ellis Grove, IL 62241

Buel House
Golconda, IL 62938

Kincaid Mounds
Unionville, IL 62910

Campbell's Island
Rock Island, IL 61204

Korean War Memorial
Springfield, IL 62701

Crenshaw House
Equality, IL 62934

Lincoln Monument
Dixon, IL 61021

Emerald Mound
Lebanon, IL 62254

Lincoln Trail Memorial
Lawrenceville, IL 62439

Governor Bond Memorial
Chester, IL 62233

Lovejoy Memorial
Alton, IL 62002

Governor Cole Memorial
Edwardsville, IL 62025

Martin-Boismenu House
Carondolet, IL 62240

Governor Horner Memorial
Chicago, IL 60618

Moore Home
Charleston, IL 62440

Grand Village of the Illinois
Utica, IL 61373

Norwegian Settlers Memorial
Norway, IL 60551

Halfway Tavern
Iuka, IL 62849

Rose Hotel
Elizabethtown, IL 62931

Hofmann Tower
Lyons, IL 60534

Shawneetown Bank
Old Shawneetown, IL 62984

IL Vietnam Veterans Memorial
Springfield, IL 62702

Sugar Loaf
Collinsville, IL 62234

Jarrot Mansion
Cahokia, IL 62206

Wild Bill Hickok Memorial
Troy Grove, IL 61372

World War II Veterans Memorial
Springfield, IL 62702



**Illinois Historic
Preservation Agency**

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • www.illinois-history.gov

STATE COMPLIANCE EXAMINATION

MANAGEMENT ASSERTION LETTER

Crowe Horwath LLP
3201 W. White Oaks Dr., Suite 202
Springfield, IL 62704

May 5, 2015

Ladies and Gentlemen:

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, Historic Preservation Agency (Agency). 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 Agency's compliance with the following assertions during the two-year period ended June 30, 2014. Based on this evaluation, we assert that during the years ended June 30, 2013 and June 30, 2014, the Agency has materially complied with the assertions below, except as identified in the schedule of findings.

- A. The Agency 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 Agency 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 Agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the Agency are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the Agency on behalf of the State or held in trust by the Agency have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours truly,

Illinois Historic Preservation Agency



Amy Martin, Director



Garth Madison, Chief Legal Counsel

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

ACCOUNTANT'S REPORT

The Independent Accountant's Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes does not contain scope limitations or disclaimers, but does contain a qualified opinion on compliance and material weaknesses over internal control.

SUMMARY OF FINDINGS

| <u>Number of</u> | <u>Current Report</u> | <u>Prior Report</u> |
|---------------------------------------------------|---------------------------|-------------------------|
| Findings | 19 | 12 |
| Repeated findings | 9 | 9 |
| Prior recommendations implemented or not repeated | 3 | 8 |

SCHEDULE OF FINDINGS

| <u>Item No.</u> | <u>Page</u> | <u>Description</u> | <u>Finding Type</u> |
|-----------------------------|-------------|-----------------------------------------------------------------|-------------------------------------------------------|
| FINDINGS (STATE COMPLIANCE) | | | |
| 2014-001 | 12 | Property control weaknesses | Material Noncompliance and Material Weakness |
| 2014-002 | 16 | Inadequate controls over receipts and refunds | Material Noncompliance and Material Weakness |
| 2014-003 | 18 | Inadequate controls over investment of public funds | Material Noncompliance and Material Weakness |
| 2014-004 | 21 | Inadequate internal control certifications and risk assessments | Material Noncompliance and Material Weakness |

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SCHEDULE OF FINDINGS - Continued

| <u>Item No.</u> | <u>Page</u> | <u>Description</u> | <u>Finding Type</u> |
|-----------------------------------------|-------------|--------------------------------------------------------------|----------------------------------------------|
| FINDINGS (STATE COMPLIANCE) - Continued | | | |
| 2014-005 | 23 | Inadequate controls over historical artifacts | Material Noncompliance and Material Weakness |
| 2014-006 | 24 | Inadequate controls over grant administration and monitoring | Noncompliance and Significant Deficiency |
| 2014-007 | 26 | Lack of controls over monthly reconciliations | Noncompliance and Significant Deficiency |
| 2014-008 | 28 | Inadequate controls over petty cash funds | Noncompliance and Significant Deficiency |
| 2014-009 | 30 | Failure to develop a formal fraud risk assessment program | Noncompliance and Significant Deficiency |
| 2014-010 | 31 | Inadequate controls over travel expenditures | Noncompliance and Significant Deficiency |
| 2014-011 | 32 | Inadequate controls over accounts receivable | Noncompliance and Significant Deficiency |
| 2014-012 | 34 | Inadequate controls over cash on-hand | Noncompliance and Significant Deficiency |
| 2014-013 | 36 | Failure to conduct employee performance evaluations | Noncompliance and Significant Deficiency |
| 2014-014 | 37 | Lack of sexual harassment prevention training | Noncompliance and Significant Deficiency |
| 2014-015 | 38 | Failure to implement Identity Protection Act | Noncompliance and Significant Deficiency |

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SCHEDULE OF FINDINGS - Continued

| <u>Item No.</u> | <u>Page</u> | <u>Description</u> | <u>Finding Type</u> |
|-----------------------------------------|-------------|-----------------------------------------------------------------------|------------------------------------------|
| FINDINGS (STATE COMPLIANCE) - Continued | | | |
| 2014-016 | 39 | Failure to adhere to requirements for position appointments | Noncompliance and Significant Deficiency |
| 2014-017 | 40 | Inadequate administration of the Amistad and Freedom Tail Commissions | Noncompliance and Significant Deficiency |
| 2014-018 | 42 | Failure to comply with the Historical Sites Listing Act | Noncompliance and Significant Deficiency |
| 2014-019 | 43 | Failure to comply with the State Historical Library Act | Noncompliance and Significant Deficiency |
| PRIOR FINDINGS NOT REPEATED | | | |
| A | 45 | Inadequate controls over donations | |
| B | 45 | Inadequate controls over concession leases | |
| C | 45 | Inadequate documentation of employee leave time | |

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EXIT CONFERENCE

The Agency waived an exit conference in correspondence dated April 15, 2015. Responses to the recommendations were provided by Garth Madison, in correspondence dated May 5, 2015.

INDEPENDENT ACCOUNTANT'S REPORT ON STATE COMPLIANCE,
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

Honorable William G. Holland
Auditor General
State of Illinois

and

Members of the Board of Trustees

Compliance

As Special Assistant Auditors for the Auditor General, we have examined the State of Illinois, Historic Preservation Agency's (Agency) compliance with the 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, 2014. The management of the Agency is responsible for compliance with these requirements. Our responsibility is to express an opinion on the Agency's compliance based on our examination.

- A. The Agency 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 Agency 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 Agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the Agency are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the Agency on behalf of the State or held in trust by the Agency have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

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 as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the Agency's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

As described in items 2014-001 through 2014-005 in the accompanying schedule of findings, the Agency did not comply with requirements regarding: assertion C for items 2014-001 through 2014-005; assertion D for item 2014-002; and assertion E for items 2014-002 and 2014-003. Compliance with such requirements is necessary, in our opinion, for the Agency to comply with the requirements listed in the first paragraph of this report.

In our opinion, except for the noncompliance described in the preceding paragraph, the Agency complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2014. However, the results of our procedures disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of findings as items 2014-006 through 2014-019.

Internal Control

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the Agency's internal control over compliance with the requirements listed in the first paragraph of this report to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the requirements listed in the first paragraph of this report on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as items 2014-001 through 2014-005 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as items 2014-006 through 2014-019 to be significant deficiencies.

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

The Agency's responses to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the Agency's responses and, accordingly, we express no opinion on the responses.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information for the years ended June 30, 2014 and June 30, 2013 in Schedules 1 through 10 and the Analysis of Operations Section is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2014 and June 30, 2013 accompanying supplementary information in Schedules 1 through 4 and 6 through 10. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2014 and June 30, 2013 accompanying supplementary information in Schedule 5 and in the Analysis of Operations Section, and accordingly, we do not express an opinion or provide any assurance on it.

We have not applied procedures to the June 30, 2012 accompanying supplementary information in Schedules 3 through 9 and in the Analysis of Operations Section, and accordingly, we do not express an opinion or provide any assurance on it.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Agency's Board of Trustees and Agency management and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Crowe Horwath LLP". The signature is written in a cursive, flowing style.

Crowe Horwath LLP

Springfield, Illinois
May 5, 2015

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-001 **FINDING:** (Property control weaknesses)

The Historic Preservation Agency (Agency) did not maintain sufficient controls over its property and related fiscal records.

We noted the following:

- We tested two Agency Reports of State Property (Form C-15) submitted to the Illinois Office of the Comptroller (IOC) for June 30, 2013 and 2014. Due to the number of inaccuracies on the Forms C-15 tested, we were unable to examine the Schedule of Changes in State Property, a compliance schedule included in the examination report. Errors noted on Forms C-15 were as follows:
 - Total property value per the Agency's detailed property listing exceeded the amount reported on Form C-15 by \$19,927 and \$19,928 at June 30, 2013 and 2014, respectively.
 - Capital lease agreements in the amount of \$44,313 at June 30, 2013 and 2014 were not reported.
 - Equipment donations of \$31,040, which should have been classified as additions, were reported as transfers-in at June 30, 2014.
 - The Agency did not properly analyze Capital Development Board (CDB) turnover information to determine the amount to report as construction in progress (CIP). We tested two CDB projects recorded by the Agency as building additions of \$136,434 and \$61,206 as of June 30, 2013 and 2014, respectively, and determined the Agency should have recorded the projects as additions to CIP. Due to the lack of availability of detailed support for all CDB projects, we could not determine the dollar amount which should have been included as CIP on the quarterly reports.

The Statewide Accounting Management System (SAMS) Manual (Procedure 29.10.30) states Form C-15 should present the total cost of State property, by category, reflected on the agency's records.

Agency officials stated the issues were due to failure to research and correct errors noted when reconciling the Agency's detailed property listing to the Form C-15, oversight of SAMS Manual requirements, and human error when preparing Form C-15s.

- Two of five (40%) permanent improvements tested, totaling \$21,737 and \$83,510 for Fiscal Years 2013 and 2014, respectively, were not properly capitalized and reported on the Capital Asset Summary (Form SCO-538) in accordance with the SAMS Manual (Procedure 27.20.38). Agency officials stated the issue was due to human error when preparing Form SCO-538.
- Two of four (50%) CDB transfers-in tested, totaling \$24,354, were for projects not meeting the definition of a permanent improvement and, therefore, were inappropriately added to the Agency's detailed property listing, Form C-15 and Form SCO-538 for Fiscal Year 2013. One project was the removal of a fire damaged structure and the second project was mold inspection services. The

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

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CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-001 **FINDING:** (Property control weaknesses) – Continued

SAMS Manual (Procedure 11.50.30) defines permanent improvements as expenditures for the acquisition, enlargement, or improvement of existing buildings and structures (other than repairs). Agency officials stated the projects were added to the Agency's detailed property listing as a method of tracking all CDB transfers-in without taking into consideration that some of the transfers-in would not be considered property and non-property items should not be included on the detailed property listing.

- For three of four (75%) CDB transfers-in tested, totaling \$179,588, the Agency did not maintain support to document the Agency's approval of CDB performing the project on behalf of the Agency. The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation. A strong system of internal controls would include procedures requiring supervisory approval of projects performed by CDB on behalf of the Agency. Agency officials stated the lack of support to document the Agency's approval of CDB projects was due to oversight that formal documentation of approval should be maintained.
- Twelve of 44 (27%) equipment vouchers tested, totaling \$7,140, included 58 property items not added to the Agency's detailed property listing. In addition, 2 of 44 (5%) equipment vouchers tested, totaling \$4,284, included two items added to the Agency's detailed property listing, but not reported on the Annual Certification of Property and Discrepancy Report submitted to Department of Central Management Services (CMS) for Fiscal Year 2013. The State Property Control Act (30 ILCS 605/6.02) (Act) requires the Agency to maintain a permanent record of all items of property under its jurisdiction and control. The Act also requires the Agency to submit a listing of the permanent property records to CMS on an annual basis. Agency officials stated the equipment vouchers not added to the Agency's detailed property listing or reported on the Annual Certification of Property and Discrepancy Report was due to oversight and a clerical error.
- The Agency did not securely maintain computers held for transfer to CMS. We observed 25 unused computers held in an area to which Agency employees had general access. Effective computer security controls provide for safeguarding of computer hardware and data. Agency officials stated not securely maintaining computers held for transfer to CMS was due to oversight of their susceptibility to theft.
- The Agency did not timely record 14 of 40 (35%) equipment additions tested, totaling \$69,913. The additions were recorded in the Agency's detailed property listing from 2 to 1,752 days late. For an additional 12 of 40 (30%) equipment additions tested, totaling \$8,123, the Agency did not maintain sufficient support to determine whether the Agency's detailed property listing was updated to reflect the addition within 30 days of acquisition. The Illinois Administrative Code (Code) (44 Ill. Adm. Code 5010.400) requires agencies to adjust property records within 30 days of acquisition, change, or deletion of equipment items. Agency officials stated not updating property records within 30 days or maintaining appropriate documentation was due to staff shortages in the area responsible for performing the updates.

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CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-001 **FINDING:** (Property control weaknesses) – Continued

- The Agency did not timely record 10 of 40 (25%) equipment deletions tested totaling \$86,852. The deletions were recorded in the Agency's detailed property listing from 5 to 511 days late. For an additional 12 of 40 (30%) equipment deletions tested, totaling \$7,969, the Agency did not maintain sufficient support to determine whether the Agency's detailed property listing was updated to reflect the deletion within 30 days of removal. The Illinois Administrative Code (Code) (44 Ill. Adm. Code 5010.400) requires agencies to adjust property records within 30 days of acquisition, change, or deletion of equipment items. Agency officials stated not updating property records within 30 days or maintaining appropriate documentation was due to staff shortages in the area responsible for performing the updates.
- The Agency's Fiscal Year 2013 Real Property Utilization Report submitted to CMS did not include a list of improvements made to real property during the fiscal year or the source of funds used to acquire the property. During Fiscal Year 2013, the Agency's permanent improvement expenditures and CDB transfers-in totaled \$123,032 and \$1,241,302, respectively. The State Property Control Act (Act) (30 ILCS 605/7.1(b)) requires the Annual Real Property Utilization Report to include a list of improvements made to real property during the previous fiscal year and the source of funds used to acquire the property. Agency management stated not reporting all required information in the Real Property Utilization Report was due to employee turnover.

The Act (30 ILCS 605/4) requires the Agency to be accountable for the supervision, control, and inventory of all property under its jurisdiction and control. In addition, Section 6.02 of the Act requires each responsible officer to maintain a permanent record of all items of property under his or her jurisdiction and control and Section 6.03 requires the records to include information necessary for its proper identification. The Act (30 ILCS 605/7.3) further instructs responsible officers to periodically report all transferable property to the Administrator (CMS). A system of strong internal controls requires a supervisory review process to ensure checks and balances are in place to detect and correct clerical, technical, and other errors. Lastly, the State Records Act (5 ILCS 160/9) requires agencies to establish and maintain a program for agency records management, which should include effective controls over maintenance of records.

Failure to exercise adequate control over equipment increases the potential for fraud and possible loss or theft of State property, is noncompliance with the Act, the Code and SAMS, and resulted in inaccurate property and fixed asset reporting. (Finding Code No. 2014-001, 12-5, 10-4, 08-14)

RECOMMENDATION:

We recommend the Agency strengthen controls over property and equipment to comply with applicable laws and regulations. Specifically, the Agency should implement procedures to ensure all equipment transactions are recorded timely and accurately. We further recommend the Agency include a supervisory review process in its procedures to ensure clerical, technical, and other errors are promptly detected and corrected. The Agency should implement procedures to ensure accurate Annual Certification of Property and Discrepancy and Real Property Utilization Reports are filed with CMS. Lastly, the Agency should review its procedures for the capitalization of permanent improvements and CDB transfers-in.

STATE OF ILLINOIS
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COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-001 **FINDING:** (Property control weaknesses) – Continued

RESPONSE:

We concur with the recommendation that controls should be strengthened in regards to property control and reporting, and will request sufficient staffing to implement the recommendation.

STATE OF ILLINOIS
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COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-002 **FINDING:** (Inadequate controls over receipts and refunds)

The Historic Preservation Agency (Agency) did not maintain adequate internal controls over receipts and refunds.

As of June 30, 2013 and 2014, the Agency collected cash receipts of \$4.4 million and \$4.7 million, respectively, including refunds of \$460 thousand and \$32 thousand, respectively. During our testing, the following conditions were noted:

- The Agency did not maintain proper segregation of custody and recordkeeping duties over receipt collection and processing. One employee was responsible for: 1) recording receipts in the receipts ledger, 2) preparing receipt deposit transmittals (RDTs), and 3) depositing funds into the State Treasury as one of two employees assigned this duty.
- Sixty of 60 (100%) RDTs tested were not independently reviewed or approved before transmission to the Illinois Office of the Comptroller (IOC).
- Twenty-eight of 60 (47%) RDTs tested and 2 of 6 (33%) refunds tested did not include documentation to support the date the check was received. Therefore, timeliness of the deposit could not be determined.
- Nine of 60 (15%) RDTs tested did not contain sufficient documentation to determine if the receipt amount was accurate. The receipts were Abraham Lincoln Presidential Library and Museum (ALPLM) admission fees paid by visitor credit cards. The Agency was unable to provide supporting documentation to reconcile the credit card receipts to the amount deposited in the State Treasury.
- Two of 60 (3%) RDTs tested included incorrect IOC submission dates. Therefore, timely submission of the RDT to the IOC upon receipt of the Treasurer's Draft could not be determined.

The Fiscal Control and Internal Auditing Act (Act) (30 ILCS 10/3001) requires agencies to "establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation." Management has ultimate responsibility for the Agency's internal control over reporting of financial information. This responsibility should include an adequate system of review of the completeness and accuracy of the Agency's financial records. In addition, the State Records Act (5 ILCS 160/9) requires agencies to establish and maintain a program for agency records management, which shall include effective controls over maintenance of records.

The State Officers and Employees Money Disposition Act (30 ILCS 230/2) requires the Agency to keep proper books detailing an itemized account of all moneys received for or on behalf of the State of Illinois. The detail is required to include the date of receipt, the payor, purpose and amount, and the date and manner of disbursement.

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COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-002 **FINDING:** (Inadequate controls over receipts and refunds) – Continued

The Statewide Accounting Management System (SAMS) Manual (Procedure 25.10.30) requires the State Treasurer to remit collected funds to the agency by Treasurer's Draft and the draft to be remitted to the Comptroller to be ordered into the appropriate fund. Prudent business practice dictates this process should be performed in a timely manner.

Agency officials stated lack of segregation of duties over processing of receipts and refunds, lack of supporting documentation being maintained, errors, and failure to submit receipts to the IOC in a timely manner were due to staffing shortages as well as oversight.

Failure to maintain proper segregation of duties may result in theft or misappropriation of assets which may not be prevented or detected. In addition, lack of controls over the preparation and review of receipts and refunds may lead to the submission of untimely or inaccurate financial information to the IOC. (Finding Code No. 2014-002)

RECOMMENDATION:

We recommend the Agency establish proper segregation of duties over the receipts process, perform supervisory review over all reporting and transaction processing, and maintain documentation to support receipt and refund activities and the related reviews performed.

RESPONSE:

We concur that additional segregation of duties is necessary, and will request sufficient staffing to implement the recommendation.

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COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-003 **FINDING:** (Inadequate controls over investment of public funds)

The Historic Preservation Agency (Agency) did not exercise adequate controls over its investment of public funds activities.

The Agency maintained a locally held fund to hold its investments. The locally held fund included cash and investments related to estate proceeds and Abraham Lincoln Presidential Library Foundation Public Trust contributions. As of June 30, 2013 and 2014, the balances in the locally held fund were \$2,673,506 and \$2,973,272 respectively.

During our testing, we noted the Agency implemented an investment policy related to the investment of the estate proceeds totaling \$2,421,905 and \$2,771,040 as of June 30, 2013 and 2014, respectively. However, the Agency did not comply with the policy as follows:

- The Agency did not maintain support documenting the Agency Director's (Director) selection and the Board of Trustees' (Board) approval of the money management firm responsible for investing the locally held funds.
- The funds were not invested by the Director with assistance of the money management firm. We noted the Agency's Chief Fiscal Officer worked with the money management firm to make all investment related decisions with no Director oversight.
- The Agency did not monitor investments to determine compliance with the policy's investment allocation requirements. At June 30, 2013 and 2014, 58% and 64% of funds, respectively, were invested in mutual funds. The underlying holdings of the mutual funds consisted of between 68% and 95% equity investments.

The Agency's estate proceeds investment policy requires the money management firm be selected by the Director and approved by the Board. The policy also requires the funds be invested by the Director with the assistance of the money management firm. Additionally, the policy requires no more than 30% of the funds be invested in equity investments. Agency officials stated the individual broker associated with the money management firm was selected by the Director and approved by the Board in 1995, but the broker moved to a new money management firm at a subsequent date. The lack of Board approval for the money management firm change was due to oversight. The issue related to investments not being managed by the Director with assistance of the money management firm was attributed to oversight of the requirement included in the policy. Failure to monitor investments for investment policy compliance was due to the Agency's assumption the money management firm would ensure the investment allocation met the policy requirements.

We noted the Agency did not implement an investment policy related to the investment of funds received from the Abraham Lincoln Presidential Library Foundation Public Trust. By default, these funds were subject to the State Agency Investment Policy For Investments Not Under the Control of the State Treasurer (State Agency Investment Policy) developed by the Office of the Illinois State Treasurer (Treasurer). We noted the Agency was not in compliance with the policy as follows:

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CURRENT YEAR FINDINGS
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2014-003 **FINDING:** (Inadequate controls over investment of public funds) – Continued

- The money management firm utilized by the Agency was not listed as an approved broker by the Treasurer.
- The Agency did not maintain an adequate system of internal controls over investment of public funds. We noted the Agency's Chief Fiscal Officer worked with the money management firm to make all investment related decisions. No segregation of duties or oversight of the Chief Fiscal Officer's investment responsibilities was in place.

Section 1.0 of the State Agency Investment Policy states the policy applies to any State Agency investment not under the control of the State Treasurer for which no other specific investment policy exists. Section 4.0 of the State Agency Investment Policy limits investment broker/dealers with which State Agencies may do business to those approved by the Treasurer. Section 10.0 of the State Agency Investment Policy requires controls be in place to prevent the loss of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by authorized investment officers. Agency officials stated the issues noted were due to the Agency operating under the assumption the investment policy related to estate proceeds covered the Abraham Lincoln Presidential Library Foundation Public Trust. As a result, the Agency did not realize they needed to use a broker approved by the Treasurer. In addition, staffing shortages prohibited segregation of duties over investment responsibilities.

We also noted the Agency did not post the following investment related information to its website:

- Total monthly investment income and yield for all funds invested.
- Name of the Agency's approved broker.

The Accountability for the Investment of Public Funds Act (Act) (30 ILCS 237) requires Agencies with authority to invest public funds report by the 15th of each month on the Internet the amount of funds held by the Agency on the last day of the preceding month or the average daily balance for the preceding month, total monthly investment income and yield for all funds invested, the asset allocation of the investments made by the Agency and the Agency's approved broker. Agency officials stated the issues noted were due to oversight of the requirement to report investment information on the Agency's website.

Failure to comply with the Agency's estate proceeds investment policy and the State Agency Investment Policy could result in loss of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by authorized investment officers.

Failure to comply with the Act's provisions for public posting of investment information limits transparency related to the investment of public money by the State. (Finding Code No. 2014-003)

RECOMMENDATION:

We recommend the Agency comply with its estate proceeds investment policy by establishing and maintaining documentation verifying the money management firm was selected by the Director and approved

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CURRENT YEAR FINDINGS
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2014-003 **FINDING:** (Inadequate controls over investment of public funds) – Continued

by the Board, by ensuring the Director works with the money management firm to make investment decisions, and by ensuring the allocation of investments complies with the investment policy.

Additionally, we recommend the Agency develop an investment policy related to the funds received from the Abraham Lincoln Presidential Library Foundation Public Trust or ensure compliance with the State Agency Investment Policy. If complying with the State Agency Investment Policy, the Agency should ensure the money management firm is listed as an approved broker by the Treasurer and proper controls are established.

Lastly, we recommend the Agency comply with the requirements of the Act to ensure transparency of the Agency's investment of public funds by posting the required information on its website by the 15th of each month.

RESPONSE:

We concur with the recommendation.

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COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-004 **FINDING:** (Inadequate internal control certifications and risk assessments)

The Historic Preservation Agency (Agency) did not prepare complete internal control certifications as required by the Fiscal Control and Internal Auditing Act (Act) and did not perform adequate assessments of operational risks.

Internal control certifications filed with the Illinois Office of the Auditor General (OAG) for Fiscal Years 2013 and 2014 indicated the Agency identified material weaknesses in the Agency's system of internal fiscal and administrative controls; however, the Agency failed to prepare or report any material weaknesses in its system of fiscal and administrative controls and did not describe its plans and schedule for correcting the weaknesses. The Agency certified that an evaluation of internal fiscal and administrative controls was conducted in a thorough and conscientious manner and referenced Attachments A and B, a summary of material weaknesses and the corrective action plan, which had not been prepared or attached.

In addition to failing to assess its fiscal and administrative control risks as required by the Act, we further noted the Agency did not perform adequate assessments of specific risks associated with its operations, including risks which are qualitative in nature and may include loss of historical artifacts on loan and historical site safety. Qualitative risks may not be quantifiable in monetary terms.

The Fiscal Control and Internal Auditing Act (Act) (30 ILCS 10/3003) requires all State agencies to prepare an annual certification regarding the systems of internal fiscal and administrative controls of the Agency. Further, the Act states "If the systems do not fully comply with the requirements of this Act, the certification shall include a report describing any material weaknesses in the systems of internal fiscal and administrative controls and the plans and schedule for correcting the weaknesses, or a statement of the reasons why the weaknesses cannot be corrected." Prudent business practices require the Agency to assess all risks and address the mitigation of all material risks, including qualitative risks which may not be quantifiable.

Agency management stated the internal control certifications information was excluded due to oversight. Due to staffing shortages, the Agency prioritized responsibilities and intended for an internal auditor to develop and implement a formal risk assessment program. Reduced State funding prevented the Agency from filling the internal auditor position.

In the previous examination, the Agency failed to file an internal control certification for Fiscal Year 2011. Our testing found Fiscal Years 2013 and 2014 certifications were filed annually and in a timely manner. Although management had filed the required certification letters to address the prior finding, management did not complete a thorough, conscientious internal control evaluation, risk assessment, or corrective action plan as certified due to lack of resources, time, and attention to internal control and risk assessment.

Failure to assess and report material weaknesses in the Agency's operations and systems of internal fiscal and administrative controls may result in the Agency's failure to identify and address significant risks in a timely manner. An adequate assessment of material risks can help an agency determine where to focus limited resources to avoid catastrophic losses, significant reputational damage and help ensure continuity of key operational objectives. (Finding Code No. 2014-004, 12-8, 10-12)

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CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-004 **FINDING:** (Inadequate internal control certifications and risk assessments) –
Continued

RECOMMENDATION:

We recommend the Agency conduct thorough, conscientious, annual evaluations of internal fiscal and administrative controls, as well as annual risk assessments of operational threats. We further recommend the Agency comply with the Act by documenting the results of its annual internal control certification process, reporting any material weaknesses to the OAG including its plans and schedule for correcting the weaknesses, or provide a statement of the reasons why the weaknesses cannot be corrected.

RESPONSE:

We concur with the recommendation.

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CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-005 **FINDING:** (Inadequate controls over historical artifacts)

The Historic Preservation Agency (Agency) failed to maintain adequate internal controls over historical artifacts.

The Agency is responsible for the protection and interpretation of Illinois' history and historic resources, including the Abraham Lincoln Presidential Library and Museum and 56 historically significant sites representing over 2,000 years of human history across Illinois. The Agency collects and preserves historically important materials and maintains an artifact collection of more than 40,000 items.

The Agency used an electronic catalog system to track historical artifacts. No independent review of items added to or removed from the system was performed. In addition, during our testing of historical artifacts, we noted approximately 500 rare coins, acquired over several years, were not cataloged in the system. The number of all historical items not cataloged could not be determined.

The State Property Control Act (Act) (30 ILCS 605/4) requires the Agency to be accountable for the supervision, control and inventory of all property under its jurisdiction and control. The Act (30 ILCS 605/6.02) also requires each responsible officer to maintain a permanent record of all items of property under his or her jurisdiction and control. In addition, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation.

Agency officials stated the issues noted were due to multiple Agency divisions using the electronic catalog system without comprehensive oversight.

Good internal controls would require segregation of duties for record keeping and approval of additions and deletions to the artifact catalog to ensure accountability for all historical items and to prevent missing entries which could result in an undetected loss or theft. (Finding Code No. 2014-005)

RECOMMENDATION:

We recommend the Agency perform an inventory of all historical artifacts maintained and ensure each artifact is cataloged in the electronic catalog system. In addition, the Agency should implement internal controls requiring additions and deletions to the artifacts catalog be independently reviewed and approved.

RESPONSE:

We concur and will request that the currently vacant curator position be filled to implement the recommendation.

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COMPLIANCE EXAMINATION
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CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-006 **FINDING:** (Inadequate controls over grant administration and monitoring)

The Historic Preservation Agency (Agency) did not exercise adequate controls over its administration of grants.

The Certified Local Government Program (CLG) awards grants to local governments as a means of preserving cultural landmarks. During our testing of four CLG grant agreements totaling \$57,700, we noted the following:

- The Agency did not sufficiently enforce timeliness of grantee report submissions for three of four (75%) grant agreements tested totaling \$36,700. We noted 18 progress status reports were submitted by grantees between 4 and 313 days after the required due date.
- The Agency did not sufficiently document its review of 19 of 38 (50%) progress status reports tested totaling \$26,200. For 11 of 38 (29%) progress status reports tested, there was no evidence of review. In addition, for 8 of 38 (21%) progress status reports tested, reports were not reviewed in a timely manner. Reports were reviewed between 41 and 307 days after submission.
- The Agency did not maintain required documentation in accordance with the grant guidelines for two of four (50%) grants tested totaling \$36,000. The missing documentation included the CLG Grants Selection Scoring Tool forms required by the Agency's CLG Grants Manual for two grants tested and three progress status reports for one grant tested.

Many of the Agency's awards and grants are funded by the Federal government. Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations", Section 400 (d) states, "A pass-through entity shall monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved." The State Records Act (5 ILCS 160/8) requires agencies to make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency to furnish information to protect the legal and financial rights of the State and of persons directly affected by the agency's activities. Finally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation.

During the prior examination, the Agency indicated it had revised grant agreements to include the required provisions and certifications and it would review procedures for grant agreement amendments to ensure changes were documented, justified, and appropriate. During the current examination, we noted the grant agreements tested included all required provisions and certifications, and amendments tested were documented, justified, and appropriate. Though the Agency indicated during the prior examination it would reinforce with staff and grantees the requirement to provide timely progress reports, the Agency stated the timeliness of grantee progress report submissions was not sufficiently enforced during the current examination period due to staffing changes.

Agency officials stated the issues were primarily due to oversight and staffing changes.

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CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-006 **FINDING:** (Inadequate controls over grant administration and monitoring) –
Continued

Failure to obtain required reports timely from grantees impedes the Agency's ability to assess the effectiveness of its programs and the propriety of the grantee's expenditures. Failure to maintain and review records to substantiate the grantee met all grant agreement requirements could inhibit the State's ability to recover unexpended grant funds and result in inappropriate expenditures. (Finding Code No. 2014-006, 12-1, 10-1, 08-1)

RECOMMENDATION:

We recommend the Agency implement controls to ensure Agency grant monitors require grantees to submit required reports timely and follow up on late reports. We also recommend the Agency require its grant monitors to timely review all submitted reports to ensure grant funds are being expended as intended. Furthermore, we recommend the Agency implement controls to ensure all documentation required is obtained and maintained.

RESPONSE:

We concur with the recommendation.

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COMPLIANCE EXAMINATION
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CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-007 **FINDING:** (Lack of controls over monthly reconciliations)

The Historic Preservation Agency (Agency) did not maintain adequate controls over monthly appropriation, cash receipt, and cash balance reconciliations.

The Agency expended \$22.966 million and \$24.024 million and receipted \$4.391 million and \$4.722 million from four funds in Fiscal Years 2013 and 2014, respectively. During our testing of Fiscal Year 2013 and 2014 reconciliations between Illinois Office of the Comptroller (IOC) records and Agency records, we noted the following:

- Monthly Revenue Status Report (SB04) reconciliations were not performed during the examination period.

The Statewide Accounting Management System (SAMS) Manual (Procedure 25.40.20) requires the Agency to perform a monthly reconciliation of receipt account balances and notify the IOC of any irreconcilable differences.

- Six of 6 (100%) Monthly Appropriation Status Report (SB01) reconciliations tested were not dated as to when the reconciliations were performed.
- Six of 6 (100%) SB01 reconciliations tested were not independently reviewed.

The SAMS Manual (Procedure 11.40.20) requires the Agency to perform a monthly reconciliation of the unexpended budget authority balance per agency records to SAMS and notify the IOC of any irreconcilable differences.

- Five of 5 (100%) Cash Report (SB05) reconciliations tested were not dated as to when the reconciliations were performed.
- Five of 5 (100%) SB05 reconciliations tested lacked documentation of supervisory review.

The SAMS Manual (Procedure 09.40.30) requires the Agency to perform a monthly reconciliation of cash balances on a timely basis and notify the IOC of any discrepancies to ensure early detection and correction of errors. SAMS requires the reconciliations to be conducted and differences reported to the IOC within 30 days of the end of each month.

- Due to the lack of adequate documentation of preparation dates and review, it could not be determined if the reconciliations were performed or reviewed timely or by the appropriate individuals.

Prudent business practice requires proper internal controls, such as timely supervisory reviews and segregation of duties between the preparer and supervisor, be established to ensure the accuracy and reliability of accounting data.

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CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-007 **FINDING:** (Lack of controls over monthly reconciliations) – Continued

Agency officials stated SB04 reconciliations were not prepared as staffing shortages limited the Agency's ability to perform adequate research of SAMS Manual requirements for SB04 reconciliations. Management also stated reconciliations were not dated due to oversight. Agency officials further stated reconciliations were not independently reviewed as the Agency did not deem it necessary due to the lack of issues noted on the reconciliations.

Failure to timely prepare and review appropriation, cash receipt, and cash balance reconciliations could lead to unresolved differences between Agency and Comptroller records, inaccurate financial reporting, and undetected loss or theft. Failure to document the date of reconciliation preparation and review leads to an incomplete audit trail and limits the Agency's ability to support their compliance. (Finding Code No. 2014-007)

RECOMMENDATION:

We recommend the Agency ensure appropriation, cash receipt, and cash balance reconciliations are performed and reviewed timely and the responsibility for those functions is segregated. In addition, we recommend the Agency maintain documentation to support the timely completion and review of reconciliations.

RESPONSE:

We concur and will request sufficient staffing to implement the recommendation.

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COMPLIANCE EXAMINATION
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CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-008 **FINDING:** (Inadequate controls over petty cash funds)

The Historic Preservation Agency (Agency) did not maintain adequate internal controls over its petty cash funds.

The Agency maintained 20 and 19 petty cash funds during Fiscal Years 2013 and 2014, respectively. During our testing, we noted the following:

- The Agency did not properly complete the Petty Cash Internal Control Certification (Form C-86) as the preparer did not review sufficient documentation to support an attestation for each item listed on Form C-86, as required.

The Statewide Accounting Management System (SAMS) Manual (Procedure 09.10.40) states a Form C-86 must be submitted biennially to the Illinois Office of the Comptroller (IOC) for all petty cash funds over \$100 and annually for petty cash funds receiving reimbursements of \$5,000 or more in a fiscal year. The certification must be prepared by someone other than the custodian. The independent preparer should review sufficient records to support an attestation for each item listed in the certification.

- Seven of 20 (35%) and 15 of 19 (79%) petty cash funds during Fiscal Years 2013 and 2014, respectively, were not maintained at the proper dollar level, with no explanation provided to the IOC.

SAMS Manual (Procedure 09.10.40) states an Annual Petty Cash Fund Usage Report (Form C-18), documenting the petty cash fund turnover rate, should be completed annually. According to SAMS, the petty cash fund should turn over approximately six times annually to maintain the proper funding level. If the Form C-18 indicates an increase in the fund is needed, the Agency may request an increase up to \$1,000, subject to IOC approval. If the Form C-18 indicates insufficient activity to support the present dollar level of the fund, a reduction should be made accordingly. If the turnover rate is less than six times annually and the custodian wishes to maintain the current fund level, an explanation should be attached to the C-18 Report stating why the current level of the fund is needed.

- Three of 60 (5%) petty cash vouchers tested did not contain documentation to support an independent review and approval for reimbursement to the petty cash funds.

The SAMS Manual (Procedure 09.10.40) states someone other than the custodian should examine petty cash vouchers and approve reimbursement to the petty cash fund.

During the prior examination period, the auditors also noted petty cash payments totaled over \$50 to the same vendor on the same date and time, but the purchases were separated to keep the amount under \$50 which would indicate a stringing of purchases. Based on our testing, we noted no purchases that appeared to be stringing in the current examination. In addition, petty cash audits were not performed for two funds in Fiscal Year 2011 and 2012. In the current examination, petty cash audits were performed for all funds. Finally, a change fund was not reconciled daily in the prior period as required. In the current examination, we noted change funds were reconciled daily as required.

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CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-008 **FINDING:** (Inadequate controls over petty cash funds) – Continued

Agency officials stated inadequate staffing levels prevented Agency staff from reviewing sufficient documentation to ensure Forms C-86 were adequately supported. Not maintaining petty cash funds at the proper dollar level was attributed to oversight of SAMS Manual requirements. Agency officials indicated the lack of documentation to support an independent review and approval of reimbursements to the petty cash funds was also due to staffing shortages.

Lack of controls over petty cash increases the likelihood that a loss from errors and irregularities could occur and not be detected in the normal course of employees carrying out their assigned duties. (Finding Code No. 2014-008, 12-10)

RECOMMENDATION:

We recommend the Agency improve its controls over petty cash to ensure the preparation of Form C-86 is completed with a sufficient review of records, as appropriate. In addition, we recommend the Agency monitor the petty cash fund turnover rate to ensure the fund is maintained at a proper dollar level. Lastly, we recommend the Agency improve its controls over petty cash reimbursement vouchers to ensure a proper review is completed and documented.

RESPONSE:

We concur and will request sufficient staffing to implement the recommendation.

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COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-009 **FINDING:** (Failure to develop a formal fraud risk assessment program)

The Historic Preservation Agency (Agency) did not develop a formal, adequate fraud risk assessment program.

The Agency managed expenditures of \$23 and \$24 million in Fiscal Years 2013 and 2014, respectively. The Agency relied on current internal controls to identify and mitigate significant fraud risks. However, we noted the Agency did not establish a formal risk assessment program with a comprehensive, written risk assessment policy to assess specific risks associated with fraud.

The Fiscal Control and Internal Auditing Act (Act) (30 ILCS 10/3001) requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that: (1) resources are utilized efficiently, effectively, and in compliance with applicable law; (2) obligations and costs are in compliance with applicable law; (3) funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation. Additionally, it is management's responsibility to identify and mitigate significant fraud risks. Therefore, agencies should implement a formal, written policy regarding the evaluation of fraud risk and a system of controls designed to prevent and detect significant risks, including potential fraudulent activity within its organization. Preparing a written policy will serve to document the Agency's awareness and responsibility for fraud risk identification and mitigation, as well as specific activities necessary to address significant, specific fraud risk factors.

Agency management stated they were unaware the checks and balances established by their Fiscal Division, including voucher reviews and monthly budget versus actual analyses, may not be adequate to minimize risk. In addition, officials stated that due to staffing shortages, the Agency prioritized responsibilities and intended for an internal auditor to develop and implement a formal risk assessment program. Reduced State funding prevented the Agency from filling the internal auditor position.

Without an adequate program to identify and address fraud risks specific to the Agency, certain risks of fraud may go undetected and could result in misstatements in the Agency's financial reporting, misappropriation of Agency assets, or significant reputational damage. (Finding Code No. 2014-009)

RECOMMENDATION:

We recommend management establish an ongoing fraud risk assessment program. We specifically recommend the Agency implement a formal written policy regarding the evaluation of fraud risk and a system of controls to help prevent and detect significant risks of fraudulent activity within its organization. The Agency should ensure the risk assessment program includes evaluating whether appropriate internal controls have been implemented in any areas identified as posing a higher risk of fraudulent activity. In addition, the Agency's executive staff should evaluate management's identification of significant fraud risks and the implementation of fraud risk prevention measures.

RESPONSE:

We concur with the recommendation.

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COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-010 **FINDING:** (Inadequate controls over travel expenditures)

The Historic Preservation Agency (Agency) did not maintain adequate controls over its travel expenditures.

We noted the following during testing:

- Seven of 60 (12%) travel vouchers tested, totaling \$1,364, were not approved by the traveler's immediate supervisor. The Illinois Administrative Code (Code) (80 Ill. Adm. Code 2800.250) requires each travel voucher to be first approved by the individual's immediate supervisor, who shall certify the travel was required by official duties.
- Three of 60 (5%) travel vouchers tested were submitted between 66 and 186 days after the last day of travel. The Internal Revenue Service (IRS) Publication 535 requires employee travel expense reimbursements to be considered taxable wages if the travel expenses are not submitted within a reasonable period, usually within 60 days of the expense being incurred.
- The Agency submitted 2 of 4 (50%) Travel Headquarters (TA-2) reports to the Legislative Audit Commission (LAC) between 16 and 175 days late. The State Finance Act (30 ILCS 105/12-3), requires the TA-2 reports to be completed and filed with the LAC for any individual whose headquarters has been designated as a location other than that at which official duties require the largest part of working time. The TA-2 reports shall be filed no later than July 15 for the period from January 1 through June 30 of that year and no later than January 15 for the period of July 1 through December 31 of the preceding year.

Agency management stated the issues noted were mainly due to oversight and employee turnover.

Failure to submit travel vouchers in a timely manner may distort travel expenditures from month to month and, according to IRS Publication 535, employee travel expense reimbursements should be considered taxable wages if the travel expenses are not submitted within a reasonable period of time. Failure to exercise adequate internal controls over payments of travel expenditures and inadequate reviews of travel vouchers increases the risk that errors, irregularities, and unnecessary expenditures will occur and not be detected. Failure to ensure required reports are filed timely is noncompliance with State statute and lessens the efficiency of State operations. (Finding Code No. 2014-010, 12-3)

RECOMMENDATION:

We recommend the Agency ensure travel vouchers are timely submitted and approved, and are completed in accordance with the Code and travel regulations. In addition, we recommend the Agency ensure the TA-2 reports are filed timely.

RESPONSE:

We concur with the recommendation.

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CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-011 **FINDING:** (Inadequate controls over accounts receivable)

The Historic Preservation Agency (Agency) did not track or record accounts receivable and did not report its receivables to the Illinois Office of the Comptroller (IOC).

We noted the Agency had at least two types of receivables during the examination period: parking garage revenue and farm land rental income. During our testing, we noted the following:

- Parking garage revenue was not tracked to determine the related receivable. At June 30, 2013 and 2014, the amounts owed to the Agency, but received subsequent to fiscal year-end, were \$25,231 and \$26,612, respectively. Total parking garage receipts were \$299,861 and \$284,142 in Fiscal Years 2013 and 2014, respectively.
- The Agency was the lessor in three farm land rental agreements, but did not track the timing of the rental payment due dates against related receipts to determine if receivables should be recorded and reported quarterly to the IOC. Total farm land rental receipts were \$51,980 and \$48,010 in Fiscal Years 2013 and 2014, respectively.
- Quarterly accounts receivable reports were not submitted to the IOC.
- Receivables were not recorded in the financial (GAAP) Reporting Packages submitted to the IOC as part of the Statewide GAAP reporting process. Parking garage receivables were \$25,231 and \$26,612 at June 30, 2013 and 2014, respectively. Additional potential receivable amounts could not be determined.

The Illinois State Collection Act of 1986 (Act) (30 ILCS 210/4) states, "The Comptroller shall provide by rule appropriate procedures for State agencies to follow in establishing and recording, within the State accounting system, records of amounts owed to the State of Illinois." The Statewide Accounting Management System (SAMS) Manual (Procedure 26.20.10) defines receivables to be recognizable if two criteria are met. The transaction must be completed to the extent that payment is the only unconsummated act and the claim must be measurable in terms of assignment of a monetary value established by State law and administrative regulations. The SAMS Manual (Procedure 26.30.10) requires State agencies to report receivables information to the IOC quarterly on the Quarterly Summary of Accounts Receivable – Accounts Receivable Activity (Form C-97). In addition, the SAMS Manual (Procedure 27.20.51) requires State agencies to complete a SAMS to GAAP Reconciliation-Accounts Receivable (Form SCO-551). The purpose of Form SCO-551 is to provide a detailed reconciliation between the June 30 Form C-97 and the GAAP Trial Balance form filed annually with IOC.

Agency officials stated the failure to track, record and report accounts receivable was due to a misunderstanding of the reporting requirements related to accounts receivable.

Failure to report accounts receivable results in misstatements in the GAAP reporting packages submitted to the IOC. In addition, failure to track and record accounts receivable prevents the Agency from appropriately monitoring past due accounts and may result in loss of revenue. (Finding Code No. 2014-011)

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-011 **FINDING:** (Inadequate controls over accounts receivable) - Continued

RECOMMENDATION:

We recommend the Agency implement procedures to identify all revenue sources generating accounts receivable and to manage the recording and reporting of those receivables in accordance with the Act and the SAMS Manual.

RESPONSE:

We concur with the recommendation.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-012 **FINDING:** (Inadequate controls over cash on-hand)

The Historic Preservation Agency (Agency) did not establish a process to determine cash on-hand to report to the Illinois Office of the Comptroller (IOC).

During our testing, we noted the Agency failed to perform an analysis of potential cash on-hand at June 30, 2013 and 2014. We noted the following items generate potential cash on-hand:

- Donation, camping fee and copy fee revenue collected by the Agency's various locations, but not yet transmitted to the Fiscal Office for deposit into the State Treasury.
- Unexpended petty cash fund balances.

For Fiscal Years 2013 and 2014, the Agency administered 20 and 19 petty cash funds, respectively. Cash on-hand was not reported to the IOC for any of the Agency's funds as part of the Statewide GAAP reporting process. The amount of cash on-hand at June 30, 2013 and 2014 could not be determined due to the Agency not performing monthly Revenue Status Report reconciliations (See Finding 2014-008). Petty cash funds were established at dollar levels totaling \$11,900 and \$12,100 for Fiscal Years 2013 and 2014, respectively. In addition, donation revenue totaled \$463,581 and \$507,241, camping fee revenue totaled \$81,142 and \$87,597, and copy fee revenue totaled \$29,303 and \$98,317 for Fiscal Years 2013 and 2014, respectively.

The Statewide Accounting Management System (SAMS) Manual (Procedures 27.20.31 and 27.20.34) (the Procedures) define cash on-hand as amounts which were not submitted to the Treasurer's clearing account at June 30 or were not yet recorded in the Treasurer's clearing account at June 30. The Procedures require cash on-hand to be reported on the Shared SAMS Funds Cash Reconciliation (Form SCO-531) for shared funds, on the Nonshared SAMS Funds Cash Reconciliation (Form SCO-534) for Nonshared funds, or on the Miscellaneous Journal Entries (Form SCO-544) for petty cash fund balances as part of the Statewide GAAP reporting process. The SAMS Manual (Procedures 25.40.20 and 09.40.30) require agencies to perform reconciliations from agency records to the IOC's Monthly Revenue Status Report (SB04) and Cash Report (SB05), respectively. As cash on-hand would not be deposited into the State Treasury, the amount of cash on-hand should be reported as a reconciling item on the SB04 and SB05 reconciliations.

Agency officials stated the issue was due to a misunderstanding of the reporting requirements for cash on-hand amounts.

Failure to report cash on-hand results in non-compliance with the SAMS Manual and misstatements in the Statewide GAAP reporting process. (Finding Code No. 2014-012)

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-012 **FINDING:** (Inadequate controls over cash on-hand) - Continued

RECOMMENDATION:

We recommend the Agency implement procedures to determine potential cash on-hand and report all cash on-hand to the IOC in its annual GAAP packages. In addition, the Agency should capture cash on-hand items as reconciling items during preparation of its SB04 and SB05 reconciliations to ensure no discrepancies exist between IOC records and Agency records.

RESPONSE:

We concur with the recommendation.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-013 **FINDING:** (Failure to conduct employee performance evaluations)

The Historic Preservation Agency (Agency) did not perform employee performance evaluations as required.

During our testing, we noted the Agency did not perform employee performance evaluations as required for 13 of 21 (62%) employees selected for testing. Three employees did not have a performance evaluation on file during the two-year examination period. Three employees had only one performance evaluation on file during the two-year examination period. Seven employees' evaluations were performed between 6 and 289 days late.

The Illinois Administrative Code (Code) (80 Ill. Adm. Code 302.270(d)) requires the agency to prepare an employee performance evaluation for each certified employee not less often than annually.

Agency officials stated, while they reemphasized the importance of performing evaluations in accordance with their prior finding response, lack of management staff, as well as turnover, hindered the Agency's ability to complete all required evaluations.

Performance appraisals are a systematic and uniform approach used for the development of employees and communication of performance expectations to employees. Performance appraisals should serve as a foundation for salary adjustment, promotion, demotion, discharge, layoff, recall, and reinstatement decisions. (Finding Code No. 2014-013, 12-7, 10-8, 08-12)

RECOMMENDATION:

We recommend the Agency timely complete employee performance evaluations to ensure compliance with the Code.

RESPONSE:

We concur with the recommendation.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-014 **FINDING:** (Lack of sexual harassment prevention training)

The Historic Preservation Agency (Agency) did not provide required sexual harassment prevention training to employees in accordance with the Illinois Human Rights Act (Act).

During testing of the Agency's employee training activities, we noted none of the Agency's employees completed the required sexual harassment prevention training. We also noted the Agency did not establish procedures designed to ensure employees completed such training. The Agency reported 163 and 161 employees in Fiscal Years 2013 and 2014, respectively.

The Act (775 ILCS 5/2-105(B)(5)(c)) requires every State agency to provide training on sexual harassment prevention and the Agency's sexual harassment policy as a component of all ongoing or new employee training programs.

Agency officials stated the issue was due to staffing shortages limiting the Agency's ability to ensure employees received appropriate training.

Failure to adequately train employees could lead to employees not being aware of Agency policies and State law regarding sexual harassment and could expose the State to legal and financial risks. (Finding Code No. 2014-014)

RECOMMENDATION:

We recommend the Agency implement training measures and procedures to ensure all Agency employees receive training as required by the Act.

RESPONSE:

We concur with the recommendation.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-015 **FINDING:** (Failure to implement Identity Protection Act)

The Historic Preservation Agency (Agency) failed to implement the provisions of the Identity Protection Act (Act).

During our testing, we noted the Agency had not implemented an identity protection policy.

The Act (5 ILCS 179/37) required the Agency to draft and approve an identity-protection policy by June 1, 2011. Per the Act, the policy must:

- Identify the Act.
- Require all employees identified as having access to social security numbers in the course of performing their duties to be trained to protect the confidentiality of social security numbers.
- Direct that only employees who are required to use or handle information or documents containing social security numbers be provided access to such information or documents.
- Require social security numbers requested from an individual to be placed in a manner allowing the social security number to be easily redacted if required to be released as part of a public records request.
- Require, when collecting a social security number or upon request by the individual, the agency to provide a statement of the purpose or purposes for which the social security number is being collected and used.

Agency officials stated the Agency drafted an identity protection policy during the examination period and was working on minor revisions; therefore, the policy had not been implemented.

Failure to implement provisions of the Act results in noncompliance with the Act, does not promote the security and control of social security numbers, and increases the likelihood of identity theft. (Finding Code No. 2014-015, 12-9)

RECOMMENDATION:

We recommend the Agency finalize and implement an identity protection policy as required by the Identity Protection Act.

RESPONSE:

We concur with the recommendation.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-016 **FINDING:** (Failure to adhere to requirements for position appointments)

The Historic Preservation Agency (Agency) did not comply with provisions of the Historic Preservation Agency Act (Act) regarding appointments to certain statutorily mandated positions.

During the examination period, we noted the following:

- The Abraham Lincoln Presidential Library's Director, with concurrence of the Agency's Board of Trustees (Board), failed to appoint an individual to the position of Library Facilities Operations Director. The Act (20 ILCS 3405/33) requires the Lincoln Presidential Library's Director to appoint a Library Facilities Operations Director with the concurrence of the Board.
- The Board failed to appoint an individual to serve in the position of Internal Auditor. In addition, the Act's requirements for the Internal Auditor to maintain the Agency's books would jeopardize the Internal Auditor's independence. The Act (20 ILCS 3405/34) requires the Board to appoint an Internal Auditor to audit and maintain the financial books, records, papers, and transactions of the Lincoln Presidential Library and the Historic Sites and Preservation Division of the Agency. The Act further requires the Internal Auditor to prepare an annual report for each fiscal year of the operations of the Agency and submit it to the Board, the General Assembly, and the Governor. International Standards for the Professional Practice of Internal Auditing Section 1100 states "The internal audit activity must be independent, and internal auditors must be objective in performing their work."

Agency officials stated the mandated appointment requirements and duties should be amended through the legislative process and unsuccessfully sought to have the language amended during Fiscal Year 2014. Officials stated they do not consider the position appointments to be feasible due to funding limitations.

Failure to appoint individuals to the positions of Library Facilities Operations Director and Internal Auditor is noncompliance with State statute and may lead to Agency activities being conducted by individuals without appropriate credentials. In addition, requiring an individual serving in the position of Internal Auditor to maintain the Agency's books and records would jeopardize the individual's independence to carry out responsibilities in an unbiased manner and could pose a risk to Agency operations. (Finding Code No. 2014-016, 12-11)

RECOMMENDATION:

We recommend the Agency comply with the Act regarding the appointment of a Library Facilities Operations Director and Internal Auditor or seek legislative remedy. The Agency should work with the General Assembly to seek legislative remedy to ensure duties required of the internal auditor pose no threat to independence.

RESPONSE:

We concur and will continue the Agency's efforts to seek a legislative remedy.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-017 **FINDING:** (Inadequate administration of the Amistad and Freedom Trail Commissions)

The Historic Preservation Agency (Agency) did not comply with provisions of the Historic Preservation Agency Act (Act) regarding the Amistad and Freedom Trail Commissions.

During our testing, we noted the following:

- The Amistad Commission did not meet in 3 of 8 (38%) quarters or file 3 of 4 (75%) biannual reports with the Governor and General Assembly during Fiscal Years 2013 and 2014. During our review of the one report filed, we noted it did not clearly indicate the activities and findings of the Amistad Commission. During the prior examination, the Agency indicated the Amistad Commission did not meet due to members not being appointed by the Governor and General Assembly. Subsequent to members being appointed during the current examination period, the Amistad Commission failed to meet in one quarter due to lack of a quorum. The Agency also stated the biannual report of the Amistad Commission did not clearly indicate the activities and findings of the Amistad Commission due to an oversight when preparing the report.

The Act (20 ILCS 3405/22) created the Amistad Commission within the auspices of the Agency. The Amistad Commission was designed to consist of 15 members whose mission was to survey, design, encourage, and promote the implementation of education and awareness programs in Illinois that are concerned with the African slave trade, slavery in America, and the contributions of African Americans in building our country, particularly to students enrolled in schools in the State of Illinois. The Act required the Amistad Commission to meet at least quarterly and report its activities and findings to the Governor and the General Assembly biannually.

- The Agency did not establish the Freedom Trail Commission to preserve the history of the Freedom Trail and the Underground Railroad. The Freedom Trail Commission was not established as members had not been appointed by the Governor and General Assembly. During Fiscal Year 2014, the Agency unsuccessfully sought to have the language related to the Freedom Trail Commission amended through the legislative process to combine the goals of the Freedom Trail Commission with the Amistad Commission.

The Act (20 ILCS 3405/20) created the Freedom Trail Commission effective 2003 to consist of 16 appointed members whose mission was to preserve the history of the Freedom Trail and the Underground Railroad. The Agency's responsibility was to supervise the budgeting, procurement, and related functions of the Freedom Trail Commission and the administrative responsibilities of the staff.

Failure to comply with the Act regarding the administration of the Amistad and Freedom Trail Commissions is noncompliance with State statute. In addition, noncompliance with the Amistad Commission Act may prevent the survey, design, encouragement, promotion and awareness of the African slave trade, slavery in America and contributions of African Americans in building our country. Noncompliance with the Freedom Trail Commission Act may prevent the preservation of the history of the Freedom Trail and Underground Railroad. (Finding Code No. 2014-017, 12-12, 10-13, 10-16).

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-017 **FINDING:** (Inadequate administration of the Amistad and Freedom Trail
Commissions) - Continued

RECOMMENDATION:

We recommend the Agency ensure each Commission is adequately staffed and administered to comply with the provisions of the Act or continue to work with the General Assembly to seek legislative remedy.

RESPONSE:

We concur and will continue the Agency's efforts to seek a legislative remedy regarding the Freedom Trail Commission. The Agency will continue to remind the Amistad Commission of its statutory mandates.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-018 **FINDING:** (Failure to comply with the Historical Sites Listing Act)

The Historic Preservation Agency (Agency) did not comply with the Historical Sites Listing Act (Act).

The Agency was unable to provide a listing of sites displaying registered State historical site markers. In addition, the Agency did not work in cooperation with the Illinois Department of Transportation Division of Highways to place and maintain all markers at State historic sites registered under the Act. The Agency indicated it delegated its responsibilities to the Illinois State Historical Society (Society), but no agreement was in place to outline responsibilities of the various parties, nor did the Agency monitor the Society to ensure the requirements of the Act were being met. According to the Illinois State Historical Society (Society) website, there were approximately 440 registered State historical sites during Fiscal Years 2013 and 2014.

The Act (20 ILCS 3415/2 through 3415/3) requires the following:

- If the Agency finds a site application is of sufficient general historical interest to warrant listing and marketing, the Agency should list the site in a register and display a suitable marker indicating the site is a registered State historical site.
- The Agency must, in cooperation with the Illinois Department of Transportation Division of Highways and any other interested public or private agency, place and maintain all markers at State historical sites registered under this Act.

Agency officials stated they have relied on the Society to operate the Historic Sites Listing program for more than 20 years with little to no assistance from the Agency or the Illinois Department of Transportation.

The Agency's failure to maintain or monitor a listing of registered State historical sites displaying markers limits the potential for public awareness, marketing, and tourism at historical sites throughout the State. In addition, the failure to work with the Illinois Department of Transportation to place and maintain markers could result in registered State historical sites without historical site markers and is noncompliance with State statute. Lack of a formal agreement with the Society poses a risk that an accurate and complete listing of registered historic sites meeting the statutory requirements may not be maintained. (Finding Code No. 2014-018)

RECOMMENDATION:

We recommend the Agency establish a formal agreement with the Society outlining the responsibilities of each party. In addition, we recommend the Agency monitor and oversee the Society's activities to ensure compliance with the Act.

RESPONSE:

We concur. The Agency will consult with the Society in regards to these activities.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-019 **FINDING:** (Failure to comply with the State Historical Library Act)

The Historic Preservation Agency (Agency) did not have a State Historian or comply with provisions of the State Historical Library Act (Act).

During our testing of the Agency's program to preserve historical State newspaper records (program), we noted the following:

- The position of State Historian was vacant during Fiscal Years 2013 and 2014.
- The program was administered by the Director of Library Services rather than the State Historian as required.
- The method of selecting State newspaper edition files to microphotograph was not based upon the historical value of the newspaper. Newspapers were selected based on requests from publishers, libraries, and historical societies. The Agency microphotographed 417 and 425 newspapers in Fiscal Years 2013 and 2014, respectively.
- The fee charged by the Agency for individual prints from the microphotographed State newspapers was not based upon the cost incurred by the Agency to supply the print. The Agency charged a fee of 25 cents per print based upon what they believed to be a library standard. The Agency collected \$29,303 and \$98,317 for Fiscal Year 2013 and 2014, respectively.

According to the Historic Preservation Agency Act (20 ILCS 3405/4), the Illinois State Historian, appointed by the Board of Trustees, provides "historical expertise, support, and service to all divisions of the Historic Preservation Agency. The State Historian is the State's authority on Abraham Lincoln and the history of Illinois". The State Historical Library Act (20 ILCS 3425/5.1) requires the State Historian to establish and supervise a program within the Abraham Lincoln Presidential Library designed to preserve historical records from selected past editions of State newspapers. The Act states the State Historian is to determine, on the basis of historical value, the various newspaper edition files to be microphotographed and maintained. The fee to be paid for an individual print requested from the negatives of the microfilm is to be determined by the State Historian and must be equal in amount to the cost incurred by the Abraham Lincoln Presidential Library in supplying the requested print.

Agency officials stated the program was not administered by the State Historian as the position was vacant during the examination period. Additionally, the issues related to the method of selecting State newspapers to microphotograph and fees charged for microphotographed prints were due to staffing shortages and oversight of statutory requirements.

Failure to appoint a State Historian may not provide the Agency the intended level of historical expertise and supervision of historical records of Abraham Lincoln and Illinois. Failure to properly implement the program is noncompliance with State statute. Additionally, failure to select newspaper editions based upon their historical value may result in historical events of the State not being properly archived. Lastly, by not charging the proper fees to microphotograph prints, the Agency's related program costs may not be fully recovered. (Finding Code No. 2014-019)

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

CURRENT YEAR FINDINGS
(STATE COMPLIANCE)

2014-019 **FINDING:** (Failure to comply with the State Historical Library Act) - Continued

RECOMMENDATION:

We recommend the Agency work with the Board to appoint a qualified individual to fill the position of State Historian in order to properly administer the program and to provide historical expertise. Additionally, we recommend the Agency implement policies and procedures for selecting newspaper editions to microphotograph based upon historical value. Lastly, we recommend the Agency assess print fees based upon the cost incurred to supply the print.

RESPONSE:

We concur and will request sufficient staffing to implement the recommendation.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

PRIOR FINDINGS NOT REPEATED

A. Prior Finding – Inadequate controls over donations

During the prior examination, the Historic Preservation Agency (Agency) did not maintain adequate controls over donations received at its historic sites.

During the current examination period, our testing did not indicate inadequate controls in place over donations. Historic sites removed and counted cash weekly in accordance with the Agency's policy, secured keys to donation boxes and maintained an adequate segregation of duties. (Finding Code No. 12-2)

B. Prior Finding – Inadequate controls over concession leases

During the prior examination, the Agency did not maintain adequate internal controls over concession leases.

During the current examination period, our testing did not indicate inadequate controls in place over concession leases. Historic sites had current lease agreements in place with their Foundations and maintained documentation required by terms of the lease agreements. (Finding Code No. 12-4, 10-3)

C. Prior Finding – Inadequate documentation of employee leave time

During the prior examination, the Agency did not maintain properly completed timesheets and leave requests. Of eighteen employees tested, five (28%) had unapproved leave requests and four (22%) submitted leave requests 15 to 141 days after the leave was taken.

During the current examination period, our testing did not identify significant exceptions related to timely approval of leave slips. (Finding Code No. 12-6, 10-7, 08-13)

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

SUMMARY

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

- Fiscal Schedules and Analysis:
 - Schedule of Appropriations, Expenditures and Lapsed Balances
 - Fiscal Year 2014
 - Fiscal Year 2013
 - Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
 - Comparative Schedule of Receipts, Disbursements and Fund Balance (Cash Basis) –
Locally Held Fund
 - Schedule of Changes in State Property (Not Examined)
 - Comparative Schedule of Cash Receipts and Reconciliation of Cash Receipts to Deposits
Remitted to the State Comptroller
 - Analysis of Significant Variations in Expenditures
 - Analysis of Significant Variations in Receipts
 - Analysis of Significant Lapse Period Spending
 - Analysis of Accounts Receivable
- Analysis of Operations (Not Examined):
 - Agency Functions and Planning Program (Not Examined)
 - Average Number of Employees (Not Examined)
 - Emergency Purchases (Not Examined)
 - Service Efforts and Accomplishments (Not Examined)

The accountant's report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the accountants have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2014 and June 30, 2013 information in Schedules 1 through 4 and 6 through 10. However, the accountants do not express an opinion on the supplementary information. The accountant's report also states that they have not applied procedures to Schedule 5 or to the Analysis of Operations Section, and accordingly, they do not express an opinion or provide any assurance on them.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2014
Fourteen Months Ended August 31, 2014

| Public Acts 98-0050, 98-0064 | Appropriations (Net After Transfers) | Expenditures Through June 30, 2014 | Lapse Period Expenditures July 1 to August 31, 2014 | Total Expenditures | Balances Reappropriated July, 1 | Balances Lapsed |
|-----------------------------------------------------------------------------|--------------------------------------------|------------------------------------------|--------------------------------------------------------------|-----------------------|---------------------------------------|--------------------|
| APPROPRIATED FUNDS | | | | | | |
| General Revenue Fund – 0001 | | | | | | |
| Personal Services | \$ 6,463,200 | \$ 6,151,362 | \$ 310,602 | \$ 6,461,964 | \$ - | \$ 1,236 |
| State Contributions to Social Security | 475,700 | 452,312 | 23,034 | 475,346 | - | 354 |
| Contractual Services | 986,700 | 959,749 | 24,184 | 983,933 | - | 2,767 |
| Travel | 6,000 | 5,603 | 70 | 5,673 | - | 327 |
| Commodities | 70,441 | 61,566 | 8,757 | 70,323 | - | 118 |
| Printing | 10,500 | 6,766 | 1,239 | 8,005 | - | 2,495 |
| Equipment | 20,000 | 7,397 | 10,459 | 17,856 | - | 2,144 |
| Electronic Data Processing | 27,400 | 22,321 | 4,988 | 27,309 | - | 91 |
| Telecommunications | 98,659 | 63,347 | 35,174 | 98,521 | - | 138 |
| Operation of Automotive Equipment | 23,000 | 22,039 | 828 | 22,867 | - | 133 |
| Awards & Grants - Amistad Commission Expenses | 250,000 | 76,504 | 123,570 | 200,074 | - | 49,926 |
| Lump Sums - Lewis and Clark Historic Site Operations Expenses | 243,300 | 225,133 | 17,713 | 242,846 | - | 454 |
| Subtotal – Fund 0001 | 8,674,900 | 8,054,099 | 560,618 | 8,614,717 | - | 60,183 |
| Capital Development Fund – 0141 | | | | | | |
| Permanent Improvements for Sugar Loaf and/or Fox Mounds (Reapprop.) | 143,000 | - | - | - | 143,000 | - |
| Subtotal – Fund 0141 | 143,000 | - | - | - | 143,000 | - |
| Historic Sites Fund – 0538 | | | | | | |
| Personal Services | 868,400 | 618,678 | 56,581 | 675,259 | - | 193,141 |
| State Contribution to State Employees' Retirement System | 350,100 | 249,349 | 22,821 | 272,170 | - | 77,930 |
| State Contributions to Social Security | 66,600 | 46,292 | 4,268 | 50,560 | - | 16,040 |
| Group Insurance | 184,000 | 107,581 | 7,005 | 114,586 | - | 69,414 |
| Contractual Services | 379,000 | 220,981 | 121,941 | 342,922 | - | 36,078 |
| Travel | 5,000 | 4,910 | 87 | 4,997 | - | 3 |
| Commodities | 20,000 | 18,516 | 1,474 | 19,990 | - | 10 |
| Equipment | 25,000 | - | - | - | - | 25,000 |
| Telecommunications | 15,000 | 14,999 | - | 14,999 | - | 1 |
| Operation of Automotive Equipment | 10,000 | 9,259 | 597 | 9,856 | - | 144 |
| Lump Sums - Historic Preservation Programs - Executive Office | 50,000 | 31,534 | 5,481 | 37,015 | - | 12,985 |
| Lump Sums - Historic Preservation Programs - Sites | 300,000 | 128,543 | - | 128,543 | - | 171,457 |
| Lump Sums - Historic Preservation Programs - Pres. Serv. | 300,000 | 156,911 | 13,568 | 170,479 | - | 129,521 |
| Lump Sums - Operations of Historic Sites (Donations) | 450,000 | 368,099 | 81,671 | 449,770 | - | 230 |
| Lump Sums - Operations - OSC, JRB and Union Station | 275,000 | 167,774 | 89,954 | 257,728 | - | 17,272 |
| Lump Sums - Lincoln Research Project | 75,000 | - | - | - | - | 75,000 |
| Lump Sums - Microfilm Operation & Programs Library | 175,000 | 24,528 | - | 24,528 | - | 150,472 |
| Awards & Grants - Historic Preservation Grants - Pres. Serv. | 150,000 | 6,500 | - | 6,500 | 143,500 | - |
| Awards & Grants - Historic Preservation Grants - Pres. Serv. (Reapprop.) | 277,182 | 152,753 | - | 152,753 | 124,429 | - |
| Permanent Improvements | 75,000 | 28,698 | 18,181 | 46,879 | - | 28,121 |
| Subtotal – Fund 0538 | 4,050,282 | 2,355,905 | 423,629 | 2,779,534 | 267,929 | 1,002,819 |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2014
Fourteen Months Ended August 31, 2014

| | Appropriations (Net After Transfers) | Expenditures Through June 30, 2014 | Lapse Period Expenditures July 1 to August 31, 2014 | Total Expenditures | Balances Reappropriated July, 1 | Balances Lapsed |
|-----------------------------------------------------------------------|--------------------------------------------|------------------------------------------|--------------------------------------------------------------|-----------------------|---------------------------------------|---------------------|
| Public Acts 98-0050, 98-0064 | | | | | | |
| Abraham Lincoln Presidential Library and Museum Fund – 0776 | | | | | | |
| Abraham Lincoln Presidential Library & Museum Operational Expenses | \$14,200,000 | \$11,564,699 | \$ 1,064,613 | \$12,629,312 | \$ - | \$ 1,570,688 |
| Subtotal – Fund 0776 | <u>14,200,000</u> | <u>11,564,699</u> | <u>1,064,613</u> | <u>12,629,312</u> | <u>-</u> | <u>1,570,688</u> |
| GRAND TOTAL – ALL FUNDS | <u>\$27,068,182</u> | <u>\$21,974,703</u> | <u>\$ 2,048,860</u> | <u>\$24,023,563</u> | <u>\$ 410,929</u> | <u>\$ 2,633,690</u> |

Note 1: Appropriations, expenditures and lapsed balances were obtained from the Agency's records and have been reconciled to records of the State Comptroller.

Note 2: Expenditure amounts are vouchers approved for payment by the Agency and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES

Appropriations for Fiscal Year 2013
Fourteen Months Ended August 31, 2013

| Public Acts 97-0725, 97-0727 | Appropriations (Net After Transfers) | Expenditures Through June 30, 2013 | Lapse Period Expenditures July 1 to August 31, 2013 | Total Expenditures | Balances Reappropriated July, 1 | Balances Lapsed |
|-----------------------------------------------------------------------------|--------------------------------------------|------------------------------------------|--------------------------------------------------------------|-----------------------|---------------------------------------|--------------------|
| APPROPRIATED FUNDS | | | | | | |
| <u>General Revenue Fund – 0001</u> | | | | | | |
| Personal Services | \$ 6,189,400 | \$ 5,897,264 | \$ 283,044 | \$ 6,180,308 | \$ - | \$ 9,092 |
| State Contributions to Social Security | 472,200 | 439,183 | 21,140 | 460,323 | - | 11,877 |
| Awards & Grants - Amistad Commission Expenses | 200,000 | 30,000 | 144,544 | 174,544 | - | 25,456 |
| Lump Sum - Operational Expenses | 1,228,900 | 1,168,033 | 37,901 | 1,205,934 | - | 22,966 |
| Lump Sums - Lewis and Clark Historic Site Operations Expenses | <u>231,700</u> | <u>222,687</u> | <u>8,520</u> | <u>231,207</u> | <u>-</u> | <u>493</u> |
| Subtotal – Fund 0001 | <u>8,322,200</u> | <u>7,757,167</u> | <u>495,149</u> | <u>8,252,316</u> | <u>-</u> | <u>69,884</u> |
| <u>Capital Development Fund – 0141</u> | | | | | | |
| Permanent Improvements for Sugar Loaf and/or Fox Mounds (Reapprop.) | <u>143,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>143,000</u> | <u>-</u> |
| Subtotal – Fund 0141 | <u>143,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>143,000</u> | <u>-</u> |
| <u>Historic Sites Fund – 0538</u> | | | | | | |
| Personal Services | 462,700 | 450,727 | 9,055 | 459,782 | - | 2,918 |
| State Contribution to State Employees' Retirement System | 175,800 | 171,519 | 3,559 | 175,078 | - | 722 |
| State Contributions to Social Security | 35,400 | 33,745 | 701 | 34,446 | - | 954 |
| Group Insurance | 161,000 | 147,286 | 3,450 | 150,736 | - | 10,264 |
| Contractual Services | 279,000 | 113,239 | 13,565 | 126,804 | - | 152,196 |
| Travel | 5,000 | 2,049 | 796 | 2,845 | - | 2,155 |
| Commodities | 20,000 | 297 | - | 297 | - | 19,703 |
| Equipment | 25,000 | - | - | - | - | 25,000 |
| Telecommunications | 15,000 | 10,123 | 45 | 10,168 | - | 4,832 |
| Operation of Automotive Equipment | 10,000 | 6,337 | 984 | 7,321 | - | 2,679 |
| Lump Sums - Historic Preservation Programs - Executive Office | 50,000 | 23,555 | 859 | 24,414 | - | 25,586 |
| Lump Sums - Historic Preservation Programs - Sites | 900,000 | - | 9,691 | 9,691 | - | 890,309 |
| Lump Sums - Historic Preservation Programs - Pres. Serv. | 300,000 | 164,511 | 53,441 | 217,952 | - | 82,048 |
| Lump Sums - Operations of Historic Sites (Donations) | 450,000 | 274,131 | 13,813 | 287,944 | - | 162,056 |
| Lump Sums - Operations - OSC, JRB and Union Station | 250,000 | 142,485 | 4,106 | 146,591 | - | 103,409 |
| Lump Sums - Lincoln Research Project | 75,000 | - | - | - | - | 75,000 |
| Lump Sums - Microfilm Operation & Programs Library | 175,000 | 16,763 | - | 16,763 | - | 158,237 |
| Awards & Grants - Historic Preservation Grants - Pres. Serv. | 150,000 | - | - | - | 150,000 | - |
| Awards & Grants - Historic Preservation Grants - Pres. Serv. (Reapprop.) | 241,383 | 114,201 | - | 114,201 | 127,182 | - |
| Permanent Improvements | <u>75,000</u> | <u>28,982</u> | <u>20,491</u> | <u>49,473</u> | <u>-</u> | <u>25,527</u> |
| Subtotal – Fund 0538 | <u>3,855,283</u> | <u>1,699,950</u> | <u>134,556</u> | <u>1,834,506</u> | <u>277,182</u> | <u>1,743,595</u> |
| <u>Tourism Promotion Fund – 0763</u> | | | | | | |
| Operations for the Presidential Library & Museum and Historic Sites | <u>9,800,000</u> | <u>8,540,950</u> | <u>1,077,488</u> | <u>9,618,438</u> | <u>-</u> | <u>181,562</u> |
| Subtotal – Fund 0763 | <u>9,800,000</u> | <u>8,540,950</u> | <u>1,077,488</u> | <u>9,618,438</u> | <u>-</u> | <u>181,562</u> |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2013
Fourteen Months Ended August 31, 2013

| | Appropriations (Net After Transfers) | Expenditures Through June 30, 2013 | Lapse Period Expenditures July 1 to August 31, 2013 | Total Expenditures | Balances Reappropriated July, 1 | Balances Lapsed |
|------------------------------------------------------------------------|--------------------------------------------|------------------------------------------|--------------------------------------------------------------|-----------------------|---------------------------------------|---------------------|
| Public Acts 97-0725, 97-0727 | | | | | | |
| Abraham Lincoln Presidential Library and Museum Fund – 0776 | | | | | | |
| Abraham Lincoln Presidential Library & Museum Operational Expenses | \$ 6,500,000 | \$ 2,991,969 | \$ 268,807 | \$ 3,260,776 | \$ - | \$ 3,239,224 |
| Subtotal – Fund 0776 | <u>6,500,000</u> | <u>2,991,969</u> | <u>268,807</u> | <u>3,260,776</u> | <u>-</u> | <u>3,239,224</u> |
| Local Tourism Fund – 0969 | | | | | | |
| Operations for the Presidential Library & Museum and Historic Sites | 2,000,000 | - | - | - | - | 2,000,000 |
| Subtotal – Fund 0969 | <u>2,000,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,000,000</u> |
| GRAND TOTAL – ALL FUNDS | <u>\$ 30,620,483</u> | <u>\$ 20,990,036</u> | <u>\$ 1,976,000</u> | <u>\$ 22,966,036</u> | <u>\$ 420,182</u> | <u>\$ 7,234,265</u> |

Note 1: Appropriations, expenditures and lapsed balances were obtained from the Agency's records and have been reconciled to records of the State Comptroller.

Note 2: Expenditure amounts are vouchers approved for payment by the Agency and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES

For the Years Ended June 30, 2014, 2013, and 2012

| | 2014 | 2013 | 2012 |
|---------------------------------------------------------|------------------------------|------------------------------|------------------------------|
| | P.A. 98-0050 P.A. 98-0064 | P.A. 97-0725 P.A. 97-0727 | P.A. 97-0057 P.A. 97-0076 |
| <u>General Revenue Fund – 0001</u> | | | |
| Appropriations (net after transfers) | \$ 8,674,900 | \$ 8,322,200 | \$ 9,223,000 |
| Expenditures | | | |
| Personal Services | 6,461,964 | 6,180,308 | 6,654,745 |
| State Contributions to Social Security | 475,346 | 460,323 | 495,521 |
| Contractual Services | 983,933 | - | 1,062,305 |
| Travel | 5,673 | - | 12,087 |
| Commodities | 70,323 | - | 87,615 |
| Printing | 8,005 | - | 28,852 |
| Equipment | 17,856 | - | 27,012 |
| Electronic Data Processing | 27,309 | - | 41,032 |
| Telecommunications | 98,521 | - | 90,855 |
| Operation of Automotive Equipment | 22,867 | - | 45,188 |
| Awards & Grants - Amistad Commission Expenses | 200,074 | 174,544 | - |
| Lump Sums - Operational Expenses | - | 1,205,934 | - |
| Lump Sums - Lewis and Clark Historic Site Operations | | | |
| Expenses | 242,846 | 231,207 | 231,512 |
| Lump Sums - Online Computer Library Center | - | - | 78,163 |
| Total Expenditures | <u>8,614,717</u> | <u>8,252,316</u> | <u>8,854,887</u> |
| Lapsed Balances | <u>60,183</u> | <u>69,884</u> | <u>368,113</u> |
| <u>Capital Development Fund – 0141</u> | | | |
| Appropriations (net after transfers) | <u>143,000</u> | <u>143,000</u> | <u>143,000</u> |
| Expenditures | | | |
| Permanent Improvements for Sugar Loaf and/or Fox Mounds | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance Reappropriated | <u>143,000</u> | <u>143,000</u> | <u>143,000</u> |
| Lapsed Balances | <u>-</u> | <u>-</u> | <u>-</u> |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES

For the Years Ended June 30, 2014, 2013, and 2012

| | 2014 | 2013 | 2012 |
|--------------------------------------------------------------------------|------------------------------|------------------------------|------------------------------|
| | P.A. 98-0050 P.A. 98-0064 | P.A. 97-0725 P.A. 97-0727 | P.A. 97-0057 P.A. 97-0076 |
| Historic Sites Fund – 0538 | | | |
| Appropriations (net after transfers) | \$ 4,050,282 | \$ 3,855,283 | \$ 4,210,255 |
| Expenditures | | | |
| Personal Services | 675,259 | 459,782 | 419,427 |
| State Contribution to State Employees' Retirement System | 272,170 | 175,078 | 143,325 |
| State Contributions to Social Security | 50,560 | 34,446 | 31,341 |
| Group Insurance | 114,586 | 150,736 | 98,709 |
| Contractual Services | 342,922 | 126,804 | 259,270 |
| Travel | 4,997 | 2,845 | 15,930 |
| Commodities | 19,990 | 297 | 13,175 |
| Printing | - | - | 1,068 |
| Equipment | - | - | 6,644 |
| Electronic Data Processing | - | - | 4,352 |
| Telecommunications | 14,999 | 10,168 | 21,870 |
| Operation of Automotive Equipment | 9,856 | 7,321 | 9,687 |
| Lump Sums - Historic Preservation Programs - Executive Office | 37,015 | 24,414 | 8,748 |
| Lump Sums - Historic Preservation Programs - Sites | 128,543 | 9,691 | 205,956 * |
| Lump Sums - Historic Preservation Programs - Pres. Serv. | 170,479 | 217,952 | 221,480 |
| Lump Sums - Operations of Historic Sites (Donations) | 449,770 | 287,944 | - * |
| Lump Sums - Operations - OSC, JRB, and Union Station | 257,728 | 146,591 | 146,978 |
| Lump Sums - Microfilm Operation & Programs Library | 24,528 | 16,763 | 115,189 |
| Awards & Grants - Historic Preservation Grants - Pres. Serv. | 6,500 | - | 15,000 |
| Awards & Grants - Historic Preservation Grants - Pres. Serv. (Reapprop.) | 152,753 | 114,201 | 179,072 |
| Permanent Improvements | 46,879 | 49,473 | 7,470 |
| Total Expenditures | 2,779,534 | 1,834,506 | 1,924,691 |
| Balance Reappropriated | 267,929 | 277,182 | 106,383 |
| Lapsed Balances | 1,002,819 | 1,743,595 | 2,179,181 |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES

For the Years Ended June 30, 2014, 2013, and 2012

| | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|---------------------------------------------------------------------------|------------------------------|------------------------------|------------------------------|
| | P.A. 98-0050 P.A. 98-0064 | P.A. 97-0725 P.A. 97-0727 | P.A. 97-0057 P.A. 97-0076 |
| <u>Tourism Promotion Fund – 0763</u> | | | |
| Appropriations (net after transfers) | <u>\$ -</u> | <u>\$ 9,800,000</u> | <u>\$ -</u> |
| Expenditures | | | |
| Operations for the Presidential Library & Museum and Historic Sites | <u>-</u> | <u>9,618,438</u> | <u>-</u> |
| Total Expenditures | <u>-</u> | <u>9,618,438</u> | <u>-</u> |
| Lapsed Balances | <u>-</u> | <u>181,562</u> | <u>-</u> |
| <u>Abraham Lincoln Presidential Library and Museum Fund - 0776</u> | | | |
| Appropriations (net after transfers) | <u>14,200,000</u> | <u>6,500,000</u> | <u>11,000,000</u> |
| Expenditures | | | |
| Abraham Lincoln Presidential Library & Museum Operational Expenses | <u>12,629,312</u> | <u>3,260,776</u> | <u>10,032,312</u> |
| Total Expenditures | <u>12,629,312</u> | <u>3,260,776</u> | <u>10,032,312</u> |
| Lapsed Balances | <u>1,570,688</u> | <u>3,239,224</u> | <u>967,688</u> |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES

For the Years Ended June 30, 2014, 2013, and 2012

| | 2014 | 2013 | 2012 |
|------------------------------------------------------------------------|------------------------------|------------------------------|------------------------------|
| | P.A. 98-0050 P.A. 98-0064 | P.A. 97-0725 P.A. 97-0727 | P.A. 97-0057 P.A. 97-0076 |
| Local Tourism Fund – 0969 | | | |
| Appropriations (net after transfers) | \$ - | \$ 2,000,000 | \$ - |
| Expenditures | | | |
| Operations for the Presidential Library & Museum and Historic Sites | - | - | - |
| Total Expenditures | - | - | - |
| Lapsed Balances | - | 2,000,000 | - |
| Grand Total – All Funds | | | |
| Appropriations (net after transfers) | 27,068,182 | 30,620,483 | 24,576,255 |
| Total Expenditures | 24,023,563 | 22,966,036 | 20,811,890 |
| Balance Reappropriated | 410,929 | 420,182 | 249,383 |
| Lapsed Balances | \$ 2,633,690 | \$ 7,234,265 | \$ 3,514,982 |

* Fiscal year 2012 Lump Sums - Operations of Historic Sites (Donations) were reported in the 2012 report as Lump Sums - Historic Preservation Programs.

Note 1: The fiscal year 2012 expenditures and related lapsed balances do not reflect any interest payments approved for payment by the Agency and submitted to the Comptroller for payment after August.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

COMPARATIVE SCHEDULE OF RECEIPTS, DISBURSEMENTS
AND FUND BALANCE (CASH BASIS) - LOCALLY HELD FUND

| | Illinois Historic Preservation Agency Trust Fund (Fund 1331) <hr/> |
|-------------------------------|-----------------------------------------------------------------------------------|
| Cash Balance at July 1, 2012 | \$ 2,371,710 |
| Receipts: | |
| Dividend/Interest Income | 43,492 |
| Miscellaneous | 46 |
| Disbursements: | |
| Contributions to IHPA | (54,458) |
| Insurance | (254) |
| Accounting | (3,759) |
| Maintenance & Repairs | (10,265) |
| Bank Charges | (12) |
| Licenses and Fees | (6,109) |
| Subscriptions | (2,285) |
| Cash Balance at June 30, 2013 | <hr/> <u>\$ 2,338,106</u> |
| Cash Balance at July 1, 2013 | \$ 2,338,106 |
| Receipts: | |
| Dividend/Interest Income | 98,138 |
| Sale of Investments | 6 |
| Disbursements: | |
| Contributions to IHPA | (66,328) |
| Insurance | (276) |
| Accounting | (4,329) |
| Income Taxes | (15) |
| Cash Balance at June 30, 2014 | <hr/> <u>\$ 2,365,302</u> |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SCHEDULE OF CHANGES IN STATE PROPERTY

(Not Examined)

| | Land and Land Improvements | Buildings and Building Improvements | Equipment | Total |
|--------------------------|-------------------------------|-------------------------------------------|----------------------|-----------------------|
| Balance at July 1, 2012 | \$ 15,078,956 | \$ 268,548,685 | \$ 15,238,592 | \$ 298,866,233 |
| Additions | - | 1,829 * | 425,026 * | 426,855 |
| Deletions | - | - | (33,183) | (33,183) |
| Net Transfers | - | 1,900,513 | (249,082) | 1,651,431 |
| Balance at June 30, 2013 | <u>\$ 15,078,956</u> | <u>\$ 270,451,027</u> | <u>\$ 15,381,353</u> | <u>\$ 300,911,336</u> |
| Balance at July 1, 2013 | \$ 15,078,956 | \$ 270,451,027 | \$ 15,381,353 | \$ 300,911,336 |
| Additions | - | 156,177 | 201,265 | 357,442 |
| Deletions | - | - | (57,354) | (57,354) |
| Net Transfers | - | 757,847 | (215,777) | 542,070 |
| Balance at June 30, 2014 | <u>\$ 15,078,956</u> | <u>\$ 271,365,051</u> | <u>\$ 15,309,487</u> | <u>\$ 301,753,494</u> |

* Adjusted to agree the Schedule of Changes in State Property ending balance at June 30, 2013 to Agency records.

Note 1: The above schedule was derived from Agency records.

Note 2: This schedule could not be reconciled to property reports submitted to the State Comptroller. However, the Schedule of Changes in State Property was not examined due to issues noted in Finding No. 2014-001.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

COMPARATIVE SCHEDULE OF CASH RECEIPTS AND
RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER

For the Fiscal Years Ended June 30, 2014, 2013, and 2012

| General Revenue Fund - 0001 | 2014 | 2013 | 2012 |
|-----------------------------------------------------------------|------------------|------------------|------------------|
| Reimbursement - Jury Duty, Phones | \$ 7 | \$ 31 | \$ 39 |
| Miscellaneous | 92 | 101 | 311 |
| Returned Petty Cash | 1,000 | - | - |
| Prior Year Refund | - | 232 | 36 |
| | <u>1,099</u> | <u>364</u> | <u>386</u> |
| Total Cash Receipts per Agency | - | 3 | - |
| Add: In-Transits at the Beginning of the Year | - | - | (3) |
| Less: In-Transits at the End of the Year | <u>1,099</u> | <u>367</u> | <u>383</u> |
| Total Cash Receipts per State Comptroller's Records - Fund 0001 | | | |
| | | | |
| Historic Sites Fund - 0538 | | | |
| Agriculture Sales | 51,930 | 36,238 | 54,572 |
| Camping Fees | 87,597 | 81,142 | 91,703 |
| Concession Revenue | 2,111 | 2,252 | 4,249 |
| Conference Fees | 25 | 620 | - |
| Copy Fees | 98,317 | 29,303 | 92,443 |
| Donation Box | 507,241 | 463,581 | 389,951 |
| Department of Interior | 1,303,232 | 1,051,133 | 1,303,939 |
| Miscellaneous | 6,975 | 4,217 | 1,781 |
| Donations - Individuals/Organizations | 63,706 | 547 | 125 |
| Property Rental | 84,219 | 100,299 | 64,196 |
| Department of Commerce & Economic Opportunity | - | 73,000 | - |
| Reimbursement - Jury Duty, Phones | 3 | - | 19 |
| Subscriptions | 12,824 | 11,493 | 14,558 |
| Underground Parking | 171,625 | 182,648 | 187,418 |
| Prior Year Warrant Voids | 500 | - | - |
| Prior Year Refunds | 3,005 | - | - |
| | <u>2,393,310</u> | <u>2,036,473</u> | <u>2,204,954</u> |
| Total Cash Receipts per Agency | 15,797 | 13,019 | 38,359 |
| Add: In-Transits at the Beginning of the Year | (25,980) | (15,797) | (13,019) |
| Less: In-Transits at the End of the Year | <u>2,383,127</u> | <u>2,033,695</u> | <u>2,230,294</u> |
| Total Cash Receipts per State Comptroller's Records - Fund 0538 | | | |
| | | | |
| Historic Preservation Agency Trust Fund - 0763 | | | |
| Reimbursement - Jury Duty, Phones | - | 102 | - |
| Prior Year Refund | 744 | - | - |
| | <u>744</u> | <u>102</u> | <u>-</u> |
| Total Cash Receipts per Agency | - | - | - |
| Add: In-Transits at the Beginning of the Year | - | - | - |
| Less: In-Transits at the End of the Year | <u>744</u> | <u>102</u> | <u>-</u> |
| Total Cash Receipts per State Comptroller's Records - Fund 0763 | | | |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

COMPARATIVE SCHEDULE OF CASH RECEIPTS AND
RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER

For the Fiscal Years Ended June 30, 2014, 2013, and 2012

| Presidential Library and Museum Operating Fund - 0776 | 2014 | 2013 | 2012 |
|-----------------------------------------------------------------|---------------------|---------------------|---------------------|
| Admission Fees | \$ 2,026,824 | \$ 2,121,077 | \$ 2,058,237 |
| Donation Box | 6,715 | 5,433 | 5,703 |
| Donations - Individuals/Organization | 104 | 4 | 32,971 |
| Reimbursement - Jury Duty, Phones | 45 | 87 | 122 |
| Miscellaneous | 6,086 | 1,148 | 1,036 |
| Parking Fees | 112,517 | 101,312 | 125,952 |
| Property Rental | 138,782 | 123,929 | 123,073 |
| Prior Year Warrant Voids | 8,356 | 397 | - |
| Prior Year Refund | 27,755 | 228 | - |
| | <u>2,327,184</u> | <u>2,353,615</u> | <u>2,347,094</u> |
| Total Cash Receipts per Agency | <u>2,327,184</u> | <u>2,353,615</u> | <u>2,347,094</u> |
| Add: In-Transits at the Beginning of the Year | 65,087 | 88,452 | 126,095 |
| Less: In-Transits at the End of the Year | (86,852) | (65,087) | (88,452) |
| Total Cash Receipts per State Comptroller's Records - Fund 0776 | <u>2,305,419</u> | <u>2,376,980</u> | <u>2,384,737</u> |
| Grand Total - All Funds | | | |
| | <u>4,722,337</u> | <u>4,390,554</u> | <u>4,552,434</u> |
| Total Cash Receipts per Agency | <u>4,722,337</u> | <u>4,390,554</u> | <u>4,552,434</u> |
| Add: In-Transits at the Beginning of the Year | 80,884 | 101,474 | 164,454 |
| Less: In-Transits at the End of the Year | (112,832) | (80,884) | (101,474) |
| Total Cash Receipts per State Comptroller's Records - All Funds | <u>\$ 4,690,389</u> | <u>\$ 4,411,144</u> | <u>\$ 4,615,414</u> |

Note: The schedule does not include amounts for cash on-hand related to donation receipts. See finding 2014-012.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES

The Illinois Historic Preservation Agency's (Agency) explanations for significant fluctuations in expenditures as presented in the Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances are detailed below. For the purpose of this analysis, a significant fluctuation is defined as a variation that equaled or exceeded \$50,000 and 20% as compared to the prior fiscal year.

VARIANCE 2013 TO 2014

GENERAL REVENUE FUND – 0001

Contractual Services

Increase of \$983,933 (100%) in fiscal year 2014 was due to all operational lines (Contractual Services through Operation of Automotive Equipment) being combined into one lump sum appropriation in the prior year.

Commodities

Increase of \$70,323 (100%) in fiscal year 2014 was due to all operational lines (Contractual Services through Operation of Automotive Equipment) being combined into one lump sum appropriation in the prior year.

Telecommunications

Increase of \$98,521 (100%) in fiscal year 2014 was due to all operational lines (Contractual Services through Operation of Automotive Equipment) being combined into one lump sum appropriation in the prior year.

Lump Sums – Operational Expenses

Decrease of \$1,205,934 (100%) in fiscal year 2014 was due to all operational lines (Contractual Services through Operation of Automotive Equipment) being combined into one lump sum appropriation in the prior year.

Historic Sites Fund – 0538

Personal Services

Increase of \$215,477 (47%) in fiscal year 2014 was due to Historic Sites seasonal staff being paid from the Historic Sites Fund (0538) rather than the General Revenue Fund (0001).

State Contribution to State Employee's Retirement System

Increase of \$97,092 (55%) in fiscal year 2014 was due to retirement expenses for Historic Sites seasonal staffing being paid from the Historic Sites Fund (0538) rather than the General Revenue Fund (0001).

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCYCOMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES – Continued

Contractual Services

Increase of \$216,118 (170%) in fiscal year 2014 was due to cost increases for utility expenses and various repairs and maintenance expenses for projects including repairs for chillers and plumbing. In addition, quarterly usage and maintenance payments to the State Garage Revolving Fund were paid from the Historic Sites Fund (0538) rather than the Abraham Lincoln Presidential Library and Museum Fund (0776) and the Tourism Promotion Fund (0763).

Lump Sums – Historic Preservation Programs – Sites

Increase of \$118,852 (1,226%) in fiscal year 2014 was due to various courthouse grant costs related to the Landmarks Illinois grant project which was a new grant in fiscal year 2013 with grant expenditures occurring in fiscal year 2014.

Lump Sums – Operations of Historic Sites (Donations)

Increase of \$161,826 (56%) in fiscal year 2014 was due to increased costs for utility expenses, building and grounds maintenance for snow removal at various sites, and contractual sites staff.

Lump Sums – Operations – OSC, JRB, and Union Station

Increase of \$111,137 (76%) in fiscal year 2014 was due to increased costs associated with utility expenses, postage expenses, telecommunication charges, purchase of office furniture and equipment, automotive repairs and a payment made for a tort claim. In addition, quarterly usage and maintenance payments to the State Garage Revolving Fund were paid from the Historic Sites Fund (0538) rather than the Abraham Lincoln Presidential Library and Museum Fund (0776) and Tourism Promotion Fund (0763).

Tourism Promotion Fund – 0763Operations for the Presidential Library & Museum and Historic Sites

Decrease of \$9,618,438 (100%) in fiscal year 2014 was due to a one time appropriation during fiscal year 2013 to the Tourism Promotion Fund (0763) for operational expenses of the Abraham Lincoln Presidential Library and Museum.

Abraham Lincoln Presidential Library and Museum Fund – 0776Abraham Lincoln Presidential Library & Museum Operational Expenses

Increase of \$9,368,536 (287%) in fiscal year 2014 was due to funding of the Abraham Lincoln Presidential Library and Museum that was paid from the Tourism Promotion Fund (0763) in the previous year.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES – Continued

VARIANCE 2012 TO 2013

GENERAL REVENUE FUND – 0001

Contractual Services

Decrease of \$1,062,305 (100%) in fiscal year 2013 was due to all operational lines (Contractual Services through Operation of Automotive Equipment) being combined into one lump sum appropriation during the fiscal year.

Commodities

Decrease of \$87,615 (100%) in fiscal year 2013 was due to all operational lines (Contractual Services through Operation of Automotive Equipment) being combined into one lump sum appropriation during the fiscal year.

Telecommunications

Decrease of \$90,855 (100%) in fiscal year 2013 was due to all operational lines (Contractual Services through Operation of Automotive Equipment) being combined into one lump sum appropriation during the fiscal year.

Awards & Grants – Amistad Commission Expenses

Increase of \$174,544 (100%) in fiscal year 2013 was due to a new DuSable Museum grant in fiscal year 2013.

Lump Sums – Operational Expenses

Increase of \$1,205,934 (100%) in fiscal year 2013 was due to all operational lines (Contractual Services through Operation of Automotive Equipment) being combined into one lump sum appropriation during the fiscal year.

Lump Sums – Online Computer Library Center

Decrease of \$78,163 (100%) was due to the Agency not receiving an appropriation in fiscal year 2013 for the Online Computer Library Center.

Historic Sites Fund – 0538

Group Insurance

Increase of \$52,027 (53%) in fiscal year 2013 was due to group insurance rate increases and higher cost insurance plan selections in the Preservation Services division.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES – Continued

Contractual Services

Decrease of \$132,466 (51%) in fiscal year 2013 was due to Historic Site costs and utility costs associated with the Old State Capitol being paid from the Tourism Promotion Fund (0763).

Lump Sums – Historic Preservation Programs - Sites

Decrease of \$196,265 (95%) in fiscal year 2013 was due to Fiscal year 2012 Lump Sums - Operations of Historic Sites (Donations) being incorrectly reported in the 2012 report as Lump Sums - Historic Preservation Programs.

Lump Sums – Operations of Historic Sites (Donations)

Increase of \$287,944 (100%) in fiscal year 2013 was primarily due to Fiscal year 2012 Lump Sums - Operations of Historic Sites (Donations) being incorrectly reported in the 2012 report as Lump Sums - Historic Preservation Programs. In addition, there was an increase in the utilization of temporary services at the Historic Sites to fill seasonal maintenance and site interpretation needs, offset by the difference in utility expenses.

Lump Sums – Microfilm Operation & Programs Library

Decrease of \$98,426 (85%) in fiscal year 2013 was due to the elimination of staff costs for a retired employee.

Awards & Grants – Historic Preservation Grants – Pres. Serv. (Reapprop.)

Decrease of \$64,871 (36%) in fiscal year 2013 was due to the timing of when Certified Local Government grantees submitted requests for reimbursement.

Tourism Promotion Fund – 0763

Operations for the Presidential Library & Museum and Historic Sites

Increase of \$9,618,438 (100%) in fiscal year 2013 was due to a one time appropriation to the Tourism Promotion Fund (0763) for operational expenses of the Abraham Lincoln Presidential Library and Museum and utility costs associated with the Old State Capitol being paid from the Tourism Promotion Fund (0763).

Abraham Lincoln Presidential Library and Museum Fund – 0776

Abraham Lincoln Presidential Library & Museum Operational Expenses

Decrease of \$6,771,536 (67%) in fiscal year 2013 was due to funding of the Abraham Lincoln Presidential Library and Museum paid from the Tourism Promotion Fund (0763).

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS

The Historic Preservation Agency's (Agency) explanations for significant fluctuations in receipts as presented in the Comparative Schedule of Cash Receipts and Reconciliation of Cash Receipts to Deposits Remitted to the State Comptroller are detailed below. For the purpose of this analysis, a significant fluctuation is defined as a variation that equaled or exceeded \$30,000 and 20% as compared to the prior fiscal year.

VARIANCE 2013 TO 2014

HISTORIC SITES FUND – 0538

Copy Fees

Increase of \$69,014 (236%) in fiscal year 2014 was due to timing of when copy fee revenues were transmitted from Abraham Lincoln Presidential Library and Museum to Fiscal office for deposit.

Department of Interior

Increase of \$252,099 (24%) in fiscal year 2014 was due to timing of when Federal drawdowns occurred.

Donations – Individuals/Organizations

Increase of \$63,159 (11,546%) in fiscal year 2014 was due to a donation received from Landmark Illinois for courthouse repairs.

Department of Commerce & Economic Opportunity

Decrease of \$73,000 (100%) in fiscal year 2014 was due to a one-time grant from the Department of Commerce & Economic Opportunity in fiscal year 2013 to match funds received from Landmark Illinois for courthouse repair grants.

VARIANCE 2012 TO 2013

HISTORIC SITES FUND – 0538

Copy Fees

Decrease of \$63,140 (68%) in fiscal year 2013 was due to timing of when copy fee revenues were transmitted to the Fiscal office for deposit.

Department of Commerce & Economic Opportunity

Increase of \$73,000 (100%) in fiscal year 2013 was due to a one-time grant from the Department of Commerce & Economic Opportunity to match funds received from Landmark Illinois for courthouse repair grants.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS - Continued

Property Rentals

Increase of \$36,103 (56%) in fiscal year 2013 was due to a new farm land rental agreement at Sulphur Springs historic site and an additional farm land rental agreement at Ft. DeChartes historic site offset by a reduction in revenue at Ft. De Chartes related to an annual event held on the property which was rained out in fiscal year 2013.

PRESIDENTIAL LIBRARY AND MUSEUM OPERATING FUND – 0776

Donations – Individuals/Organizations

Decrease of \$32,967 (100%) in fiscal year 2013 was due to a large bequest from an individual and a donation from 20th Century Fox for activities associated with filming a movie received in fiscal year 2012.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING

The Historic Preservation Agency's (Agency) explanations for significant lapse period spending as presented in the Schedule of Appropriations, Expenditures, and Lapsed Balances are detailed below. For the purpose of this analysis, significant lapse period spending is defined as spending that equaled or exceeded \$50,000 and 20% of the total expenditures for the respective fiscal year.

FISCAL YEAR 2014

GENERAL REVENUE FUND – 0001

Awards and Grants – Amistad Commission Expenses

Spending of \$123,570 (62%) during fiscal year 2014 lapse period was due to invoices received late in the fiscal year for the DuSable Museum grant for expenses related to the Amistad Commission.

HISTORIC SITES FUND – 0538

Contractual Services

Spending of \$121,941 (36%) during fiscal year 2014 lapse period was due to invoices received late in the fiscal year for utility expenses, expenses related to the 44th Annual Rendezvous, reimbursements for petty cash funds, and repair and maintenance charges for projects that included repairs to chillers and air conditioning units, plumbing, and lawn tractors.

Lump Sums – Operations – OSC, JRB, and Union Station

Spending of \$89,954 (35%) during fiscal year 2014 lapse period was due to invoices received late in the fiscal year for utility expenses, payroll, monthly telephone service, and repair and maintenance charges related to elevators in the Old State Capitol and Journal Register buildings.

FISCAL YEAR 2013

GENERAL REVENUE FUND – 0001

Awards & Grants – Amistad Commission Expenses

Spending of \$144,544 (83%) during fiscal year 2013 lapse period was due to obligations incurred before June 30, 2013 and paid during lapse period related to planning activities for a new program implemented in January 2013.

HISTORIC SITES FUND – 0538

Lump Sums – Historic Preservation Programs – Pres. Serv.

Spending of \$53,441 (25%) during fiscal year 2013 lapse period was due to invoices received late in the fiscal year for payroll, in-state travel and grant program reimbursements, and for quarterly anthropologist services related to the skeletal remains project.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

ANALYSIS OF ACCOUNTS RECEIVABLE

For the Years Ended June 30, 2014 and 2013
(Expressed in Thousands)

Aging of Accounts Receivable were as follows:

| | <u>2014</u> | <u>2013</u> |
|-----------------------------------|---------------------|---------------------|
| Current | \$ 27 | \$ 25 |
| 1-30 days | - | - |
| 31-90 days | - | - |
| 91-180 days | - | - |
| 181-1 year | - | - |
| Over 1 year | <u>-</u> | <u>-</u> |
| Accounts Receivable Gross Balance | 27 | 25 |
| Less: Estimated Uncollectibles | <u>-</u> | <u>-</u> |
| Accounts Receivable Net Balance | <u><u>\$ 27</u></u> | <u><u>\$ 25</u></u> |

Note: As noted in finding 2014-011, the Agency did not have a process in place for determining accounts receivable. The dollar amount of all potential receivables was not estimable and, therefore, is not been included in this schedule. Amounts reported above represent receivables related to parking garage fee collections.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

AGENCY FUNCTIONS AND PLANNING PROGRAM

(Not Examined)

AGENCY FUNCTIONS

The Historic Preservation Agency (Agency) was created in 1985 by Public Act 84-25. The Agency is responsible for the protection and interpretation of Illinois' history and historic resources. The Agency administers the Abraham Lincoln Presidential Library and Museum, all State-owned historic sites and the State's preservation program, which assists owners of historic properties with rehabilitation and preservation.

The Agency's operations are divided into the following divisions: Administrative Services – Buildings & Grounds, Executive Office, Historic Sites, Preservation Services, and the Abraham Lincoln Presidential Library and Museum.

Administrative Services Division – Buildings & Grounds

The Administrative Services Division is responsible for physical plant operations of downtown facilities as well as construction and repairs at historic sites statewide.

Executive Office

The Executive Office is divided into two areas – Constituent Services and the Director's Office. Constituent Services is responsible for research, education, publications, and the coordination of special programs and events. Those divisions reporting directly to the Director's Office include Fiscal Management, General Services and Information Technology, and Human Resources. In addition, division managers from all divisions report to the director and/or deputy director.

Preservation Services Division

The Preservation Services Division is responsible for the identification, protection, and promotion of historically important sites throughout the State, recommendation of sites to include in the National Historic Register, review and compliance of federal projects dealing with historic preservation, and the oversight of grants awarded to local governments for historic preservation efforts.

Historic Sites Division

The Historic Sites Division is responsible for the operation and maintenance of all State-owned historic sites and memorials, which attract about two million tourists annually. The Historic Sites Division also conducts many special events, which attract a large number of visitors and serve an important local function in both economics and community pride.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

AGENCY FUNCTIONS AND PLANNING PROGRAM – Continued

(Not Examined)

Abraham Lincoln Presidential Library and Museum

The Abraham Lincoln Presidential Library and Museum (ALPLM) is responsible for the operation and maintenance of the ALPLM site. The ALPLM interprets the life and times of America's greatest president; fosters scholarship into Lincoln's life and times; preserves the documentary and visual history of Illinois; and encourages historical literacy through an ambitious agenda of changing exhibits, conferences, lectures, educational outreach, and on-line programming.

AGENCY PLANNING PROGRAM

The Agency considers its upper management to include the Director, Deputy Director, Legal Counsel, Procurement Officer, Marketing Manager, Chief Fiscal Officer, Human Resource Manager, Legislative Liaison, IT manager, respective Division Managers, and staff from the Library and Museum including the Executive Director and Chief of Staff. Upper management participates in key management decisions for budgeting, purchasing, hiring and firing of employees. The Agency is under the direct supervision of a seven-member Board of Trustees appointed by the Governor. This Board is the ultimate decision-maker concerning major policies of the Agency. Meetings are held approximately every quarter and are attended by board members, the Agency Director, and all Division Managers and are documented by meeting minutes.

The Agency evaluates performance metrics pertaining to their activities and enters them into a database maintained by the Office of Management and Budget on a quarterly basis. Due to budget restrictions, upper management has taken a serious look at which programs and services are the most significant through evaluation of the Agency's mission and statutory requirements. Representatives from each division, both management and staff, have been involved in the development of the performance metrics and determining which programs and services are most significant.

Communication between the five Divisions is accomplished mainly through telephone conversations, e-mail and memoranda throughout the offices. In general, staff meetings involving upper management identified above are held every two weeks.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

AVERAGE NUMBER OF EMPLOYEES

For the Years Ended June 30, 2014, 2013, and 2012

(Not Examined)

The average number of employees employed by the Agency was as follows:

| Division | Fiscal Year | | |
|-----------------------------------|-------------|------|------|
| | 2014 | 2013 | 2012 |
| Executive Office | 16 | 12 | 16 |
| Preservation Services | 12 | 12 | 14 |
| Administrative Services | 7 | 7 | 7 |
| Historic Sites | 61 | 60 | 67 |
| Presidential Library & Museum | 71 | 73 | 73 |
| Total average full-time employees | 167 | 164 | 177 |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

EMERGENCY PURCHASES

(Not Examined)

The Agency (Capital Development Board on behalf of Historic Preservation Agency) reported the following emergency purchases to the Office of the Auditor General (OAG) during fiscal years 2013 and 2014:

| Description | Amount |
|-----------------------------------------------|--------------------------|
| Fiscal Year 2013 | |
| Roofing Repairs at Lincoln Herndon Law Office | <u>\$ 264,620</u> |
| Total Fiscal Year 2013 | <u><u>\$ 264,620</u></u> |

Fiscal Year 2014

No Fiscal Year 2014 emergency purchases.

Note: The fiscal year 2013 emergency purchase is an actual amount reported to OAG for a fiscal year 2010 emergency purchase procurement filed as an estimate.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SERVICE EFFORTS AND ACCOMPLISHMENTS

(Not Examined)

(Spending Expressed In Thousands)

The Illinois Historic Preservation Agency was created in 1985 through an Executive Order and later Public Act 84-25. It operates 55 State-owned historic sites and memorials, visited by nearly two million people annually; administers the Abraham Lincoln Presidential Library and Museum (ALPLM) Complex; administers State and Federal historic preservation programs in Illinois including the National Register of Historic Places, tax credit programs and protection of cultural resources; administers the Illinois History Exposition and develops publications for scholars and history enthusiasts and oversees the Papers of Abraham Lincoln. The Agency opened the Abraham Lincoln Presidential Museum in 2005, which has since then been recognized for its engaging shows and exhibits and ability to convey the life of America's greatest president. The Illinois Historic Preservation Agency saves and shares the ongoing story of Illinois to advance learning from our past, demonstrates its relevance in the present, and provides direction for the future. The Agency collects historically important materials and interprets their meaning to the public. It is organized into four programmatic divisions: ALPLM, Historic Sites, Preservation Services, and Communication and Public Affairs. The Historic Sites Division provides stewardship to 56 historically significant sites representing over 2,000 years of human history across Illinois including the World Heritage Site at Cahokia Mounds; Frank Lloyd Wright's masterpiece, the Dana Thomas House; and Lincoln's New Salem. In addition to providing tours to two million visitors and schoolchildren from around the globe each year, the sites provide 200–300 public programs ranging from small workshops to multi-day festivals serving thousands. The artifact collection of more than 40,000 items ranges from objects once owned by Abraham Lincoln, to internationally significant artwork, to materials representing the foundations of the State of Illinois.

The following table details expenditures and number of employees as of June 30, 2014 and 2013. The headcount presented does not agree to the Average Number of Employees schedule as the totals are as of June 30 rather than averages for the fiscal years presented.

| | 2014 | | 2013 | |
|-----------------------------------|--------------------|--------------|--------------------|--------------|
| | Expenditures | Headcount | Expenditures | Headcount |
| ALPLM | \$ 13,718.0 | 79.0 | \$ 12,895.8 | 77.0 |
| Communications and Public Affairs | 838.2 | 5.0 | 839.9 | 5.0 |
| Preservation Services | 1,872.1 | 14.0 | 1,971.8 | 16.0 |
| Historic Sites | 7,595.3 | 64.0 | 7,258.5 | 64.0 |
| Agency Totals | <u>\$ 24,023.6</u> | <u>162.0</u> | <u>\$ 22,966.0</u> | <u>162.0</u> |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SERVICE EFFORTS AND ACCOMPLISHMENTS – Continued

(Not Examined)

(Spending Expressed In Thousands)

Abraham Lincoln Presidential Library and Museum

Mission Statement: The Abraham Lincoln Presidential Library and Museum interprets the life and times of America’s greatest president; fosters scholarship into Lincoln’s life and times; preserves the documentary and visual history of Illinois; and historical literacy through an ambitious agenda of changing exhibits, conferences, lectures, educational outreach, and on-line programming.

Program Goals:

- 1) To increase awareness of the Abraham Lincoln Presidential Library and Museum through public presentations and tours.
 - o To increase museum attendance one percent in fiscal year 2015.
- 2) Preserve books, pamphlets, newspapers, photographs and other materials of historical interest to the State of Illinois.
 - o To complete at least 80% of conservation treatments
- 3) Collect books, pamphlets, newspapers, photographs, manuscripts and other materials of historical interest to the State of Illinois.
- 4) Make available, to the public, Illinois historical materials and information.
 - o To respond to 100% of the interlibrary loan requests within 30 working days by June 30, 2015.
 - o To respond to at least 95% of the reference section and newspaper section research request letters within 30 working days by June 30, 2015.
 - o To improve accessibility to newly published books by reducing the time for the processing of 100% of them to 30 working days.

Funds: General Revenue Fund, Illinois Historic Sites Fund, Abraham Lincoln Presidential Library and Museum Operating Fund. Statutory Authority: 20 ILCS 3425 et seq.

| | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|-----------------------------------------------|-------------|-------------|-------------|
| <u>Input indicators:</u> | | | |
| Total expenditures – all sources | \$ 13,718.0 | \$ 12,895.8 | \$ 10,878.7 |
| Total expenditures – State appropriated funds | \$ 13,718.0 | \$ 12,895.8 | \$ 10,878.7 |
| Full-time equivalents as of June 30 | 79.0 | 77.0 | 80.0 |
| <u>Output Indicators</u> | | | |
| Library users | 46,770 | 53,034 | 51,767 |
| Items acquired | 3,570 | 3,238 | 3,678 |
| Conservation treatments performed | 2,637 | 1,841 | 2,575 |
| Interlibrary loans sent | 3,671 | 4,104 | 3,735 |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SERVICE EFFORTS AND ACCOMPLISHMENTS – Continued

(Not Examined)

(Spending Expressed In Thousands)

| <u>Output Indicators – Continued</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|---------------------------------------------------------|-------------|-------------|-------------|
| Museum attendance | 297,837 | 315,666 | 294,959 |
| Volunteer hours | 39,850 | 37,848 | 39,048 |
| <u>Outcome Indicators</u> | | | |
| Percent of research letters answered in 30 days | 95% | 80% | 90% |
| Percent of conservation treatments completed in 30 days | 80% | 70% | 85% |
| Percent of interlibrary loans processed in 30 days | 100% | 100% | 100% |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SERVICE EFFORTS AND ACCOMPLISHMENTS – Continued

(Not Examined)

(Spending Expressed In Thousands)

Communications and Public Affairs

Mission Statement: Increase the public's awareness and appreciation of Illinois history by providing services to educators, students, scholars and the general public through online and printed publications, student historian programs, and workshop and history resources for social studies teachers.

Program Goals:

- 1) Continue to maintain the current on-line publications.
- 2) Develop methods and programs to improve teaching of Illinois history.
- 3) Improve the public's knowledge of the Illinois Historic Preservation Agency and its mission.

Funds: General Revenue Fund, Illinois Historic Sites Fund. Statutory Authority: 20 ILCS 3405/4 & 3425/4

| | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|-----------------------------------------------|-------------|-------------|-------------|
| <u>Input indicators:</u> | | | |
| Total expenditures – all sources | \$ 838.2 | \$ 839.9 | \$ 786.5 |
| Total expenditures – State appropriated funds | \$ 838.2 | \$ 839.9 | \$ 786.5 |
| Full-time equivalents as of June 30 | 5.0 | 5.0 | 6.0 |
| <u>Output Indicators</u> | | | |
| Subscribers to all publications | 1,055 | 1,517 | 1,747 |
| Participants at the Illinois History Fair | 1,200 | 1,112 | 1,300 |
| <u>Outcome Indicators</u> | | | |
| Publications online | 53.0 | 53.0 | 44.0 |
| Contacts made promoting history fair | 250.0 | 255.0 | 235.0 |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SERVICE EFFORTS AND ACCOMPLISHMENTS – Continued

(Not Examined)

(Spending Expressed In Thousands)

Preservation Services

Mission Statement: To identify, record and preserve the historic buildings and places of Illinois.

Program Goals:

- 1) Work with State and Federal agencies to facilitate their stewardship responsibilities for historic properties.
 - o Review 95% of projects submitted within 30 days or less.
 - o Produce 10 agreement documents with agencies that accomplish property protection.
- 2) To maintain, as measured by public survey, an annual cleanliness rating of 90% at all staffed sites open to the public.
 - o To respond to at least 90% of National Register inquiries within 30 days by providing the information needed so that applicants may move forward with National Register applications, or otherwise determine appropriate courses of action for other inquiries.
- 3) Assist county and municipal governments in creating and administering effective local government historic preservation programs so they may be eligible for the benefits of Federal grants and incentive programs.
 - o To assist municipalities and counties throughout the State to meet Federal criteria to become eligible for and/or maintain their status as Certified Local Governments (CLG).
 - o To offer advocacy for local preservation laws, guidelines, and actions that help to promote awareness, economic development, and sustainability through cultural resource identification and revitalization.
- 4) Administer State and Federal tax incentive programs in a prompt manner consistent with the needs of ongoing rehabilitation of the involved historic properties.
 - o Provide up to date and clear information to the public explaining the tax program benefits and procedures in public forums that occur at least 4 times each year, and on The Agency's website.
 - o To respond to 95% of State and Federal tax incentives requests for project review within 50 days.

Funds: General Revenue Fund, Capital Development Fund, Illinois Historic Sites Fund. Statutory Authority: 20 ILCS 3410, 3420, 3435, 3440

| | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|-----------------------------------------------|-------------|-------------|-------------|
| <u>Input indicators:</u> | | | |
| Total expenditures – all sources | \$ 1,872.1 | \$ 1,971.8 | \$ 2,053.1 |
| Total expenditures – State appropriated funds | \$ 1,872.1 | \$ 1,971.8 | \$ 2,053.1 |
| Full-time equivalents as of June 30 | 14.0 | 16.0 | 16.0 |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SERVICE EFFORTS AND ACCOMPLISHMENTS – Continued

(Not Examined)

(Spending Expressed In Thousands)

| <u>Output Indicators</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|--------------------------------------------------------------------------------|-------------|-------------|-------------|
| State tax incentive responses (Part 1, 2, 3 additional work and preliminaries) | 131.0 | 170.0 | N/A |
| Federal tax incentive responses (Part 1, 2, 3 and amendments) | 148.0 | 53.0 | N/A |
| <u>Outcome Indicators</u> | | | |
| Percent of regulatory review comments completed in 30 days | 96% | 95% | 97% |
| Percent of National Register responses within 30 days | 95% | 90% | 95% |
| Percent of tax program responses within 50 days | 95% | 87% | 100% |
| <u>External Benchmarks</u> | | | |
| Number of Certified Local Governments | 78.0 | 77.0 | 74.0 |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SERVICE EFFORTS AND ACCOMPLISHMENTS – Continued

(Not Examined)

(Spending Expressed In Thousands)

Historic Sites

Mission Statement: To maintain, preserve, interpret, collect and communicate the cultural history of Illinois as represented by the 55 historic sites and memorials administered and owned by the State of Illinois. This is accomplished through public access, educational programs, special events and outreach.

Program Goals:

- 1) To preserve for future generations the division's historic buildings, historic artifacts, archaeological resources and recreational and support.
- 2) To maintain, as measured by public survey, an annual cleanliness rating of 90% at all staffed sites open to the public.
- 3) To provide interesting and educational historical and cultural programs at staffed historic sites as measured by public survey at 90%.
- 4) To reach and educate new and remote audiences as well as under-privileged audiences via the Agency's website.
- 5) To promote and increase tourism throughout the State by attracting visitors to historic sites. These visitors spend on average \$82 per day in the communities they visit.

Funds: General Revenue Fund, Illinois Historic Sites Fund. Statutory Authority: 20 ILCS 3405 et al

| | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|-----------------------------------------------|-------------|-------------|-------------|
| <u>Input indicators:</u> | | | |
| Total expenditures – all sources | \$ 7,595.3 | \$ 7,258.5 | \$ 7,093.6 |
| Total expenditures – State appropriated funds | \$ 7,595.3 | \$ 7,258.5 | \$ 7,093.6 |
| Full-time equivalents as of June 30 | 64.0 | 64.0 | 69.0 |
| <u>Output Indicators</u> | | | |
| Site attendance (thousands) | 1,910 | 1,935 | 1,990 |
| Volunteer hours (thousands) | 70.4 | 68.8 | 64.1 |
| Donation box receipts (thousands) | \$ 507.2 | \$ 463.6 | \$ 390.8 |
| Economic impact of historic sites (millions) | \$ 157.1 | \$ 158.7 | \$ 159.0 |
| Website hits pertaining to historic sites (a) | 80,672 | 421,670 | 311,796 |

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SERVICE EFFORTS AND ACCOMPLISHMENTS – Continued

(Not Examined)

(Spending Expressed In Thousands)

| <u>Outcome Indicators</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|--------------------------------------------------------|-------------|-------------|-------------|
| Overall enjoyable public programs experience - survey | 91% | 91% | 92% |
| Site appearance and annual cleanliness rating - survey | 94% | 90% | 86% |

Footnote

- a) The decrease in fiscal year 2014 was due to an issue with the system used to track website hits. A new system was implemented in April 2014; therefore, only data from April through June 2014 was collected.

STATE OF ILLINOIS
HISTORIC PRESERVATION AGENCY

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SERVICE EFFORTS AND ACCOMPLISHMENTS – Continued

(Not Examined)

(Spending Expressed In Thousands)

The following table details the number of visitors to State-owned historic sites and donations collected:

| Site | Fiscal Year 2014 | | Fiscal Year 2013 | |
|----------------------------------------------------------------------|--------------------|--------------------------|--------------------|--------------------------|
| | Number of Visitors | Cash Donations Collected | Number of Visitors | Cash Donations Collected |
| Apple River Fort | 13,950 | \$ 4,157 | 13,336 | \$ 3,341 |
| Bishop Hill | 31,414 | 6,190 | 24,379 | 4,527 |
| Black Hawk | 122,565 | 3,640 | 120,673 | 3,404 |
| Bryant Cottage | 7,668 | 494 | 8,356 | 586 |
| Cahokia Courthouse | 3,760 | - | 3,483 | 101 |
| Cahokia Mounds | 275,957 | 84,607 | 269,368 | 86,303 |
| Carl Sandburg Home | 2,142 | 3,648 | 1,797 | 1,839 |
| Dana-Thomas House | 23,445 | 126,519 | 25,322 | 109,443 |
| David Davis Mansion | 60,754 | 14,148 | 58,772 | 13,301 |
| Douglas Tomb | 8,275 | - | 6,199 | - |
| Fort De Chartres | 37,278 | 3,159 | 25,053 | 8,905 |
| Galena Complex (Grant's Home, Old Market House, and Washburne House) | 95,267 | 96,393 | 93,152 | 83,525 |
| Lewis and Clark Memorial | 77,467 | 12,827 | 76,740 | 14,307 |
| Lincoln Log Cabin | 83,214 | 6,380 | 76,731 | 8,391 |
| Lincoln Tomb | 331,484 | - | 349,205 | - |
| Lincoln's New Salem | 382,825 | 67,134 | 376,441 | 51,404 |
| Metamora Courthouse | 13,931 | - | 12,632 | - |
| Old State Capitol/Lincoln Herndon | 127,414 | 67,422 | 137,314 | 63,795 |
| Pierre Menard/Ft. Kaskaskia | 33,059 | 1,847 | 60,283 | 1,466 |
| Postville/Mt. Pulaski | 3,320 | - | 3,967 | - |
| Pullman | 15,045 | - | 12,368 | - |
| Vachel Lindsay House | 3,323 | - | 4,919 | - |
| Vandalia State House | 19,134 | 8,676 | 20,111 | 8,943 |
| Vietnam Veteran's Memorial | 137,276 | - | 154,832 | - |
| Totals | 1,909,967 | \$ 507,241 | 1,935,433 | \$ 463,581 |