



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS COUNCIL ON DEVELOPMENTAL DISABILITIES

Compliance Examination
For the Two Years Ended June 30, 2017

Release Date: December 12, 2018

FINDINGS THIS AUDIT: 3			AGING SCHEDULE OF REPEATED FINDINGS				
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	0	1	2015			17-03
Category 2:	1	0	1				
Category 3:	0	1	1				
TOTAL	2	1	3				

FINDINGS LAST AUDIT: 1

SYNOPSIS

- (17-01) The Council did not maintain adequate documentation and control over its property.
- (17-03) The Council has several members serving on expired terms.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

Category 3: Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

{ Expenditures and Activity Measures are summarized on next page. }

**ILLINOIS COUNCIL ON DEVELOPMENTAL DISABILITIES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2017**

EXPENDITURE STATISTICS	2018	2017	2016
Total Expenditures.....	\$ 2,343,888	\$ 2,761,366	\$ 2,375,473
OPERATIONS TOTAL.....	\$ 1,132,885	\$ 1,159,973	\$ 1,270,058
% of Total Expenditures.....	48.3%	42.0%	53.5%
Personal Services.....	443,833	447,878	553,444
Other Payroll Costs (FICA, Retirement).....	343,132	383,215	433,901
All Other Operating Expenditures.....	345,920	328,880	282,713
AWARDS AND GRANTS.....	\$ 1,211,003	\$ 1,601,393	\$ 1,105,415
% of Total Expenditures.....	51.7%	58.0%	46.5%
Total Receipts.....	\$ 2,288,813	\$ 2,699,476	\$ 2,402,714
Average Number of Employees.....	6	7	8

SELECTED ACTIVITY MEASURES (Not Examined)	2018	2017	2016
Number of Federal Fiscal Reports completed.....	4	4	4
Number of new grants funded.....	8	10	7
Number of Council meetings held.....	5	5	4
Number of Committee meetings held.....	20	17	19

AGENCY DIRECTOR
During Examination Period: Sheila Romano (7/1/15-3/15/16); Sandy Ryan (3/16/16-9/11/16), Kimberly Mercer-Schleider (9/12/16-present)
Currently: Kimberly Mercer-Schleider

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

INADEQUATE CONTROL OVER STATE PROPERTY

The Illinois Council on Developmental Disabilities (Council) did not maintain adequate documentation and control over its property during the examination period.

Detailed supporting documentation not maintained

During testing, we noted the Council did not maintain detailed supporting documentation of property acquisitions during the examination period.

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

Even given the population limitations noted above which hindered our ability to conclude whether selected samples were representative of the population as a whole, we selected a sample from the listing provided by the Council and performed testing of additions to the Council's property during the period.

Unable to determine new items were timely entered in property records

- The Council's records for nine of ten (90%) acquisitions tested, totaling \$3,058, did not include a received date. As a result, we were unable to determine if the equipment was added to the property records timely.
- The Council received 15 electronic equipment items, totaling \$4,696, to use from the Department of Innovation and Technology (DoIT). The equipment should have been labeled the property of DoIT since DoIT was retaining ownership of the equipment; however, Council personnel attached Council equipment tags and added the items to the Council's property listing.

DoIT property recorded on the Council's property listing

- Six of 80 (8%) property items selected from the Council's property listing or selected from property located at the Council, totaling \$2,725, were found in a different location than indicated on the Council's property listing.
- Four of 80 (5%) property items selected from the Council's property listing or selected from items located at the Council, totaling \$951, were deemed obsolete. However, these items remained on Council property records and the Council had not reported

Obsolete property found

these items to the Department of Central Management Services (CMS) for possible disposal through the surplus process.

Obsolete equipment not tracked

- While inquiring about the obsolete equipment above, we found the Council had a large amount of additional property awaiting surplus by CMS, which includes chairs, desks, shelves, and file cabinets. The items remained on the property listing and were not tracked while awaiting surplus. (Finding 1, pages 8-9)

We recommended the Council strengthen its internal controls over recording and reporting its State property and equipment transactions. Further, the Council should implement a corrective action plan to (1) survey its inventory and report transferable equipment to CMS and (2) complete a full inventory to identify and correct its property and equipment errors.

Council officials agree

Council officials agreed with our recommendation.

EXPIRED COUNCIL MEMBER TERMS

The Council has several members serving on expired terms.

Significant portion of the Council's members serving on expired terms

During testing, we noted 16 of 19 (84%) members appointed by the Governor were serving under expired terms with 10 of these members already having served two successive terms on the Council. The original appointments of those 10 members were made between August 2004 and September 2010. (Finding 3, page 12)

We recommended the Council continue to work with the Governor's Office to ensure Council member vacancies are filled and reappointments or replacements of members with expired terms are made in a timely manner.

Council officials agree

Council officials agreed with our recommendation.

OTHER FINDING

The remaining finding pertained to inadequate control over reconciliations. We will review the Council's progress towards the implementation of our recommendations in our next compliance examination.

ACCOUNTANT'S OPINION

The accountants conducted a compliance examination of the Council for the two years ended June 30, 2017, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Finding 2017-001. Except for the noncompliance described in this finding, the accountants stated the Council complied, in all material respects, with the requirements described in the report.

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

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

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

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

FJM:SDW