



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

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

LABOR RELATIONS BOARD

**COMPLIANCE EXAMINATION
For the Two Years Ended: June 30, 2011**

Release Date: February 28, 2012

Summary of Findings:

Total this audit:	6
Total last audit:	8
Repeated from last audit:	5

SYNOPSIS

- The Board did not maintain adequate controls over the recording and reporting of State property.
- The Board did not have adequate controls over its receipt processing.

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

**LABOR RELATIONS BOARD
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2011**

EXPENDITURE STATISTICS	2011	2010	2009
Total Expenditures.....	\$ 1,520,273	\$ 1,445,602	\$ 1,767,184
Total Receipts.....	\$ 169	\$ 983	\$ 1,287
Average Number of Employees.....	20	20	20

SELECTED ACTIVITY MEASURES (NOT EXAMINED)	2011	2010	2009
Representation cases filed	335	452	407
Charges against labor organization	74	117	100
Charges against employer	295	369	372
Mediation/Arbitration cases	401	393	320

AGENCY DIRECTOR
During Examination Period: John Brosnan
Currently: John Brosnan

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

INADEQUATE CONTROLS OVER THE RECORDING AND REPORTING OF STATE PROPERTY

The Board did not maintain sufficient controls over the recording and reporting of State property. We noted the following:

- Two of 8 (63%) Quarterly Reports of State Property (C-15's) prepared by the Board and submitted to the Illinois Office of the Comptroller (IOC) did not accurately reflect Board equipment transactions. The FY10 equipment additions were overstated by \$9,519.
- For seven of 25 (28%) addition items tested, the Board temporarily transferred out these items without supporting documentation.
- The Board included two equipment items totaling \$10,225 on the property listing that were under an operating lease and not State property.
- One item purchased during the period was not properly added to the property listing resulting in a \$705 understatement.

We recommended the Board strengthen controls over the recording and reporting of State property by reviewing their inventory and recordkeeping practices to ensure compliance with statutory and regulatory requirements. (Finding 1, pages 8-9)

Board officials accepted the finding and recommendation and stated they will ensure compliance with recommendation.

INADEQUATE SUPPORT FOR AND UNTIMELY DEPOSIT OF RECEIPT TRANSACTIONS

The Board did not have adequate controls over the deposit of receipts. During our testing we noted the following:

- Five of 19 (26%) receipts tested, totaling \$68,

were not deposited in a timely manner. The receipts were submitted 3 to 8 days late.

- Four of 19 (21%) receipts and corresponding Treasurer's Drafts tested, totaling \$107, were not submitted to the Illinois Office of the Comptroller (IOC) within 30 days. The Treasurer's Drafts were submitted between 18 and 54 days late.

We recommended that the Board comply with the State Officers and Employees Money Disposition Act by making timely deposits into the State Treasury. In addition, the Board should submit Treasurer's Drafts to the IOC in a timely manner. (Finding 2, pages 11-12)

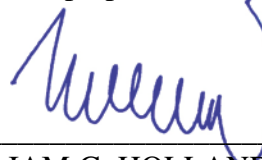
Board officials accepted the finding and recommendation and stated they will ensure compliance with recommendation.

OTHER FINDINGS

The remaining findings are reportedly being given attention by the Board. We will review the Board's progress toward implementation of our recommendations in our next examination.

AUDITORS' OPINION

We conducted a compliance examination of the Illinois Labor Relations Board as required by the Illinois State Auditing Act. We have not audited any financial statements of the Illinois Labor Relations Board for the purpose of expressing an opinion because the Illinois Labor Relations Board does not, nor is it required to, prepare financial statements.



WILLIAM G. HOLLAND, Auditor General

WGH:MFP

AUDITORS ASSIGNED

Our special assistant auditors for this engagement were Washington, Pittman, & McKeever, LLC.