

REPORT DIGEST

**JOINT COMMITTEE ON ADMINISTRATIVE RULES
COMPLIANCE AUDIT
FOR THE TWO YEARS ENDED JUNE 30, 1992**

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

PERIODIC REVIEWS OF AGENCY RULES

The Joint Committee on Administrative Rules (JCAR) has not fully complied with statutory mandates requiring review of agency rules and forms.

- Because of inadequate staff resources, JCAR was not able to periodically evaluate the administrative rules of each State agency. The Illinois Administrative Procedure Act requires the Agency to evaluate the rules of all agencies at least once every five years.

- The agency also did not have the resources to evaluate and analyze all state forms which have been developed or revised to ascertain the burden, if any, of complying with such requirements by small businesses. Approximately 60,000 to 80,000 of these forms exist.

JCAR did review all forms submitted by agencies proposing new rulemakings or changes in existing rules. Also, during the audit period, JCAR did review all new rulemakings and changes to existing rules as the proposed rules were submitted by agencies to JCAR for review. (Finding 1, page 9)

We recommended that JCAR either comply with existing statutes requiring review of rules of State agencies or seek legislation to change the requirement. JCAR acknowledged that it has not been able to carry out a five-year review of all the rules in all State agencies. In its response, JCAR analyzed the nature of the review process including the attendant costs and benefits to the State and defended its current operations as being the best use of its limited resources. In conclusion, JCAR announced plans to consider seeking a change in legislation to modify the periodic review requirement.

OTHER FINDINGS

Our report contains two additional findings:

- JCAR did not promptly reconcile its financial records with those of the Comptroller as required by CUSAS. We noted that 23 of 24 (96 percent) Agency Confirmation Request for Obligations and Agency Contract Reports were not submitted. We noted similar levels of noncompliance on other requests for confirmation by the Comptroller. (Finding 2, page 13)

- We noted that not all personnel performance evaluations were performed on a regular basis as required by JCAR personnel policy. (Finding 3, page 15)

JCAR has agreed to implement our recommendations to correct both of these deficiencies.

AUDITORS' OPINION

We conducted a compliance audit of the Joint Committee on Administrative Rules as required by the Illinois State Auditing Act. The Agency had no locally held funds or federal or State trust funds. Consequently, there are no financial statements requiring a financial audit leading to an opinion.

WILLIAM G. HOLLAND, Auditor General

WGH:JTD:pp

SUMMARY OF AUDIT FINDINGS

THIS AUDIT PRIOR AUDIT

Audit Findings 35

Recommendations Repeated 13

Recommendations Implemented or

Not Repeated 40

AUDITORS ASSIGNED

This audit was performed by staff of the Office of the Auditor General.