

**STATE OF ILLINOIS
LEGISLATIVE PRINTING UNIT
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021**

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STATE OF ILLINOIS
LEGISLATIVE PRINTING UNIT
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

UNIT OFFICIALS

Chair (10/01/22 – Present)	Tim Anderson
Chair (10/01/21 – 09/30/22)	Scott Kaiser
Chair (10/01/20 – 09/30/21)	Brad Bolin
Chair (10/01/19 – 09/30/20)	John Hollman
Director	Ronald Rhone
Fiscal Officer	Jenna Williams

GOVERNING BOARD MEMBERS¹

<i>Secretary of the Senate</i> Member	Tim Anderson
<i>Assistant to the Secretary of Senate</i> Member	Scott Kaiser
<i>Clerk of the House of Representatives</i> Member	John Hollman
<i>Assistant Clerk of the House of Representatives</i> Member	Brad Bolin

¹ Under the Legislative Commission Reorganization Act of 1984 (25 ILCS 130/1-5(b)), the Unit's governing board consists of the Secretary and Assistant Secretary of the Senate and the Clerk and Assistant Clerk of the House of Representatives.

UNIT OFFICE

The Unit's primary administrative office is located at:

William G. Stratton Building
401 S. Spring Street, Room 610
Springfield, Illinois 62706



LEGISLATIVE PRINTING UNIT
610 STRATTON BUILDING
SPRINGFIELD, ILLINOIS 62706
217/782-7312

MANAGEMENT ASSERTION LETTER

February 22, 2023

Honorable Frank J. Mautino
Auditor General
State of Illinois
740 East Ash Street
Springfield, Illinois 62703-3154

Auditor General Mautino:

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, Legislative Printing Unit (Unit). 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 Unit's compliance with the following specified requirements during the two year period ended June 30, 2021. Based on this evaluation, we assert that during the years ended June 30, 2020, and June 30, 2021, the Unit has materially complied with the specified requirements listed below.

- A. The Unit 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 Unit 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 Unit 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 Unit 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.

Yours Truly,

State of Illinois, Legislative Printing Unit

SIGNED ORIGINAL ON FILE

Ronald Rhone, Executive Director

SIGNED ORIGINAL ON FILE

Jenna Williams, Fiscal Officer

**STATE OF ILLINOIS
LEGISLATIVE PRINTING UNIT
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021**

STATE COMPLIANCE REPORT

SUMMARY

The State compliance testing performed during this 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*.

ACCOUNTANT’S REPORT

The Independent Accountant’s Report on State Compliance and on Internal Control Over Compliance does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report</u>
Findings	2	2
Repeated Findings	2	0
Prior Recommendations Implemented or Not Repeated	0	0

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings				
2021-001	8	2019/2019	Inadequate Controls over State Property	Significant Deficiency and Noncompliance
2021-002	10	2019/2019	Inadequate Controls over Voucher Processing	Significant Deficiency and Noncompliance

EXIT CONFERENCE

The Unit waived an exit conference in a correspondence from Jenna Williams, Fiscal Officer, on February 16, 2023. The responses to the recommendations were provided by Ronald Rhone, Executive Director, in a correspondence dated February 22, 2023.

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OFFICE OF THE AUDITOR GENERAL
FRANK J. MAUTINO

INDEPENDENT ACCOUNTANT'S REPORT
ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Governing Board
State of Illinois, Legislative Printing Unit

Report on State Compliance

We have examined compliance by the State of Illinois, Legislative Printing Unit (Unit) with the specified 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, 2021. Management of the Unit is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Unit's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. The Unit 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 Unit 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 Unit 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 Unit 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.

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*. Those standards, the Act, and the *Audit Guide* require that we plan and perform the examination to obtain reasonable assurance about whether the Unit complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Unit complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance with the specified requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Unit's compliance with the specified requirements.

In our opinion, the Unit complied with the specified requirements during the two years ended June 30, 2021, in all material respects. However, the results of our procedures disclosed instances of noncompliance with the specified requirements, which are required to be reported in accordance with criteria established by the *Audit Guide* and are described in the accompanying Schedule of Findings as items 2021-001 and 2021-002.

The Unit's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The Unit's responses were not subjected to the procedures applied in the examination and, accordingly, we express no opinion on the responses.

The purpose of this report is solely to describe the scope of our testing and the results of that testing in accordance with the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Report on Internal Control Over Compliance

Management of the Unit is responsible for establishing and maintaining effective internal control over compliance with the specified requirements (internal control). In planning and performing our examination, we considered the Unit's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Unit's compliance with the specified requirements and to test and report on the Unit's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Unit's internal control. Accordingly, we do not express an opinion on the effectiveness of the Unit's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the specified requirements on a timely basis. A material weakness in internal control is a deficiency, or a combination of deficiencies, in internal control, such that there is a

reasonable possibility that material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2021-001 and 2021-002 that we consider to be significant deficiencies.

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

The Unit's responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The Unit's responses were not subjected to the procedures applied in the examination and, accordingly, we express no opinion on the responses.

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing based on the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

JANE CLARK, CPA
Director of Financial and Compliance Audits

Springfield, Illinois
February 22, 2023

**STATE OF ILLINOIS
LEGISLATIVE PRINTING UNIT
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2021**

2021-001. **FINDING** (Inadequate Controls over State Property)

The Legislative Printing Unit (Unit) did not maintain adequate controls over its property and related reporting.

During testing, we noted the following:

- Eight of twelve (67%) items tested, totaling \$163,286, were not timely added to the Unit’s property records within 90 days after acquisition. The items were added 1 to 365 days late.

The Illinois Administrative Code (Ill. Admin. Code 5010.400) requires the Unit to adjust property records within 90 days after acquisition, change, or deletion of equipment items.

- The Unit failed to file its Fiscal Year 2021 Annual Inventory Certification with the Department of Central Management Services (DCMS).

The State Property Control Act (30 ILCS 605/6.02) and the Statewide Accounting Management System (SAMS) (Procedure 29.10.10) requires the Unit to submit to DCMS annually a listing of the permanent record of all property.

During the previous examination, Unit personnel indicated the issues noted were due to competing priorities and employee oversight. During the current examination, Unit personnel indicated the issues noted were due to management oversight and Unit office closures during the pandemic.

Failure to exercise adequate control over property and to maintain accurate property control records increases the potential for fraud and possible loss or theft of State property. Inaccurate property reporting reduces the reliability of statewide property information. (Finding Code No. 2021-001, 2019-001)

RECOMMENDATION

We recommend the Unit timely update its property listing and file all required reports.

UNIT RESPONSE

The Legislative Printing Unit agrees with the recommendation.

STATE OF ILLINOIS
LEGISLATIVE PRINTING UNIT
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2021

2021-001. **FINDING** (Inadequate Controls over State Property) – Continued

The LPU will maintain adequate controls over property to ensure accurate property control records. All State property additions will be properly marked in accordance with the State Property Control Act and Illinois Administrative Code.

**STATE OF ILLINOIS
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For the Two Years Ended June 30, 2021**

2021-002. **FINDING** (Inadequate Controls over Voucher Processing)

The Legislative Printing Unit (Unit) did not exercise adequate controls over voucher processing.

During testing, we noted the following:

- Nine of 25 (36%) contractual expenditure vouchers tested, totaling \$51,467, were approved between 4 and 96 days late.
- Sixteen of sixty (27%) general vouchers tested, totaling \$54,055, were approved between 4 and 230 days late.
- Three of 60 (5%) general vouchers tested, totaling \$58,453, were not approved by the agency head.

The Illinois Administrative Code (Code) (74 Ill. Admin. Code 900.70) requires the Unit review a bill and either deny the bill in whole or in part, ask for more information necessary to review the bill, or approve the bill in whole or in part within 30 days after physical receipt of the bill.

During the previous examination, Unit personnel indicated delays in voucher approval and processing were due to competing priorities for fiscal personnel. During the current examination, Unit personnel indicated they experienced delays in voucher approval and processing due to competing priorities for fiscal personnel, Unit office COVID closure, and the non-accessibility of mail and office records. Unit personnel also indicated any vouchers not signed were the result of employee oversight.

Late or no approval of vouchers represents noncompliance with the Code and could result in late payment interest penalties being owed by the Unit. (Finding Code No. 2021-002, 2019-002)

RECOMMENDATION

We recommend the Unit ensure vouchers are approved timely and ensure approvals are documented.

UNIT RESPONSE

The Legislative Printing Unit agrees with the recommendation.

The LPU will strengthen controls over managing timeliness of voucher payment approvals in accordance with the Illinois Administrative Code.