

LEGISLATIVE AUDIT COMMISSION

May 13, 2025

**Meeting Room Access
(LAC Members, Auditors, Invited Agency Officials and Media Personnel)**

Live Streaming for Public and Media Viewing for the Meeting at:

https://ilga.gov/commission/lac/lac_home.html

Time: 9:00 am

**Location: 114, Capitol Building (subject to change)
Springfield, Illinois**

AGENDA

- I. Review of Audits
 - A. Illinois State University
FY23 Compliance Examination – Review #4578
 - B. Illinois State Board of Education
FY21-22 Compliance Examination – Review #4579
- II. Consent Calendar
- III. LAC Financial Statements: April 2025
- V. Minutes from LAC meeting
 - A. May 20, 2024
 - B. April 29, 2025

**LEGISLATIVE
AUDIT
COMMISSION**



Review of
Illinois State University
For the Year Ended June 30, 2023

620 Stratton Office Building
Springfield, Illinois 62706
217/782-7097

REVIEW #: Illinois State University FY23 Compliance Examination

**REVIEW: #4578
ILLINOIS STATE UNIVERSITY
YEAR ENDED JUNE 30, 2023**

FINDINGS/RECOMMENDATIONS – 11

**IMPLEMENTED/PARTIALLY IMPLEMENTED – 9
ACCEPTED – 0
UNDER STUDY - 2**

REPEATED RECOMMENDATIONS – 7

PRIOR AUDIT FINDINGS/RECOMMENDATIONS – 11

This review summarizes the auditors’ reports on the compliance examination of the Illinois State University for year ended June 30, 2023, filed with the Legislative Audit Commission on May 2, 2024. The reports were conducted in accordance with *Government Auditing Standards* and State law. The auditors’ stated the University’s financial statements were presented fairly.

Illinois State University is a residential university with seven colleges and 36 academic departments that offer more than 170 programs of study. The Graduate School coordinates 61 masters’, specialist, and doctoral programs. Illinois State University is located in Normal, IL and governed by the Board of Trustees. It was founded in 1857 and is the oldest public institution of higher learning in Illinois.

Dr. Aondover Tarhulé was appointed interim president on February 17, 2023, following the resignation of Dr. Terri Goss Kinzy. Dr. Tarhulé was named president on March 18, 2024. Prior to being appointed interim president, Dr. Tarhulé served as vice president for academic affairs and provost as well as serving as a professor in the Department of Geography, Geology, and the Environment.

Appropriations and Expenditures

Appropriations (\$ thousands)	FY22		FY23	
	Approp	Expend	Approp	Expend
GENERAL FUNDS				
Operational Expenses	73,100.3	73,100.3	73,100.3	73,100.3
TOTAL GENERAL FUNDS	73,100.3	73,100.3	73,100.3	73,100.3
OTHER STATE FUNDS				
Grants				
Scholarship Grant Awards	25.0	21.9	25.0	25.0
TOTAL OTHER STATE FUNDS	25.0	21.9	25.0	25.0
TOTAL	73,125.3	73,122.2	73,125.3	73,125.3

Accountants' Findings and Recommendations

Condensed below are the 11 findings and recommendations included in the audit report. Of these, seven are repeated from the previous audit. The following recommendations are classified on the basis of information provided by Illinois State University, via electronic mail received May 2, 2024.

1. The auditors recommend the University implement adequate security, including:

- **Approving the updated policies and procedures to (1) reflect the University's current environment and (2) address future changes in processes and new systems; and**
- **Documenting, during formal user access reviews, the appropriateness of each user's access to the University's applications for all departments;**

Additionally, auditors recommend the University strengthen its controls to maintain a complete and accurate population of servers, update their servers with the vendors' latest versions of antivirus and operating systems, conduct security assessments over its environment, and ensure all security operations are properly configured.

FINDING: (Information Security Weaknesses) – First Reported 2018, Last 2023

The Illinois State University (University) had multiple computer security weaknesses.

The University relies on its computing environment for maintaining several critical, sensitive, and/or confidential systems used to meet its mission.

During testing of university information technology controls, auditors noted the University:

- Had not developed access provisioning policies documenting the internal controls for all environments and applications.
- Had not developed a policy documenting requirement for an annual review of users' access.
- Had not conducted a review of users' access.
- Had not developed a policy documenting the review of security violation reports to ensure remediation is timely conducted.

In order to determine if proper security controls had been implemented across the University's environment, auditors requested a population of servers. Although the University provided a population, documentation demonstrating its completeness and accuracy was not provided. Due to these conditions, auditors were unable to conclude the Office's population records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public

REVIEW #: Illinois State University FY23 Compliance Examination

Accountants (AU-C § 330, AT-C § 205). Even given the population limitations, they tested the population of servers, noting the University could not provide documentation demonstrating the antivirus and operating system were running the vendors' latest versions.

In addition, the auditors testing noted the University had not:

- Conducted security assessments over its environment.
- Ensured all security operations were properly configured.

The *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Access Control and Configuration Management sections require entities to maintain proper internal controls over access and security of their environment, applications and data.

Also, 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 and maintain accountability over the State's resources.

University officials indicated the IT functions and resources are highly distributed across the institution which require considerably more time to change and improve. University officials also indicated IT is limited in capacity to fully organize the remediation efforts within the portfolio of work efforts required of IT across the institution.

Inadequate controls over changes to the University's environment, applications and data could lead to unauthorized access, unauthorized changes and security risks to its environments, applications and related data. Also, due to the severity of the weaknesses noted, the auditors were unable to rely upon the general IT controls over the environments and applications.

UNIVERSITY RESPONSE:

The University agrees and understands that many of the issues identified are localized to specific departments rather than systemic across the organization. In response, we are committed to developing a comprehensive corrective action plan that addresses each identified issue promptly and effectively. This plan will include targeted strategies for the departments in question, ensuring that we uphold the highest standards of operation and security consistently across their institution.

UPDATED RESPONSE:

Partially Implemented.

The University is working through the shared governance process to finalize, communicate, and effectuate relevant policy, procedures, and standards to ensure consistent application of the Information Security Program across the institution.

2. **The auditors recommend the University implement controls to maintain a list of all of their service providers and determine and document if a review of the service providers' internal controls were performed, if required.**

Additionally, auditors recommend the University:

- **Obtain SOC reports or perform independent reviews of internal controls for all service providers.**
- **Monitor and document the operation of the CUECs relevant to the University's operations.**
- **Either obtain and review SOC reports for subservice organizations or perform alternative procedures to satisfy itself that the existence of the subservice organization would not impact its internal control environment.**
- **Document its review of the SOC reports and review all significant issues with subservice organizations to ascertain if a corrective action plan exists and when it will be implemented, any impacts to the University, and any compensating controls.**

FINDING: *(Lack of Adequate Controls over the Review of Internal Controls over Service Providers) – New*

The Illinois State University (University) did not implement adequate internal controls over its service providers.

The auditors requested the University provide a population of their service providers utilized in order to determine if the University had reviewed the internal controls of its service providers. However, the University was not able to provide such a population. Additionally, auditors noted the University had not developed policies and procedures to ensure their due diligence and monitoring of their service providers. Furthermore, the University did not obtain System and Organization Control (SOC) reports to ensure the internal controls at the service providers had been implemented and were operating effectively.

Due to these conditions, auditors were unable to determine if the internal controls of the service providers were adequate, and they were required to perform alternative procedures.

The *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Maintenance and System and Service Acquisition sections, requires entities outsourcing their information technology environment or operations to obtain assurance over the entities' internal controls related to the services provided. Such

REVIEW #: Illinois State University FY23 Compliance Examination

assurance may be obtained via System and Organization Control reports or independent reviews.

Also, 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 and maintain accountability over the State's resources.

University officials indicated that the various functions for holistic service provider management are distributed across various departments without a unifying strategy at this time.

Without having obtained and reviewed SOC reports or another form of independent internal control review, the University does not have assurance the service providers' internal controls are adequate and operating effectively.

UNIVERSITY RESPONSE:

The University agrees and understands that while our procedures and practices are effective in their defined scope, there is a need for formalized institution-wide policy to ensure consistency in all environments. In response, we are committed to developing a comprehensive corrective action plan that results in the development and implementation of change management governance.

UPDATED RESPONSE:

Partially Implemented.

The University is in the process of reviewing and assessing its processes to formalize an institution-wide policy/procedures to ensure consistency across campus and develop an approach for risk-based management of service providers.

- 3. The auditors recommend the University implement adequate policies and procedures over changes to the University's environment, applications and data. They also recommend the University maintain documentation that changes are properly approved prior to implementation.**

Further, auditors recommend the University strengthen its controls in maintaining a population of system developers and individuals with administrative rights.

FINDING: *(Weaknesses in Change Control) – New*

The Illinois State University (University) did not maintain adequate internal controls over changes to its environment, applications and data.

REVIEW #: Illinois State University FY23 Compliance Examination

The University had not developed a change management policy documenting the internal controls over changes to its environment, applications and data. In addition, the University had not implemented a formal Change Management Board.

Further, the approval for changes, including emergency changes, prior to being implemented into production was not maintained.

Lastly, the University was unable to provide documentation demonstrating the population of system developers and individuals with administrative rights was complete and accurate. Due to these conditions, the auditors were unable to conclude the University's population records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AU-C § 330, AT-C § 205). Even given the noted limitations, they tested the system developers and individuals with administrative rights, noting no exceptions.

The *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Configuration Management section, require entities to maintain proper internal controls over the changes to the environment, applications and data.

Also, 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 and maintain accountability over the State's resources.

University officials indicated the lack of recent review and assessment of change management procedures and practices resulted in the noted gaps developing.

Inadequate controls over changes to the University's environment, applications and data could lead to unauthorized access, unauthorized changes and security risks to its environments, applications and related data. Also, due to the severity of the weaknesses noted, auditors were unable to rely upon the general IT control over the environments and applications.

UNIVERSITY RESPONSE:

The University agrees and understands that while our procedures and practices are effective in their defined scope, there is a need for formalized institution-wide policy to ensure consistency in all environments. In response, we are committed to developing a comprehensive corrective action plan that results in the development and implementation of change management governance.

UPDATED RESPONSE:

Partially Implemented.

REVIEW #: Illinois State University FY23 Compliance Examination

The University is in the process of reviewing and assessing existing distributed change management processes to develop centralized oversight to ensure institutional goals are supported and process gaps are adequately addressed.

- 4. The auditors recommend the University review its current process for preparing the SEFA and implement the necessary procedures to ensure the SEFA is prepared timely and accurately in accordance with the Uniform Guidance.**

FINDING: *(Inaccurate Reporting of Federal Expenditures on the Schedule of Expenditures of Federal Awards) – New*

Condition: Illinois State University (University) did not have an adequate process in place to prepare and review its Schedule of Expenditures of Federal Awards (SEFA), prior to providing it to the auditors.

The University provided us their final SEFA on September 27, 2023. On February 27, 2024, the University informed us their SEFA did not include ten federal programs with expenditures during the fiscal year totaling \$3,556,085.

Criteria: According to 2 CFR 200.510(b), a recipient of Federal awards is required to prepare a SEFA for the period covered by the entity's financial statement which must include the total Federal awards expended. At a minimum, the schedule must include (1) a list of individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs and provide the applicable Federal agency name; (2) for Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included; (3) provide total Federal awards expended for each individual Federal program and the Assistance Listings Number or other identifying number when the Assistance Listings Number is not available; (4) include the total amount provided to subrecipient from each Federal program; and (5) include notes that describe the significant accounting policies used in preparing the schedule.

In addition, 2 CFR 200.303 requires non-Federal entities to, among other things, establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. Effective internal controls should include procedures to ensure expenditures are properly reported on the schedule of expenditures of Federal awards.

Cause: University officials indicated the review process in place did catch the missing items, however not prior to providing the SEFA to the auditors for their testing.

REVIEW #: Illinois State University FY23 Compliance Examination

Effect: Failure to accurately and timely report federal expenditures on the SEFA could result in the auditors not being able to properly determine the major programs that would be required to be audited in accordance with the Uniform Guidance and resulted in noncompliance with federal regulations.

UNIVERSITY RESPONSE:

The University agrees with the finding. The University will revise the timing of internal reviews to provide an accurate final SEFA to auditors in a timely manner. All agreements, including intergovernmental agreements and federal contracts for services will be included in the institutional reports used to construct the schedule to aid in timely reporting.

UPDATED RESPONSE:

Implemented.

The Schedule of Expenditures of Federal Awards will be completed based on an agreed upon time frame to provide appropriate review time prior to providing to the external auditors.

5. The auditors recommend the University:

- **Develop policies regarding configuration management, system development, training, onboarding, and backup verification and offsite storage.**
- **Conduct security awareness training.**
- **Conduct a comprehensive risk assessment and implement risk reducing controls.**
- **Review the Appropriate Use Policy and the Data Classification Policy at least annually.**
- **Classify their data in accordance with the data classification methodology.**
- **Document the security solutions utilized to monitor the security of their assets.**
- **Develop a comprehensive cybersecurity plan.**
- **Strengthen controls to identify the population of vulnerabilities.**

FINDING: *(Weakness in Cybersecurity Programs and Practices) – First Reported 2019, Last 2023*

The Illinois State University (University) had not implemented adequate internal controls related to cybersecurity programs and practices and control of confidential information.

The University utilizes various applications which contain a significant amount of critical and confidential data, such as names, addresses, Social Security numbers, banking information, etc.

REVIEW #: Illinois State University FY23 Compliance Examination

The Illinois State Auditing Act (30 ILCS 5/3-2.4) requires the Auditor General to review State agencies and their cybersecurity programs and practices. During our examination of the University's cybersecurity program, practices, and control of confidential information, auditors noted the University had not:

- Developed policies regarding configuration management, system development, training, on-boarding, and backup verification and offsite storage.
- Formally reviewed the Policy on Appropriate Use of Information Technology Resources and Systems (Appropriate Use Policy) since 2011.
- Conducted security awareness training.
- Conducted a comprehensive risk assessment or implemented risk reducing controls within the examination period.
- Reviewed their Data Classification Policy since 2015.
- Classified their data in accordance with the data classification methodology.
- Documented the security solutions utilized to monitor the security of their assets.
- Developed a comprehensive cybersecurity plan.

It was also noted the University could not provide a population of vulnerabilities identified during the examination period.

This finding was first identified in the June 30, 2019, Compliance Examination. Since then, the University has not implemented corrective actions.

The *Framework for Improving Critical Infrastructure Cybersecurity* and the *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST) requires entities to consider risk management practices, threat environments, legal and regulatory requirements, mission objectives and constraints in order to ensure the security of their applications, data and continued business mission.

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 and maintain accountability over the State's resources.

University officials indicated other competing priorities hindered the ability of the University's IT personnel to address the weaknesses.

The lack of an adequate cybersecurity program and adequate cybersecurity practices could result in unidentified risks and vulnerabilities, which could ultimately lead to the University's confidential and personal information being susceptible to cyberattacks and unauthorized disclosure.

REVIEW #: Illinois State University FY23 Compliance Examination

UNIVERSITY RESPONSE:

The University acknowledges the statements on weaknesses, cause, and potential risks as detailed in this finding. The University agrees that the statements are accurate and relevant for the period reviewed.

The University acknowledges the dynamic challenges posed by the rapidly evolving field of cybersecurity. Historically, new issues have been identified in this section each year. In response, the University remains committed to addressing these vulnerabilities and implementing the recommendations. Our approach prioritizes the most significant and effective improvements that can be made within our resource constraints, ensuring that we continually enhance our cybersecurity posture.

The University has nearly completed a comprehensive assessment of its information technology and security policies, including those specific to cybersecurity. This review involved a detailed inventory and analysis of existing policies to determine the necessity of updates or the development of new policies. The findings from this assessment revealed that, although our current practices and procedures effectively fulfill our mission objectives, the lack of formally documented policies presents a risk to consistent adherence. We are now focused on formalizing these policies to mitigate this risk and ensure sustained compliance.

In response to the audit, the University has updated its 2022 information security awareness training program and is actively disseminating it across the campus community. We are also enhancing the methods used to communicate and distribute this training to ensure comprehensive access, especially outside of conventional delivery methods. These improvements are designed to increase engagement and completion rates, reinforcing our commitment to security awareness at all levels.

The University has adopted the Center for Internet Security (CIS) Risk Assessment Methodology (RAM) for conducting thorough information risk assessments. We have focused initial assessments on mission-critical systems and areas handling highly sensitive data. This structured approach allows for periodic reassessment against the CIS Controls framework which is specifically tailored to combat the most significant and likely threats facing our information assets.

The University continues to strategically allocate its limited resources towards the most crucial and effective security initiatives, including the implementation and optimization of active safeguards. While detailed, context-specific documentation is undoubtedly beneficial, we currently rely on solution-embedded documentation to guide our practices. As more resources become available, we are committed to enhancing our documentation efforts to better support our security measures and operational needs.

Responses to Specific Sub-Findings

- Develop policies regarding configuration management, system development, training, onboarding, and backup verification and offsite storage.

REVIEW #: Illinois State University FY23 Compliance Examination

Our current practices and procedures effectively fulfill the cyber security objectives, but the lack of documented policies poses a risk. The university will create a plan to mitigate this risk.

- Conduct security awareness training.

The University has made considerable progress in security training but acknowledges that further improvements will be needed.

- Conduct a comprehensive risk assessment and implement risk reducing controls.

The University has an information risk management plan and continues to make progress in this area and acknowledges that further improvements will be needed.

- Review the Appropriate Use Policy and the Data Classification Policy at least annually.

The University has begun the process of updating the Appropriate Use Policy. The university will create a plan to review the Data Classification Policy. The university acknowledges that these policies must be reviewed annually.

- Classify their data in accordance with the data classification methodology.

The University acknowledges that practices in this area should follow the policy and will create a plan to meet this objective.

- Document the security solutions utilized to monitor the security of their assets.

The University has made considerable progress adopting modern security solutions and acknowledges that these need to be documented.

- Develop a comprehensive cybersecurity plan.

The University has made considerable progress in this area. It has developed and adopted a comprehensive, nationally recognized cybersecurity plan that meets its objectives. The University is open to suggestions on how to improve its plan and will seek external expert advice.

- Strengthen controls to identify the population of vulnerabilities.

The University has made considerable progress in this area. It acknowledges that growing threats requires strengthening these controls and believes that its current cybersecurity plan meets this need.

UPDATED RESPONSE:

Partially Implemented.

The University is working through the shared governance process to finalize, communicate, and effectuate relevant policy, procedures, and standards to ensure consistent application of the Information Security Program across the institution. While

REVIEW #: Illinois State University FY23 Compliance Examination

treated as a separate and distinct scope, the University manages cybersecurity as a part of its Information Security Program.

- 6. The auditors recommend the University continue working on establishing adequate and tested contingency plans to ensure all critical operations can be recovered within the required timeframe. At a minimum, the plans should reflect the current environment, identify a prioritized list of critical applications and minimum recovery times, outline recovery team responsibilities and contact information, and discuss alternative recovery locations and off-site storage facilities.**

In addition, they recommend the plan be tested annually and updated where necessary based upon the test results.

FINDING: *(Inadequate Business Continuity and Disaster Recovery Planning) – First Reported 2019, Last 2023*

The Illinois State University (University) needs to improve its business continuity and disaster recovery planning process.

The University relies on its computing environment for maintaining several critical, financially sensitive, and/or confidential systems used to meet the University's needs.

During testing, auditors noted:

- The University's business continuity plan did not define specific departmental procedures, recovery point objectives, and recovery time objectives. Additionally, the University had not conducted testing of the business continuity plan.
- The University did not ensure all administrative units had developed and tested contingency plans.

This finding was first identified in the June 30, 2019, Compliance Examination. Since then, the University has not implemented corrective actions.

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 administration controls to provide assurance that University property and resources are safeguarded against waste, loss, unauthorized use, and misappropriation. Further the Security and Privacy Controls for Information Systems and Organizations (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Contingency Planning section, requires entities to develop and document a business continuity plan addressing roles, responsibilities, and coordination among entities, keeping the plan up to date, and testing the plan.

University officials indicated given both the University's decentralized structure where various units across the campus establish their individual business continuity and disaster

REVIEW #: Illinois State University FY23 Compliance Examination

recovery plans with the coordination of these plans into one overall plan set by the University's Emergency Management Department and the shared governance process, additional time and resources will be needed to correct these long-standing problems.

Inadequate disaster recovery practices could result in the University not being able to timely recovery its environment, applications, and data.

UNIVERSITY RESPONSE:

The University acknowledges this finding. In June 2022, the President's Cabinet approved a proposal to create a university-wide continuity of operations program. Since then, staff have been surveying a field of software and implementation partners, identifying pilot departments, and working with IT to schedule and prioritize this initiative. Upon implementation, every University department will have an approved continuity plan, at which point the effort moves into operations which includes periodic plan reviews, testing, and activation, when needed.

UPDATED RESPONSE:

Partially Implemented.

The University has contracted with a firm to provide continuity software and professional services. The University identified departments, programs, and centers that will develop continuity plans and launched a multi-year continuity program by convening a steering team. Departments, programs, and centers will be engaged in the Fall 2024 to begin formal continuity planning.

7. The auditors recommend the University run the IIEE or seek legislative remedy with CSU to formally transfer the IIEE to CSU.

FINDING: *(Failure to Run the Illinois Institute for Entrepreneurship Education) – First Reported 2021, Last 2023*

The Illinois State University (University) did not run the Illinois Institute for Entrepreneurship Education (IIEE).

During testing, auditors noted that University transferred the IIEE to the Chicago State University (CSU) during Fiscal Year 2011.

The Illinois State University Law (110 ILCS 675/20-115) requires the University run the IIEE to “foster the growth and development of entrepreneurship education in the State of Illinois” and to “help remedy the deficiencies in the preparation of entrepreneurship education teachers, increase the quality and quantity of entrepreneurship education programs, improve instructional materials, and prepare personnel to serve as leaders and consultants in the field of entrepreneurship education and economic development.”

REVIEW #: Illinois State University FY23 Compliance Examination

The University came to an agreement with CSU to develop and plan the IIEE. To date, the Board of Trustees of the University and the Board of Trustees of CSU have been unable to enact a change in legislation to reflect this change in responsibility.

Failure to run the IIEE limits the ability of the University's students who become teachers from learning about the entrepreneurship education, limits the ability of those teachers to teach their future students about entrepreneurship, and represents noncompliance with State law.

UNIVERSITY RESPONSE:

The University acknowledges the finding and will continue to seek legislative support to eliminate this law.

UPDATED RESPONSE:

Under Study.

The University is seeking legislative support to eliminate this law.

- 8. The auditors recommend the University implement controls to provide assurance employees timely complete training in accordance with applicable State law and retain evidence of their completion of mandated training events.**

FINDING: *(Inadequate Control over Training) – First Reported 2019, Last 2023*

The Illinois State University (University) did not consistently ensure its employees completed statutory training requirements.

During testing of 40 employees, auditors noted 2 (5%) employees with access to social security numbers (SSNs) in the normal course of their employment lacked documentation to substantiate they had completed training on how to protect SSNs during the current fiscal year.

In addition, they noted 2 of 40 (5%) new hires within the employee sample completed their initial ethics training and sexual harassment prevention training between four to five days late.

The Identity Protection Act (5 ILCS 179/37) requires the University to adopt policies requiring University employees with access to SSNs receive training on the proper handling of SSNs from the time of collection through destruction. University Policy 1.13, which was adopted on November 9, 2009, mandates University employees required to use or handle SSNs be trained on "proper procedures for handling information containing SSNs from the time of collection through the destruction of the information, in order to protect the confidentiality of SSNs."

REVIEW #: Illinois State University FY23 Compliance Examination

Further, the State Records Act (5 ILCS 160/8) requires the University to make and preserve records containing adequate and proper documentation of the functions and transactions of the University to protect the legal rights of the State and of persons directly impacted by the University's activities.

University officials indicated due to turnover; the University's IT management group that was to oversee the training of department security liaisons did not properly identify that security liaisons were not identified for training.

The State Officials and Employee Ethics Act (Act) (5 ILCS 430/5-10(c)) requires new employees complete their initial ethics training within 30 days after commencing employment. Further, the Act (5 ILCS 430/5-10.5(a)) requires new employees complete their initial sexual harassment prevention training within 30 days after commencing employment.

University officials stated the one exception noted for Ethics training was an extra-help employee and the failure to complete the training was due to employee oversight.

Further, this finding was first noted during the University's Fiscal Year 2019 State Compliance Examination. As such, University management has been unsuccessful in implementing a corrective action plan to remedy this deficiency.

Good internal controls over compliance include establishing and maintaining a system, or systems, of internal administrative controls to provide assurance the University's operations comply with applicable laws, rules, and regulations.

Failure to ensure records of employee training are created and retained hinders the accountability and limits the ability of the University to substantiate compliance with State law. Further, failure to ensure employees timely complete ethics and sexual harassment prevention training represents noncompliance with the Act, may hinder efforts to increase awareness of ethics laws and sexual harassment prevention, and could result in employees being unaware of their responsibilities.

UNIVERSITY RESPONSE:

The University acknowledges the finding.

Regarding the SSN data protection training, the University acknowledges the statements on weaknesses, cause, and potential risks as detailed in this finding. The University agrees that the statements are accurate and relevant for the period reviewed. The University has since conducted an internal audit on SSN data use across the institution which identified key improvements to existing processes. The improvements are currently under consideration by the Data Governance Committee for prioritization and implementation.

The University trains over 6,400 employees annually and 2,400 employees as new hires each year for the Ethics and Sexual Harassment Prevention training, across all employee

REVIEW #: Illinois State University FY23 Compliance Examination

classifications. The one exception noted was an extra-help employee (part-time/seasonal). In an effort to maintain an effective and efficient training system, the University utilizes an online learning management system to train employees for both the annual and new hire training. The University works to ensure employees complete the required training courses. Employees and their supervisors are sent weekly e-mail reminders for those employees that have not completed their required training. The University has procedures and controls in place to train employees and maintain an effective and efficient training system in compliance with applicable requirements and will continue to work to ensure employees are trained timely and in compliance with applicable training requirements.

UPDATED RESPONSE:

Implemented.

The University continues to train employees and works to maintain and make improvements to an effective and efficient training system to ensure employees are trained timely and in compliance with applicable training requirements.

- 9. The auditors recommend the University's Provost take appropriate corrective action and implement internal controls to ensure faculty members with outside research, consulting services, or employment receive written pre-approval to conduct the requested activity and annually disclose the time spent on these activities in accordance with State law and University policy.**

FINDING: *(Noncompliance with the University Faculty Research and Consulting Act) – First Reported 2012, Last 2023*

The Illinois State University (University) did not always ensure compliance with the University Faculty Research and Consulting Act and University policies regarding outside employment.

During Fiscal Year 2023, faculty members reported 105 instances of outside employment to the University Provost.

During testing, the auditors noted the following:

- 26 of 66 (39%) instances had the Request for Approval of Secondary/ Outside Employment Form (Form PERS 927) submitted by the faculty member for approval by the University's Provost between 1 to 189 days late.
- 38 of 66 (58%) instances had Form PERS 927 approved by the University's Provost between 1 to 498 days late.
- 23 of 66 (35%) instances did not have the Annual Report of Secondary/Outside Employment (PERS 928) submitted by the faculty member.
- 3 of 66 (5%) instances had the Form 928 submitted by the faculty member to the University's Provost approved between 6 to 60 days late.

REVIEW #: Illinois State University FY23 Compliance Examination

- 1 of 66 (2%) instances had the Form 928 submitted by the faculty member to the University's Provost, however it was not approved.

Further, this finding was first noted during the University's Fiscal Year 2012 State compliance examination. As such University management has been unsuccessful in implementing a corrective action plan to remedy these deficiencies.

The Act (110 ILCS 100/1) prohibits full-time University faculty members from undertaking, contracting for, or accepting anything of value in return for research or consulting services for any person other than the University unless the faculty member:

- 1) has submitted a request to the University President, or designee, which includes an estimate of the amount of time involved;
- 2) received the prior written approval of the University President, or designee, to perform the outside research or consulting services; and,
- 3) submits to the University President, or designee, an annual statement of the amount of time actually spent on outside research or consulting services.

The University President has designated the University's Provost as his designee for approvals and recordkeeping.

In accordance with University Policy 3.3.7, all forms of secondary/outside employment by a faculty member require the prior written approval of the faculty member's department chairperson, dean, and the University Provost before the faculty member can accept outside employment. Further, the instructions for the Form PERS 928 require faculty members with secondary/outside employment submit the Form PERS 928 "no later than August 31 of the following fiscal year for timely routing to the Office of the Provost."

In addition, good internal controls over compliance include establishing and maintaining a system, or systems, of internal administrative controls to provide assurance the University's operations comply with applicable laws, rules, and regulations.

University officials indicated, as they did during prior year, these conditions were due to employee errors and oversight.

Failure to ensure faculty members with outside research, consulting services, or employment obtain written pre-approval from the University's Provost and file annual reports with the University's Provost about the amount of time spent during the preceding fiscal year on outside research, consulting services, or employment represents noncompliance with State law and University Policy 3.3.7 and hinders the oversight of outside activities by the University as intended by the General Assembly.

UNIVERSITY RESPONSE:

The University acknowledges the finding. The University continues to inform faculty of the reporting obligation as well as evaluation and review of the process to improve compliance.

REVIEW #: Illinois State University FY23 Compliance Examination

UPDATED RESPONSE:

Partially Implemented.

The University continues to evaluate and make improvements to the process. The University's policies and processes are under review to improve the process and compliance.

10. The auditors recommend the University revise its policy and require all employees submit time sheets in compliance with State law.

FINDING: *(Noncompliance with the State Officials and Employees Ethics Act) – First Reported 2005, Last 2023*

The Illinois State University (University) did not require positive time reporting for all employees in compliance with the State Officials and Employees Ethics Act (Act).

During testing, auditors noted University Policy 1.12 only requires positive time reporting for the University's non-faculty employees. The faculty and graduate students within academic positions, academic/professional employees, and some civil service employees do not report actual hours worked and are only required to report benefit usage time (vacation, sick, etc.) used to the nearest quarter hour.

Further, this finding was first noted during the University's Fiscal Year 2005 State compliance examination. As such, University management has been unsuccessful in implementing a corrective action plan to remedy this deficiency.

The Act requires the Board of Higher Education (Board), with respect to State employees of public universities, to adopt and implement personnel policies. The Act (5 ILCS 430/5-5(c)) states, "The policies shall require State employees to periodically submit time sheets documenting the time spent each day on official State business to the nearest quarter hour." The Board adopted personnel policies for public universities on February 3, 2004, in accordance with the Act. The University has not fully incorporated these policies into the University's policies.

In addition, good internal controls over compliance include establishing and maintaining a system, or systems of internal administrative controls to provide assurance the University's operations comply with applicable laws, rules, and regulations.

University officials stated, as they did in prior years, that the University continues to work with the faculty to bring the University into compliance with the Act.

By not requiring time sheets from all of its employees, the University does not have complete documentation of time spent by employees on official State business as contemplated by the Act.

REVIEW #: Illinois State University FY23 Compliance Examination

UNIVERSITY RESPONSE:

The University acknowledges the finding and will continue to work towards a feasible solution to incorporate compliance.

UPDATED RESPONSE:

Under Study.

The University continues to work towards a feasible solution to ensure compliance with this Act.

- 11. The auditors recommend the University review its voucher processing function to identify and mitigate processing areas or steps causing delays in the University's approval and payment process. In addition, the University should ensure all travel vouchers are promptly submitted by its travelers in strict adherence with Publication 535, or allocate income to the traveler under a nonaccountable plan.**

FINDING: *(Inadequate Control over Voucher Processing) – New*

The Illinois State University (University) did not have adequate internal control over its voucher processing function.

During testing of 166 vouchers, totaling \$13,954,618, auditors noted fourteen (8%) vouchers tested, totaling \$735,471, were approved for payment between 35 and 103 days after the University received the voucher's related invoice.

During testing of 40 travel vouchers, totaling \$18,453, auditors noted one (3%) tested voucher, totaling \$157, was submitted by the traveler 48 days after the last day travel occurred without providing a reasonable cause for the delay.

Good internal controls over compliance include approving or denying, in whole or in part, a vendor's invoice within 30 days after receiving an invoice and then paying the approved portion of an invoice within 90 days after receiving the invoice.

Internal Revenue Service (IRS) Publication 535, Business Expenses, notes employees receiving travel reimbursements must have paid or incurred deductible expenses while performing employment services, adequately accounted for the expenses within a reasonable period of time, generally defined by Publication 535 as within 60 days after the expenses were paid or incurred, and returned any excess reimbursements within a reasonable period of time. If the employee meets all three tests, the employee is under an accountable plan and the reimbursements are not included as on the employee's Form W-2. If the employee fails any of these tests, the employee is under a nonaccountable plan and all amounts paid as travel reimbursements are reported as wages on the employee's Form W-2, subject to income, Social Security, Medicare, and unemployment taxes.

REVIEW #: Illinois State University FY23 Compliance Examination

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the University to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance resources are utilized efficiently, effectively, and in compliance with applicable law.

In addition, good internal controls over compliance include establishing and maintaining a system, or systems, of internal administrative controls to provide assurance the University's operations comply with applicable laws, rules, and regulations.

University officials indicated these exceptions were due to processing delays attributable to staffing levels and required training.

Failure to establish and maintain adequate internal control over voucher processing increases the likelihood errors or other irregularities could occur and not be detected in a timely manner by employees in the normal course of performing their assigned duties, increases the risk liabilities and expenses could be misstated on the University's financial statements, and could result in vendor dissatisfaction. Further, failure to require the timely submission of travel vouchers could result in additional efforts by the University's staff to allocate income to employees who are subject to a nonaccountable plan and represents noncompliance with IRS Publication 535.

UNIVERSITY RESPONSE:

The University acknowledges the finding. The University acknowledges that additional staff training is needed related to prompt processing of invoices. The University will provide training, reinforcing the need for identifying when invoices are received to ensure invoices are approved for payment within 30 days.

UPDATED RESPONSE:

Implemented.

The University continues to provide training related to timely submission of invoices. Invoice processing/approval processes have been updated to provide timelier submissions for processing.

Emergency Purchases

The Illinois Procurement Code (30 ILCS 500/) states, "It is declared to be the policy of the state that the principles of competitive bidding and economical procurement practices shall be applicable to all purchases and contracts...." The law also recognizes that there will be emergency situations when it will be impossible to conduct bidding. It provides a general exemption when there exists a threat to public health or public safety, or when immediate expenditure is necessary for repairs to state property in order to protect against further loss of or damage to state property, to prevent or minimize serious disruption in critical state services that affect health, safety, or collection of substantial state revenues, or to ensure the integrity of state records; provided, however that the term of the

REVIEW #: Illinois State University FY23 Compliance Examination

emergency purchase shall not exceed 90 days. A contract may be extended beyond 90 days if the chief procurement officer determines additional time is necessary and that the contract scope and duration are limited to the emergency. Prior to the execution of the extension, the chief procurement officer must hold a public hearing and provide written justification for all emergency contracts. Members of the public may present testimony.

Notice of all emergency procurement shall be provided to the Procurement Policy Board and published in the online electronic Bulletin no later than five business days after the contract is awarded. Notice of intent to extend an emergency contract shall be provided to the Procurement Policy Board and published in the online electronic Bulletin at least 14 days before the public hearing.

A chief procurement officer making such emergency purchases is required to file a statement with the Procurement Policy Board and the Auditor General to set forth the circumstance requiring the emergency purchase. The Legislative Audit Commission receives quarterly reports of all emergency purchases from the Office of the Auditor General. The Legislative Audit Commission is directed to review the purchases and to comment on abuses of the exemption.

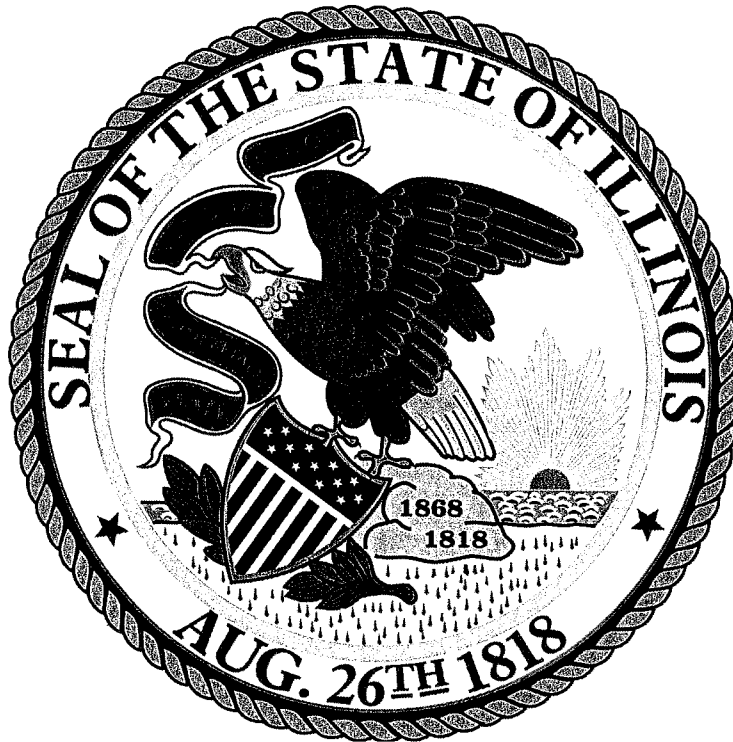
The University had no emergency purchases in FY23. However, in the 2nd quarter of FY25, the University has an estimated \$33 million emergency purchase to redevelop a property into a new ISU College of Engineering Facility.

Headquarters Designations

The State Finance Act requires all state agencies to make semiannual headquarters reports to the Legislative Audit Commission. Each state agency is required to file reports of all its officers and employees for whom official headquarters have been designated at any location other than that at which official duties require them to spend the largest part of their working time.

As of July 2023, Illinois State University had 226 employees assigned to locations others than official headquarters.

LEGISLATIVE AUDIT COMMISSION



Combined Review of Compliance and Financial
State Board of Education
Two Years Ended June 30, 2022

620 Stratton Office Building
Springfield, Illinois 62706
217/782-7097

REVIEW:

**REVIEW: #4579
STATE BOARD OF EDUCATION
TWO YEARS ENDED JUNE 30, 2022**

RECOMMENDATIONS – 15

**IMPLEMENTED/ PARTIALLY IMPLEMENTED – 15
ACCEPTED – 0**

REPEATED RECOMMENDATIONS – 7

PRIOR AUDIT FINDINGS/RECOMMENDATIONS – 26

This review summarizes the auditors' reports on the compliance examination of the State Board of Education for the two years ended June 30, 2022, filed with the Legislative Audit Commission on June 13, 2023. The examination was conducted in accordance with *Government Auditing Standards* and state law. The auditors stated the financial statements were fairly stated.

ISBE was organized to provide leadership, assistance, resources and advocacy so that every student is prepared to succeed in careers and postsecondary education, and share accountability for doing so with districts and schools. ISBE consists of nine members who are appointed by the Governor with the consent of the Senate. The Governor appoints the Chair of the Board with the advice and consent of the Senate. The Board appoints the State Superintendent of Education.

The current State Superintendent of Education is Dr. Tony Sanders, appointed February 23, 2023. The prior superintendent was Dr. Carmen I. Ayala until January 31, 2023.

At the time of the audit, the primary admin. offices are located at:

- JRTC, 100 West Randolph St, Suite 14-300, Chicago 60601
- 555 W. Monroe Street, Suite 900, Chicago, 60661, and
- Alzina Building, 100 North First Street, Springfield 62777.

Expenditures from Appropriations

Appropriations (\$ thousands)	FY21		FY22	
	Approp	Expend	Approp	Expend
GENERAL FUNDS				
Designated Purposes				
Community Residential Service Authority	650	617.1	700	651.1
Educator Misconduct Investigations	429.9	404	429.9	426.3

REVIEW:

GATA/BFR Billings	260	260	260	260
Operational Expenses	23217.2	23212.2	23217.2	23214.6
Student Assessments	46500	29857.4	41500	34014.3
Total Designated Purposes	71057.1	54350.7	66107.1	58566.3
Grants				
Advanced Placement - Course Implement.	500	495.6	500	499.5
Advanced Place. - Low-Income AP Test Fee	2500	1854.2	2500	2467.5
After School Matters	3443.8	3443.8	3443.8	3443.8
After School Programs	20000	19069.5	20000	19261
Agricultural Education	5000	4949	5000	4958.6
Autism Training & Tech. Assistance	100	100	100	100
Blind/Dyslexic Persons Reading Program	846	846	846	846
Career & Technical Education Programs	43062.1	42930.1	43062.1	42420.5
Dist. Consolidation Costs/Suppl. Pymts.	213	143.2	95	37.4
District Intervention Funding	12100	12100	0	0
Early Childhood Education	543738.1	541153.3	543738.1	542050.2
Evidence-Based Funding	7216938.2	7216938.2	7579038.2	7579037.1
Evidence-Based Funding - Contingency	1000	207.6	0	0
Evidence-Based Funding - Adjustment	0	0	87517	87516.3
Grant to Harvey Dist. 152 for STEM	50	50	50	50
Grant to Lions Math & Sci. Acad. For STEM	50	50	50	0
Grant to Prairie-Hill Dist. 144 for STEM	50	50	50	50
Grant to Art Inst. Of Chicago for Summer Inst.	30	30	30	30
Grant to Thornton Township Dist. 205 for STEM	50	50	50	50
Grants to Tier 1 and 2 Rural Dist. For Ment. He.	1000	1000	1000	1000
National Board-Certified Teachers	1500	1500	1500	1500
Orphanage Tuition - Reg. Ed. Reimbursement	9900	8555.5	9900	8174.7
Parenting Education Pilot Program	350	350	350	350
Philip J. Rock Center & School	3777.8	3777.8	3777.8	3777.8
Principal Mentoring & Recruitment	0	0	1800	1800
Regional Safe Schools	6300	6260.9	6300	6300
Reimbursement for Free Breakfast/Lunch	9000	9000	9000	9000
Southwest Org. Proj. - Parent Mentoring	3500	3500	8000	8000
Special Education - Orphanage Tuition	93000	93000	93000	93000
Special Education - Private Tuition	152320	152320	152320	152320
Special Education - Stud. Transp. Reimburs.	387682.6	387682.6	387682.6	348025.2
State & District Technology Support	2443.8	1338.6	2443.8	1785.4
Tax-Equivalent Grants	222.6	222.6	222.6	222.6
Teach for America	1000	1000	1000	1000

REVIEW:

Transportation - Reg./Vocational Reimburs.	289200.8	289200.8	281323.8	281323.8
Truants' Alternative & Optional Ed. Prog.	11500	11461.5	11500	11462.4
Visually Impaired/Ed. Mater. Coord. Unit	1421.1	1421.1	1421.1	1421.1
YouthBuild	2500	2500	2500	2500
Total Grants	8826289.9	8818551.9	9261111.9	9215780.9
TOTAL GENERAL FUNDS	8,897,347.0	8,872,902.6	9,327,219.0	9,274,347.2
OTHER STATE FUNDS				
Designated Purposes				
Bus Driver Training - Reg. Super. Services	100	94	70	70
GATA/BFR - Indirect Cost Recovery	600	513.4	600	600
Grants to At-Risk Schools	200	0	200	0
Ordinary & Contin. Exp. - Charter Schools	1050	557.1	1050	446.6
Ordinary & Contin. Exp. - from Indirect Costs	8150	4441	8150	4526.2
Projects Supported by Gifts & Donations	8484.8	50.2	8484.8	29.9
School Infrastructure	600	104.1	600	76
Teacher Licenses - Chicago	2208.9	706.5	2208.9	736
Teacher Licenses Processing	6000	2860.4	6000	3126.5
Total Designated Purposes	27393.7	9326.7	27363.7	9611.2
Grants				
Charter School Loans	200	0	200	0
Drivers Education	16000	16000	13750	13750
Freedom Schools Grant Program	0	0	17000	335.3
Regional Superintendents' & Asst. Compen.	11400	11137.3	11400	11208
Regional Superintendents' Services	6970	6951.2	6970	6970
School District Emergency Financial Assist.	1000	0	1000	0
School STEAM Grant Program	2500	0	2500	1106.1
School Technology Revolving Loans	7,500.0	0.0	7,500.0	241.7
Temporary Relocation Expenses	1,000.0	0.0	1,000.0	0.0
Total Grants	46,570.0	34,088.5	61,320.0	33,611.1
TOTAL OTHER STATE FUNDS	73,963.7	43,415.2	88,683.7	43,222.3
FEDERAL FUNDS				
Designated Purposes				
ARPA - Deposit into Freedom Schools Fund	0.0	0.0	17,000.0	17,000.0
ARPA - Implementing After School Prog.	0.0	0.0	10,000.0	0.0
ARPA - Implementing Parent Mentoring Prog.	0.0	0.0	10,000.0	13.8
Operational Expenses	73,674.5	32,637.5	73,674.5	36,201.7
Student Assessments	35,000.0	21,808.3	35,000.0	18,016.0
Total Designated Purposes	108,674.5	54,445.8	145,674.5	71,231.5
Grants				
Adolescent Health	500.0	0.0	500.0	0.0

REVIEW:

ARPA - Emerg. Asst. to Non-Public Schools	83,246.4	0.0	83,246.4	104.8
ARPA - Elem. & Sec. School Emer. Relief	5,054,990.0	0.0	5,054,990.0	838,084.2
ARPA - Homeless Children & Youth Fund	33,115.0	0.0	33,115.0	3,870.6
ARPA - Grant to the Black & Gold Initiative	0.0	0.0	75.0	0.6
Career & Technical Education - Basic	66,000.0	22,156.8	66,000.0	22,617.7
CARES Act - Elem. & Sec. Sch. Emer. Relief	569,500.0	375,936.0	475,411.4	51,494.7
CARES Act - GEER	108,500.0	41,796.2	107,508.4	8,649.4
Charter Schools	23,000.0	0.0	0.0	0.0
Child Nutrition	1,062,500.0	804,984.3	1,062,500.0	1,062,295.8
Coronavirus Response & Relief - Elem & Sec	2,250,805.0	0.0	2,250,805.0	1,056,138.4
Coronavirus Response & Relief - Non-public	84,490.0	0.0	84,490.0	30,589.3
Coronavirus Response & Relief - GEER	132,400.0	0.0	47,905.0	9,854.4
Individuals' w/ Disabilities Act - Deaf/Blind	800.0	271.4	800.0	355.8
Individuals' w/ Disabilities Act - Education	754,000.0	535,132.2	949,576.4	540,051.1
Individuals' w/ Disabilities Act - Improvement	5,000.0	1,028.5	5,000.0	0.0
Individuals' w/ Disabilities Act - Preschool	29,200.0	17,292.7	41,000.0	17,520.3
Longitudinal Data System	5,200.0	298.3	5,200.0	0.0
Preschool Development: Birth thru Five	15,000.0	7,843.5	20,000.0	11,846.9
Sexual Risk Avoidance Education	6,500.0	716.6	0.0	0.0
Special Federal Congressional Projects	5,000.0	0.0	0.0	0.0
STOP School Violence & Mental Health Train.	1,000.0	0.0	1,000.0	23.3
Substance Abuse & Mental Health Services	5,300.0	321.0	5,300.0	1,003.5
Title I	1,090,000.0	632,127.5	1,160,000.0	666,188.3
Title II	160,000.0	69,148.0	160,000.0	73,325.2
Title III	50,400.0	19,285.4	50,400.0	20,668.4
Title IV	200,000.0	87,777.8	225,000.0	117,030.5
Title V	2,000.0	1,429.6	2,000.0	1,100.3
Title X	7,000.0	3,990.8	9,000.0	4,754.0
Total Grants	11,805,446.4	2,621,536.6	11,900,822.6	4,537,567.5
TOTAL FEDERAL FUNDS	11,914,120.9	2,675,982.4	12,046,497.1	4,608,799.0
TOTAL	20,885,431.6	11,592,300.2	21,462,399.8	13,926,368.5

Accountants' Findings and Recommendations

Condensed below are the 15 findings and recommendations included in the audit report. Of these, 7 are repeated from the previous audit. The following recommendations are classified on the basis of information provided by the Illinois State Board of Education, via electronic mail received June 13, 2023.

REVIEW:

- 1. The auditors recommend the Agency document procedures for calculating future appropriation liabilities, compare the amounts on the financial reporting forms to the appropriation bill, and exercise due care during the financial statement preparation and review process to ensure accurate financial reporting.**

FINDING: *(Financial Statement Reporting Error) - New*

The Illinois State Board of Education (Agency) did not maintain sufficient controls over financial reporting to ensure its financial statements and the generally accepted accounting principles (GAAP) Package reports prepared for the Office of Comptroller utilized to compile the State of Illinois' Annual Comprehensive Financial Report were complete and accurate.

During testing, the auditors noted the Agency did not perform a sufficient review of all accounts and amounts recorded within its financial statements and GAAP Package reports. Specifically, they noted the following issues while testing the year-end financial reporting process:

The Agency improperly included a \$13.75 million future appropriation for the Drivers Education Fund (Fund 031) as a liability in the General Revenue Fund (Fund 001). The liability was also properly recorded in Fund 031. This duplication caused total liabilities and expenses in the General Fund to be overstated by \$13.75 million. This material adjustment was subsequently recorded by the Agency in its final General Fund and Governmental Activities' financial statements.

Public Act 102-0698, effective April 19, 2022, Article 115, Section 60, appropriated \$13.75 million from the Drivers Education Fund for drivers' education for the fiscal year beginning July 1, 2022.

The Agency improperly included a \$305 million future appropriation for the Education Assistance Fund (Fund 007) as a liability in Fund 001. The liability was also not recorded in Fund 007's GAAP Package report. As such, Fund 001's liability and expenses were overstated by \$305 million, and Fund 007's liability and expenses were understated by the corresponding amount. As both Fund 001 and Fund 007 are subaccounts of the General Fund, this error had a net effect on the overall General Fund and Governmental Activities' financial statement presentation. However, this material adjustment was subsequently recorded by the Agency in the General Fund's combining schedules.

Additionally, Public Act 102-0698 Article 114 Section 10 appropriated \$305 million from the Education Assistance Fund for transportation-regular/vocational common school transportation reimbursement per section 29-5 of the Illinois School Code for the fiscal year beginning July 1, 2022.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Agency to establish and maintain a system, or systems, of internal fiscal and administrative controls

REVIEW:

to provide assurance that revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Further, a good system of internal control requires Agency management to review all significant accounts and balances recorded and disclosed in the financial statements for completeness and accuracy.

Agency officials stated the misstatements were due to Agency supporting documentation for future year appropriation liabilities not clearly identifying the applicable appropriation codes. These errors were not appropriately identified during the review process.

Accurate and timely financial statements of the Agency's financial information for GAAP reporting purposes is important due to the impact adjustments may have on the State of Illinois' Annual Comprehensive Financial Report. Further, failure to exercise due care during the financial reporting review process lead to misstatements of the Agency's financial statements.

AGENCY RESPONSE:

The Agency agrees with the finding and has implemented corrective action. The Agency developed a template for supporting documentation for future year appropriation liabilities that includes the appropriation codes for each future year liability. This template will be used to prepare the Fiscal Year 2023 and future fiscal year GAAP Package reports. In addition, the Agency implemented a step in the process that verifies the appropriation codes and amounts using the Illinois Office of the Comptroller's website to ensure that amounts recorded in GAAP reporting packages are accurate.

UPDATED RESPONSE:

Implemented.

The finding was cleared in the FY23 Financial Audit Report. The Agency implemented controls to ensure the future appropriation amounts were properly stated and recorded.

- 2. The auditors recommend Agency management implement adequate internal controls, including hiring additional staff to help with the prioritization of Committee responsibilities, to re-determine the CWI in line with the requirements of the School Code.**

FINDING: *(Failure to Reassess CWI Contained Within the Evidence-Based Formula) – First reported 2021, last reported 2022*

The Illinois State Board of Education (Agency) did not exercise adequate internal control over the State's Evidence-Based Funding Formula (Formula).

REVIEW:

The Formula directs how the Agency is to distribute Evidence-Based Funding (EBF) to various Evidence-Based Funding Organizational Units (E-BFOUs) across the State, which includes school districts, alternative schools run by regional superintendents of education, and two laboratory schools.

During the Agency's previous financial audit for the year ended June 30, 2021, Agency management noted a coding error regarding enrollment counts utilized within the Formula. Due to this error, the Agency made a significant overpayment to one school district and underpayments to other E-BFOUs. Upon discovery of the error, the auditors proposed and the Agency made the necessary adjustments to the Agency's liabilities and footnote disclosures. During the current financial audit, in following-up on the prior year finding, they noted the coding was corrected and associated receivables from the one school district has been accurately recorded in the Agency's financial statements.

With regards to ensuring the Formula's accuracy, during the Agency's current financial audit for the year ended June 30, 2022, the auditors noted the Agency failed to re-determine the Comparable Wage Index (CWI) used in the Formula as required by the School Code. Specifically, they noted the original CWI was still being used in the Formula even though, based on statutory requirement, the State Superintendent would have been responsible for re-determining the CWI in Fiscal Year 2021 or Fiscal Year 2022.

The School Code (105 ILCS 5/18-8.15(a)(4)) defines the CWI as a regional cost differentiation metric that measures systemic, regional variations in the salaries of college graduates who are not educators. The CWI utilized within the Formula, for the first three years of Evidence-Based Funding implementation, is the CWI initially developed by the National Center for Education Statistics, as most recently updated by Texas A & M University. In the fourth and subsequent years of the Formula's implementation, the State Superintendent is required to re-determine the CWI using a similar methodology to that identified in the Texas A & M University study, with adjustments made no less frequently than once every five years.

With regards to the impact this would have on the funding distribution, the auditors noted the total funds to be disbursed would be unchanged, but the distribution between E-BFOUs would change. At the end of fieldwork, both the auditors and Agency agree the significance of the noncompliance with the School Code is not quantifiable, as an alternative index that meets the statutory requirements has not been identified by the Agency.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Agency to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that obligations and costs are in compliance with applicable laws, and that revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports.

Agency officials stated the EBF section of the School Code created the Professional Review Panel (Panel) "to study and review topics related to the implementation and effect

REVIEW:

of Evidence-Based Funding ...” Per the School Code (105 ILCS 5/18-8.15(i)(3)(A) and (B)), the Panel “may also study the following topics at the direction of the chairperson:

(A) The format and scope of annual spending plans referenced in paragraph (9) of subsection (h) of this Section.

(B) The Comparable Wage Index under this section.”

As such, Agency officials further stated the work of reviewing and determining a new CWI was assigned to the Recalibrate Committee of the Panel (Committee). The Committee discussed the CWI during meetings in winter 2020. Specifically, the topic was discussed during meetings held on November 4, 2020, December 10, 2020, and December 15, 2020. However, due to the prioritization of other Committee issues, the CWI utilized in the Formula was not able to be re-determined during Fiscal Year 2021 or Fiscal Year 2022. Due to the inability to determine whether or not a revised CWI would materially impact the tier funding distribution of payments, the auditors cannot reasonably provide assurance that the Agency has materially complied with those laws and regulation which could have a direct and material effect on the Agency’s financial statements. Further, failure to re-determine the CWI represents noncompliance with the School Code.

AGENCY RESPONSE:

The Agency agrees with the finding and is in the process of corrective action. The Agency has released procurements to contract with an independent, external entity to determine if any wage indices exist with similar methodologies to the CWI, as required by statute, and to conduct modeling of the potential financial impact to school districts, if an alternative index does exist and meets statutory requirements.

Additionally, the Agency is collaborating with a third-party vendor to map and document the EBF calculation process to improve internal controls.

UPDATED RESPONSE:

Partially Implemented.

The finding was cleared in the FY23 Financial Audit Report. The Agency took measures to ensure a re-determination of the CWI used in the formula took place and concluded the same data set be used going forward until FY2025.

3. The auditors recommend the Agency update its change management policies to address procedures, including emergency changes, regarding:

- **Requirements for requesting changes.**
- **Prioritization and classification of changes.**
- **Authorization of changes at various stages.**
- **Testing requirements and associated documentation requirements.**
- **Requirements for moving to production.**
- **Requirements for post-implementation review.**

REVIEW:

Additionally, they recommend the Agency create a change control log to track regular and emergency changes or enable the existing system to generate such logs, ensure changes follow the change management process, and ensure changes are approved, documented, and post-implementation reviews are completed.

FINDING: *(Inadequate Controls over Change Management) - New*

The Illinois State Board of Education (Agency) did not have adequate internal controls over the change management process for its environment, applications, and data.

During the testing, the auditors requested the Agency provide a population of changes made to the Agency's environment, applications, and data. Although the Agency provided emails of some of the changes, the Agency was unable to provide support documenting the completeness and accuracy of the population of changes.

Due to the conditions, auditors were unable to conclude the Agency population records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AU-C § 330.27-.29 and AT-C § 205.36). Even given the population limitations, auditors selected a sample of 15 changes, noting:

- Four (27%) changes were missing documentation of approvals before they were assigned to developers.
- Two (13%) changes did not have documentation of as to who requested the change.
- Nine (60%) changes did not have documentation of final approvals before moving the change to production.
- Thirteen (87%) changes did not have support documenting an authorized staff moved the change to production.
- Fifteen (100%) changes did not have documentation of post-implementation reviews were completed.

In addition, auditors noted the Agency's change management policy was outdated and did not reflect the Agency's process for controlling changes to its environment, applications, and data. Further, the auditors noted the Agency had not established procedures to identify and address emergency changes.

The *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Configuration Management section, requires entities to ensure applications are modified in a manner that promotes consistency, integrity, and security.

Additionally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Agency to establish and maintain a system, or systems, of internal fiscal and

REVIEW:

administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and maintain accountability over the State's resources.

Agency officials indicated the cause of these issues to be management oversight.

The lack of adequate internal controls over changes to the Agency's environment, applications, and data could result in unauthorized changes.

AGENCY RESPONSE:

The Agency agrees with the finding and is in the process of implementing the recommended changes into its change management policies.

UPDATED RESPONSE:

Partially Implemented.

While the finding was cleared in the FY23 Financial Audit Report, the Agency continues to improve controls over change management. The FY24 Financial audit noted similar issues related to change management. The Agency updated the change management policies and procedures including the Agency's process for changes. The Agency continues to make improvements related to documentation and tracking changes to applications.

- 4. The auditors recommend the Agency implement the necessary internal controls to ensure reporting requirements are met for programs in transitional bilingual education.**

FINDING: *(Noncompliance with Department of Transitional Bilingual Education Reporting Requirements) – First reported 2018, last reported 2022*

The Illinois Board of Education (Agency) did not comply with the reporting requirements of the Department of Transition Bilingual Education (Department).

During the Agency's previous examination, auditors noted the Department did not submit its 2017-2018 annual report until eighteen months after the reporting period ended, and it failed to draft its 2018-2019 annual report as of June 30, 2020.

During the Agency's current examination, the testing indicated the Department timely submitted its annual reports on programs in transitional bilingual education to the Illinois General Assembly covering school years 2019-2020 and 2020-2021. In addition, the auditors noted the Department submitted its 2018-2019 annual report to the Illinois General Assembly.

REVIEW:

However, while the Department submitted the annual reports to the Illinois General Assembly as required, the auditors noted the Agency failed to report an opinion on the need for continuing such a program and recommendations for improvement.

According to the School Code (105 ILCS 5/2-3.39(7)), the Agency is required to submit an annual report to the General Assembly, which includes an evaluation of the programs in transitional bilingual education, the need for continuing such programs, and recommendations for improvement.

This finding was first reported in the Agency's *State Compliance Examination* for the two years ended June 30, 2018. In subsequent years, the Agency has been unsuccessful in implementing an adequate corrective action plan.

Agency officials indicated the reports did not contain the required information due to employee oversight.

Failure to include all required information in the annual reports on programs in transitional bilingual education reduces the effectiveness of governmental oversight. In addition, inadequate program evaluation could affect the identification and implementation of necessary program improvements or the continuation of the program.

AGENCY RESPONSE:

The Agency agrees with the finding and the responsible department will add sections on the need for continuing such a program and recommendations for improvement to all future annual reports.

UPDATED RESPONSE:

Implemented.

The finding was cleared in the FY23/24 Compliance Examination audit. The Agency complied with the reporting requirements of the Department of Transitional Bilingual Education. The Agency annual reports to the General Assembly included an evaluation of the transitional bilingual education program, the need for continuing such a program, and recommendations for improvement.

- 5. The auditors recommend the Agency begin performing random audits of licensees and to continue their work on the PD+ system to ensure all approved providers who perform professional development activities can be adequately tracked and subsequently audited as required by the Code.**

FINDING: *(Insufficient Controls over Professional Educator Licensure) – First reported 2020, last reported 2022*

The Illinois State Board of Education (Agency) did not have adequate internal controls in place to monitor the requirements regarding professional educator license renewal.

REVIEW:

During the testing, auditors noted:

- The Agency failed to perform random audits of licensees to verify their fulfillment of the professional development hours required to maintain their license.

The School Code (Code) (105 ILCS 5/21B-45(f-5)) requires the Agency to conduct random audits of licensees to verify a licensee's fulfillment of the professional development hours required under the section of the Code.

Agency officials stated audits of licensees were suspended by Agency management during the examination period due to the COVID-19 pandemic, its disruption to the educational system and the already cumbersome new burdens and challenges placed on educators.

- The Agency did not track which approved providers were providing professional development activities, and therefore, was not able to identify which approved providers should have submitted annual data to the Agency during the examination period.

The Code (105 ILCS 5/21B-45(j)(2)) requires approved providers of professional development activities to annually submit data to the Agency demonstrating how the professional development activities impacted certain criteria.

Agency officials stated, as it did in the prior examination, that it recognized deficiencies in the approved provider process in 2019 and began developing a tracking system for approved providers called the "PD+" system. The COVID-19 pandemic severely delayed the development of PD+ system.

Failure to perform random audits of licensees and adequately monitor providers providing professional development activities reduces accountability of educators and approved providers. Further, it could result in a licensed educator receiving less than high quality professional development or failing to meet State licensing standards.

AGENCY RESPONSE:

The Agency agrees with the finding. The Agency has resumed professional development educator audits and has implemented a new registration and renewal process in the PD+ system to track the providers offering professional development in Illinois.

UPDATED RESPONSE:

Partially Implemented.

The Agency implemented professional development educator audits. The Agency anticipates being able to collect the statutory data points that verify high-quality professional development is being offered by Illinois approved providers of professional development who voluntarily use ISBE's PD+ system to offer professional development activities to licensed educators for licensure renewal. ISBE will work towards facilitating

REVIEW:

the mandatory use of the PD+ system by all Illinois approved providers of professional development to effectively monitor and ensure professional development meets the required standards.

- 6. The auditors recommend the Agency implement internal controls to ensure future Strategic Plans are submitted timely in accordance with the School Code.**

FINDING: *(Noncompliance with Strategic Plan Requirements) – First reported 2020, last reported 2022*

The Illinois State Board of Education (Agency) did not comply with statutory requirements when drafting its Comprehensive Strategic Plans for Elementary and Secondary Education (Strategic Plan).

During the Agency's previous examination, auditors noted the Agency did not consult with the educational community, hold public hearings, or receive input from all interest groups when drafting the 2019 Strategic Plan. Additionally, they noted the Agency did not include all required information in either the 2018 or 2019 Strategic Plans.

During the Agency's current examination, the auditors noted the Agency sought legislative changes with Public Act 102-539, effective August 20, 2021, which streamlined the requirements of the Strategic Plan. The Strategic Plans submitted during the current examination period complied with the new requirements; however, they were not submitted timely. Specifically, they noted the Agency failed to timely submit its 2020 and 2021 Strategic Plans to the Governor and Illinois General Assembly due by July 1, 2020, and 2021, respectively. The Strategic Plans were filed on January 11, 2021, and July 7, 2021, which were 194 and 6 days late, respectively.

The School Code (105 ILCS 5/2-3.47a) requires the Agency to submit a continuing annual comprehensive strategic plan to the Governor and Illinois General Assembly on or before July 1 of each year.

Agency officials stated the report due July 1, 2020 was submitted late due to the impact of the COVID-19 pandemic. The publishing of the annual report due July 1, 2021 was delayed due to employee oversight.

Failure to timely submit the Agency's Strategic Plan represents noncompliance with the School Code and could lessen the effectiveness of the Agency to fulfill the Agency's mission, vision, and goals.

AGENCY RESPONSE:

REVIEW:

The Agency agrees with the finding. The annual report due July 1, 2022 was submitted on June 30, 2022. Efforts are underway to prepare and submit the next report by July 1, 2023.

UPDATED RESPONSE:

Implemented.

The finding was cleared in the FY23/24 Compliance Examination audit. The Agency timely submitted the Strategic Plans to the Governor and Illinois General Assembly prior to July 1 of each respective year of the examination period.

- 7. The auditors recommend the Agency implement or revise its internal controls in order to obtain the required data needed to report on the climate survey results at each level required by State law.**

FINDING: *(Insufficient Controls over Surveys of Learning Conditions) – First reported 2020, last reported 2022*

The Illinois State Board of Education (Agency) did not comply with reporting procedures for the survey of learning conditions (climate survey) as completed by students and teachers.

During the testing, the auditors noted the Agency failed to post the results from the 2019-2020 school year climate survey to their website and did not provide a publicly available report on the survey indicators at the school district or state level for any of the surveys administered.

The School Code (105 ILCS 5/2-3.153) requires a climate survey to be administered to students in grades 4 through 12 and teachers to provide feedback on the instructional environment within a school. The data from the survey must be reported to the Agency, and the Agency must publicly report on the survey indicators of learning conditions resulting from administration of the instrument at the individual school, district, and State levels.

Agency officials noted the 2019-2020 school year climate survey was not posted due to an executive decision made by the Agency's management team. The survey indicators are currently designed to provide results at the school-building level. Any aggregation of that data into a district or state-wide level overview would require additional research and likely more monetary investment which has not previously been allocated.

Failure to post the climate survey results and aggregate the data at the district and State level limits the availability of the necessary tools and resources to make important decisions regarding improvements in the instructional environment of schools.

AGENCY RESPONSE:

REVIEW:

The Agency agrees with the finding and recognizes the importance of the climate survey to allow districts and schools to make instructional-related decisions. The Agency is currently working with the 5 Essentials Climate Survey vendor to determine the feasibility and possibility of acquiring data at the school, district, and state-level.

UPDATED RESPONSE:

Partially Implemented.

The Agency is currently seeking legislative change to the statute to better reflect the data that is gathered and reported.

8. To ensure adequate controls over access to the Agency's information systems and applications, the auditors recommend the Agency:

- **Review users' access to mainframe and other applications periodically.**
- **Ensure users' access is timely terminated upon separation.**
- **Timely notify DoIT of changes in the Agency's Administrator for DoIT maintained applications.**

FINDING: *(Insufficient Controls over Termination and Review of Employee Access) – First reported 2020, last reported 2022*

The Illinois State Board of Education (Agency) did not implement adequate controls over termination and review of access to its information systems and applications.

Illinois State Board Web Application Security (IWAS)

The Agency did not perform an annual review of users' access to the IWAS application for fiscal years 2021 and 2022.

Further, auditors noted four of 17 (24%) terminated employees' access to the IWAS application had not been timely removed after separation. The rights were removed from five to 20 days after separation.

Other applications

During testing of 20 employees, auditors noted four employees (20%) had administrative rights to the Entity Profile System (EPS), Data Warehouse, Financial Reimbursement Information System (FRIS), and Student Information System (SIS) applications for which they either never utilized or were not aware they had administrative rights.

Security Software IDs

- The Agency did not perform a review of their security software IDs for the Department of Innovation and Technology's (DoIT) mainframe during the examination period.

Central Payroll System (CPS)

REVIEW:

- The Agency did not perform a review of the users with access to the Central Payroll System (CPS) during the examination period.
- Two employees in the Agency's information technology department had add, change, delete and inquiry rights to the CPS during the examination period.
- One employee with add, change, delete and inquiry rights to CPS left the Agency during the examination period; however, their permissions were not revoked.
- The Agency did not submit a DoIT service request for the change in the CPS Administrator.

The *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Access Control section, requires entities to control employees' access to applications and terminate access upon separation and to periodically conduct reviews.

Additionally, 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 indicated the exceptions were due to employee turnover, vacant positions, and oversight.

Inadequate controls over access to the Agency's system and applications could lead to unauthorized access and unauthorized use of its applications and related data.

AGENCY RESPONSE:

The Agency agrees with the finding. An Application Access Review Policy has been created and a procedure has been established to perform annual reviews of users' access to the IWAS and the applications hosted within IWAS. The process to disable IWAS accounts was assigned to additional staff and a new notification system was put in place to ensure timely disablement of accounts. The Agency has established a process of reviewing security software IDs on a quarterly basis and notifying DoIT in a timely manner with any changes.

UPDATED RESPONSE:

Partially Implemented.

The Agency continues to improve controls over access reviews and timely access revocations.

9. The auditors recommend the Agency:

- **Review SOC reports or conduct independent internal control reviews.**
- **Conduct an analysis to determine the impact of noted deviations within the SOC report.**

REVIEW:

- **Monitor and document the operation of the CUECs related to the Agency's operations.**
- **Obtain and review SOC reports for subservice providers or perform alternative procedures to determine the impact on its internal control environment.**
- **Develop and implement procedures for monitoring service providers.**
- **Obtain bridge letters to determine the impact on Agency internal control environment.**
- **Ensure contracts are entered into with service providers and ensure they contain requirements for independent reviews to be conducted.**

FINDING: *(Lack of Adequate Controls over the Review of Internal Controls over Service Providers) – First reported 2020, last reported 2022*

The Illinois State Board of Education (Agency) had not implemented adequate controls over its service providers.

The Agency utilized service providers for hosting services, credit card processing and software as a service. The auditors tested five service providers, noting the Agency had not:

- Reviewed the System and Organization Controls (SOC) report for one (20%) service provider.
- Documented the deviations noted in a SOC report or performed an analysis of the impact of those noted deviations on the Agency's internal control environment for one (20%) service provider.
- Monitored and documented the operation of the Complementary User Entity Controls (CUECs) related to the Agency's operations for five (100%) service providers.
- Obtained and reviewed SOC reports for subservice providers or performed alternative procedures to determine the impact on its internal control environment for two of five (40%) service providers.
- Developed or implemented procedures for monitoring of five (100%) service providers.
- Obtained bridge letters for two (40%) service providers when SOC reports did not cover the entire examination period.

The auditors also noted the Agency did not have a contract with one (20%) service provider, therefore, did not have a mechanism to require independent reviews.

The Agency is responsible for the design, implementation, and maintenance of internal controls related to information systems and operations to assure confidential data is adequately safeguarded. This responsibility is not limited due to the processes being outsourced.

The *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Maintenance and System and Service Acquisition sections, requires

REVIEW:

entities outsourcing their information technology environment or operations to obtain assurance over the entities' internal controls related to the services provided. Such assurance may be obtained through SOC reports or independent reviews.

Additionally, 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 indicated the issues noted were due to staff turnover and employee errors.

Without adequately reviewing a SOC report or performing another form of independent internal controls review, the Agency does not have assurance the service providers' internal controls are adequate and operating effectively.

AGENCY RESPONSE:

The Agency agrees with the finding. A new employee was hired and trained to accurately obtain and review SOC reports and Bridge Letters. The Agency is reviewing contracts to ensure that all service providers are covered and has begun performing post-performance monitoring reviews for cloud suppliers.

UPDATED RESPONSE:

Partially Implemented.

The Agency continues to improve controls over the review of internal controls over service providers. Agency staff assigned to reviews of service providers have been updated on the issues noted and will adjust the process to ensure report requirements are in place, reviews are complete and appropriate, deviations are analyzed, and reports and bridge letters are obtained for each fiscal year.

- 10. The auditors recommend the Agency establish internal controls to determine which entities or individuals the State Board contracts with or has written agreements with that hold covered information and publish a list of those entities along with a copy of each contract or written agreement in accordance with the State law.**

FINDING: *(Noncompliance with the Student Online Personal Protection Act) - New*

The Illinois State Board of Education (Agency) did not comply with the Student Online Personal Protection Act (Act).

During the testing, auditors noted the Agency failed to publish and maintain on its website a list of all entities or individuals the Agency contracts with or has written agreements with that hold covered information and a copy of each contract or written agreement.

REVIEW:

According to the Student Online Personal Protection Act (Act)(105 ILCS 85/28(c)), effective July 1, 2021, at least once annually, the Agency is required to publish and maintain on its website a list of all of the entities or individuals, including, but not limited to, operators, individual researchers, research organizations, institutions of higher education, or government agencies, that the State Board contracts with or has written agreements with and that hold covered information and a copy of each contract or written agreement. The list must include the name of the entity or individual, the purpose and scope and duration of the contract or agreement, the types of covered information that the entity holds, the use of the covered information, the length of time for which the entity may hold the covered information, and a list of any subcontractors to whom covered information may be disclosed.

Agency officials indicated the mandate was new during the examination period with many new requirements involving numerous departments within the Agency. The requirement to publish a list of agreements with covered information was an oversight.

Failure to publish and maintain the list is noncompliance with the Act and limits Agency accountability regarding covered information and its uses.

AGENCY RESPONSE:

The Agency agrees with the finding and has implemented the recommended changes to correct the noncompliance issue. The Research Department has now published on its website a list of all entities or individuals the Agency contracts with or has written agreements with that hold covered information and a copy of each contract or written agreement. To ensure the list is updated, the Agency has taken steps to automate this process through its Contract Authorization Form system.

UPDATED RESPONSE:

Implemented.

The finding was cleared in the FY23/24 Compliance Examination audit. The Agency published and maintained on its website a list of all entities or individuals the Agency contracts with or has written agreements with that hold covered information and a copy of each contract and written agreement in accordance with the State law.

- 11. The auditors recommend Agency management implement internal controls to continually monitor the Program for changes in the 20 G.O. Bonds Index and ensure future loans are issued with interest rates that do not exceed the allowable limit. Additionally, they recommend the Agency modify the current loans issued with incorrect interest rates to the applicable rate and refund the two school districts the funds they overpaid.**

FINDING: *(Failure to Update Interest Rates for Loans Issued Under the School Technology Revolving Loan Program) - New*

REVIEW:

The Illinois State Board of Education (Agency) failed to update interest rates for loans issued under the School Technology Revolving Loan Program (Program).

During the testing, the auditors noted the Agency issued loan agreements to two school districts under the Program during Fiscal Year 2021 and 2022, totaling \$241,700. While reviewing both of these loan agreements, they noted the Agency charged the two school districts a higher stated interest rate than allowable by the School Code. The interest rate noted in the loan agreements was set at 2.00%, which exceeded the authorized limit allowed by statute. As a result, the two school districts overpaid the Agency on their obligations by a total of \$1,093.

The School Code (105 ILCS 5/2-3.117a(a)) requires the Agency to determine the interest rate the loans shall bear. The rate shall not be greater than 50% of the rate for the most recent date shown in the 20 G.O. Bonds Index of average municipal bond yields as published in the most recent edition of The Bond Buyer. The 20 G.O. Bond Index of average municipal bond yields at the beginning of the Fiscal Year 2021 and 2022 application cycles were 2.16% and 2.20%, respectively. This means the maximum interest rate allowed on loans issued during the examination period was 1.08% and 1.10%, respectively.

Agency officials stated the loan rates were not updated due to significant leadership turnover in the responsible department within the Agency that runs the Program.

Failure to monitor and update interest rates represents noncompliance with the Code and resulted in school districts over paying loan obligations.

AGENCY RESPONSE:

The Agency agrees with the finding. We have implemented corrective action steps to ensure increased oversight of the interest rate calculations with a system of checks and balances from program staff to management. Additionally, the Agency will modify the current loans and refund the overpayments.

UPDATED RESPONSE:

Implemented.

The finding was cleared in the FY23/24 Compliance Examination audit. The Agency updated interest rates for loans issued under the School Technology Loan Program charged by the Agency which complied with Statutory requirements. Further, the Agency repaid the overpayments to the school districts that overpaid the Agency in the prior engagement period.

- 12. The auditors recommend the Agency revise administrative rules to comply with the updated legislation regarding funding for class size reduction. They further recommend the Agency request funding for the programs or seek legislative remedy.**

REVIEW:

FINDING: *(Failure to Update Administrative Rules for Class Size Reduction Funding Programs) - New*

The Illinois State Board of Education (Agency) failed to update administrative rules regarding administration of funding programs for class size reduction.

In September 2006, the Agency adopted administrative rules (23 Ill. Admin. Code 565) regarding the implementation and administration of funding programs for class size reduction. In August 2018, Public Act 100-1046 (Act) was signed into law significantly updating the class size reduction grant program. Specifically, the Act amended the School Code to no longer limit the grant to kindergarten through 3rd grade, removed limitations on the application process, and changed the definition of allowable expenditures. During testing, auditors noted the Agency's administrative rules were last updated in June 2013, and therefore, do not reflect the changes made since the Act was passed.

The School Code (105 ILCS 5/2-3.136) required the Agency to adopt any rules as necessary to administer the funding for class size reduction.

Agency officials stated the class size reduction grant has not been funded since Fiscal Year 2009 and the mandate was not reassigned to Agency personnel when the legislation was updated in 2018. The lack of reassignment resulted in the administrative rules not being updated. Additionally, Agency officials stated there were no funding requests for the class size reduction program in Fiscal Year 2021 or Fiscal Year 2022.

Failure to update the administrative rules after legislative changes could lead to ambiguity regarding the eligibility of applicants and improper allocation of State funds. Additionally, failure to request funding potentially limits funds needed to support the class size reduction program as defined in the statute.

AGENCY RESPONSE:

The Agency agrees with the finding. We have initiated conversations with Legislative Affairs and identified this mandate for inclusion in our next ISBE-sponsored clean-up bill. This has been added to our department Planner to ensure follow through for the next convening of the General Assembly. If repeal is deemed not possible, we will proceed with rulemaking as needed.

UPDATED RESPONSE:

Partially Implemented.

The Agency is currently seeking a legislative repeal of the statute. If repeal is not achievable through legislative action, we will proceed with rulemaking as necessary.

- 13. The auditors recommend Agency management strengthen its procedures of reviewing the Reports prepared by staff to ensure it is accurate before**

REVIEW:

submission, and to ensure adequate documentation is retained by the Agency to support its preparation.

FINDING: *(Inadequate Control over Agency Workforce Reports) - New*

The Illinois State Board of Education (Agency) did not exercise adequate internal control over the preparation of its annual Agency Workforce Reports (Reports).

During testing, auditors noted the following:

- The support provided by the Agency did not agree with the Fiscal Year 2020 and Fiscal Year 2021 Reports, for multiple categories on each Report. Additionally, for both Reports, support provided for multiple categories did not include all of the persons employed by the Agency during each respective Fiscal Year.

The State Employment Records Act (5 ILCS 410/15) requires the Agency to collect and maintain the total number of persons employed by the Agency who are part of the State workforce, and the number and statistical percentage of women, minorities, and physically disabled persons employed within the workforce.

- The Agency was unable to provide support for the males and females with physical disabilities categories on the Fiscal Year 2021 Report.

The State Records Act (5 ILCS 160/8) requires the Agency to make and preserve records containing adequate and proper documentation of the organization. Additionally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001(4)) requires the Agency to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that resources are properly accounted for to permit the preparation of reliable statistical reports.

Agency officials indicated, due to employee turnover, different employees prepared the Report each year during the examination period, and insufficient documentation was retained by staff to support the data reported.

Failure to retain supporting documentation and accurately report statistical information regarding women, disabled, and minority groups, limits the usefulness of the Agency's reports and represents noncompliance with State laws.

AGENCY RESPONSE:

The Agency agrees with the finding. A new Human Resources Specialist has been hired and trained on preparing the report and storing all of the source documents by fiscal year. Once the report is completed, it will move through a review process by the Director of Human Resources.

UPDATED RESPONSE: **Implemented.**

REVIEW:

The finding was cleared in the FY23/24 Compliance Examination audit. The Agency made significant improvements to ensure reports were reviewed before submission and adequate documentation was retained to support information included in the report.

14. The auditors recommend the Agency:

- **Conduct a comprehensive risk assessment and implement risk reducing internal controls.**
- **Perform vulnerability scans and review results documenting the review including any corrective action plans taken to address the vulnerabilities.**
- **Maintain a complete list of security events.**
- **Develop configuration management policy and data classification policy.**
- **After establishing the data classification policy, ensure adequate protection of information by outlining the security controls for each classification.**

FINDING: (*Weaknesses in Cybersecurity Programs and Practices*) - New

The Illinois State Board of Education (Agency) had not implemented adequate controls related to cybersecurity programs, practices, and control of confidential information.

The Agency utilizes various applications that contain a significant amount of critical and confidential data, such as names, addresses, and Social Security numbers, etc.

The Illinois State Auditing Act (30 ILCS 5/3-2.4) requires the Auditor General to review State agencies and their cybersecurity programs and practices. During the examination of the Agency's cybersecurity program, practices, and control of confidential information, auditors noted the Agency had not:

- Conducted a risk assessment during the examination period. The previous risk assessment was performed in 2019. Further, auditors noted various risks identified in the previous risk assessment were not addressed during the examination period.
- Performed vulnerability scans during the examination period.
- Established a configuration management policy.
- Established a comprehensive data classification methodology for classifying its data most susceptible to attack to ensure adequate protection.

The auditors also noted the Agency could not provide a log of cybersecurity events for the entire examination period. The log provided contained cybersecurity events for the period of November 2021 through June 2022.

The Framework for Improving Critical Infrastructure Cybersecurity and the Security and Privacy Controls for Information Systems and Organizations (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST)

REVIEW:

requires entities to consider risk management practices, threat environments, legal and regulatory requirements, mission objectives and constraints in order to ensure the security of their applications, data, and continued business mission.

Additionally, 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 indicated the exceptions were due to employee turnover, vacant positions, and oversight.

The lack of adequate cybersecurity programs and practices could result in unidentified risks and vulnerabilities, which could ultimately lead to the Agency's confidential and personal information being susceptible to cyber-attacks and unauthorized disclosure.

AGENCY RESPONSE:

The Agency agrees with the finding. The Agency is altering the schedule of their risk assessment to fall within audit examination periods. The Agency has acquired suitable penetration/vulnerability testing software and testing has commenced. The Agency has developed an Incident Tracking System to further expand the logging of cybersecurity events. The Agency has started drafting both a Configuration Management Policy and a Comprehensive Data Classification methodology.

UPDATED RESPONSE:

Partially Implemented.

The Agency continues to improve controls over cybersecurity. The Agency worked with a contractor to perform annual risk assessments. The Agency made improvements related to vulnerability scans and reviews, created a configuration management policy and incident response process document. The Agency is working on a governance framework and data classification policy to improve controls for each data classification.

- 15. The auditors recommend the Agency review servers routinely to ensure patches are installed timely. They also recommend the Agency develop a network configuration and patching policy and strengthen controls over network security.**

FINDING: *(Inadequate Security Controls) - New*

The Illinois State Board of Education (Agency) did not maintain adequate security controls over its computing environment.

REVIEW:

The Agency has established a myriad of applications in order to meet its mission and mandate. The Agency processes and maintains critical and confidential information within these applications.

As part of their testing, they obtained a population of servers to determine if the servers were properly updated for vendor released patches, service packs, and fixes to promote a secure computing environment. The auditors noted two of 15 (13%) servers were not patched in a timely manner. The delays ranged from 248 to 693 days after the release of the vendor's patch.

Additionally, they tested network configurations and policies, noting:

- The Agency did not have a network configuration and patching policy.
- The network's security settings had a weakness.

The *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology, System and Information Integrity and Configuration sections, requires entities to develop system and integrity policies and procedures, install software and firmware patches, and maintain proper controls over network security.

Additionally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Agency 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 indicated the exceptions were due to oversight.

Failure to have adequate security controls over the Agency's environment increases the risk of unauthorized access and the confidentiality, integrity and availability of systems and data will be compromised.

AGENCY RESPONSE:

The Agency agrees with the finding. A review of the Agency's automated patching system was conducted to ensure the servers in question were added and scheduled reminders have been set to verify. A Firewall Configuration and Patching Policy was finalized. The network security settings were changed to remove said weakness.

UPDATED RESPONSE:

Implemented.

The finding was cleared in the FY23/24 Compliance Examination audit. The Agency established a Patch and Firewall Configuration Policy and continues to update and patch servers to strengthen controls over network security.

Emergency Purchases

REVIEW:

The Illinois Procurement Code (30 ILCS 500/) states, "It is declared to be the policy of the state that the principles of competitive bidding and economical procurement practices shall be applicable to all purchases and contracts..." The law also recognizes that there will be emergency situations when it will be impossible to conduct bidding. It provides a general exemption when there exists a threat to public health or public safety, or when immediate expenditure is necessary for repairs to state property in order to protect against further loss of or damage to state property, to prevent or minimize serious disruption in critical state services that affect health, safety, or collection of substantial state revenues, or to ensure the integrity of state records; provided, however that the term of the emergency purchase shall not exceed 90 days. A contract may be extended beyond 90 days if the chief procurement officer determines additional time is necessary and that the contract scope and duration are limited to the emergency. Prior to the execution of the extension, the chief procurement officer must hold a public hearing and provide written justification for all emergency contracts. Members of the public may present testimony. Notice of all emergency procurement shall be provided to the Procurement Policy Board and published in the online electronic Bulletin no later than five business days after the contract is awarded. Notice of intent to extend an emergency contract shall be provided to the Procurement Policy Board and published in the online electronic Bulletin at least 14 days before the public hearing.

A chief procurement officer making such emergency purchases is required to file a statement with the Procurement Policy Board and the Auditor General to set forth the circumstance requiring the emergency purchase. The Legislative Audit Commission receives quarterly reports of all emergency purchases from the Office of the Auditor General. The Legislative Audit Commission is directed to review the purchases and to comment on abuses of the exemption.

The Board had no emergency purchases in FY21-22.

Headquarters Designations

The State Finance Act requires all state agencies to make semiannual headquarters reports to the Legislative Audit Commission. Each state agency is required to file reports of all its officers and employees for whom official headquarters have been designated at any location other than that at which official duties require them to spend the largest part of their working time.

As of July 2022, the Illinois State Board of Education had 10 employees assigned to locations others than official headquarters.

Legislative Audit Commission

Consent Calendar May 13, 2025

1. Board of Examiners, two years ended June 30, 2023: The Compliance Examination contained no findings.
2. Civil Service Commission, two years ended June 30, 2023: The Compliance Examination contained no findings.
3. Commission on Equity and Inclusion, eighteen months ended June 30, 2023: The Compliance Examination contained six findings, no repeated.
4. Commission on Government Forecasting and Accountability, two years ended June 30, 2023: The Compliance Examination contained two findings, one repeated.
5. Coroner Training Board, two years ended June 30, 2023: The Compliance Examination contained five findings, three repeated.
6. Department of Central Management Services, year ended June 30, 2022: The Financial Audit contained three findings, one repeated. The financial statements are presented fairly.
7. Department of Corrections, year ended June 30, 2022: The Financial Audit contained eight findings, eight repeated. The financial statements are presented fairly.
8. Department of Employment Security, year ended June 30, 2023: The Financial Audit contained eight findings, four repeated. The financial statements are presented fairly.
9. Department of Healthcare and Family Services, year ended June 30, 2022: The Financial Audit contained nine findings, six repeated. The financial statements are presented fairly.
10. Department of Healthcare and Family Services, year ended June 30, 2023: The Financial Audit contained seven findings, five repeated. The financial statements are presented fairly.
11. Department of Human Services, year ended June 30, 2021: The Financial Audit contained ten findings, nine repeated. The financial statements are presented fairly.
12. Department of Human Services, year ended June 30, 2022: The Financial Audit contained eight findings, six repeated. The financial statements are presented fairly.
13. Department of Human Services, year ended June 30, 2023: The Financial Audit contained nine findings, six repeated. The financial statements are presented fairly.
14. Department of Innovation and Technology, year ended June 30, 2023: The Financial Audit contained four findings, no repeated. The financial statements are presented fairly.
15. Department of Military Affairs, two years ended June 30, 2020: The Compliance Examination contained 18 findings, ten repeated.

16. Department of Revenue, two years ended June 30, 2022: The Compliance Examination contained 18 findings, four repeated.
17. Eastern Illinois University, year ended June 30, 2023: The Financial Audit contained three findings, two repeated. The financial statements are presented fairly.
18. Emergency Management Agency and Office of Homeland Security, two years ended June 30, 2023: The Compliance Examination contained 10 findings, six repeated.
19. Environmental Protection Agency, two years ended June 30, 2020: The Compliance Examination contained 18 findings, eight repeated.
20. Executive Ethics Commission, two years ended June 30, 2023: The Compliance Examination contained six findings, four repeated.
21. General Assembly Senate, two years ended June 30, 2023: The Compliance examination contained two findings, two repeated.
22. Illinois Commerce Commission, two years ended June 30, 2023: The Compliance Examination contained ten findings, seven repeated.
23. Illinois Council on Developmental Disabilities, two years ended June 30, 2023: The Compliance Examination contained seven findings, four repeated.
24. Illinois Educational Labor Relations Board, two years ended June 30, 2023: The Compliance Examination contained eight findings, five repeated.
25. Illinois State Board of Education, year ended June 30, 2022: The Financial Audit contained three findings, one repeated. The financial statements are presented fairly.
26. Illinois State Board of Education, year ended June 30, 2023: The Financial Audit contained one finding, no repeated. The financial statements are presented fairly.
27. Illinois State University, year ended June 30, 2024: The Compliance Examination contained 13 findings, ten repeated.
28. Joint Committee on Administrative Rules, two years ended June 30, 2022: The Compliance Examination contained three findings, three repeated.
29. Judge's Retirement System of the State of Illinois, year ended June 30, 2023: The Financial Audit contained no findings. The financial statements are presented fairly.
30. Legislative Printing Unit, two years ended June 30, 2023: The Compliance Examination contained four findings, two repeated.
31. Office of the Architect of the Capitol, two years ended June 30, 2023: The Compliance examination contained three findings, no repeated.
32. Procurement Policy Board, two years ended June 30, 2022: The Compliance Examination contained eight findings, three repeated.

33. Roseland Community Medical District Commission, two years ended December 31, 2022: The Compliance Examination contained four findings, four repeated.
34. State Employees' Retirement System of Illinois, Census Data for OPEB, year ended June 30, 2023: The Compliance Examination contained no findings.
35. State Employees' Retirement System of Illinois, Census Data for Pensions, year ended June 30, 2023: The Compliance Examination contained one finding.
36. State Police Merit Board, two years ended June 30, 2022: The Compliance Examination contained ten findings, eight repeated.
37. State Universities Civil Service System, for two years ended June 30, 2023: The Compliance Examination contained two findings, one repeated.
38. Supreme Court Historic Preservation Commission, two years ended June 30, 2023: The Compliance Examination contained two findings, one repeated.
39. Teachers' Retirement System of the State of Illinois, year ending June 30, 2023: The Compliance Examination of Census Data contained one finding.
40. University of Illinois, Year ended June 30, 2022: The Compliance Examination contained 19 findings, 11 repeated.
41. University of Illinois, year ended June 30, 2023: The Financial Audit contained three findings, two repeated. The financial statements are presented fairly.
42. University of Illinois, year ended June 30, 2023: The Single Audit contained nine findings, six repeated.
43. Western Illinois University, year ended June 30, 2023: The Compliance Examination contained 10 findings, four repeated.

Financial audit reports pertaining to Regional Offices of Education and Service Centers.

44. Intermediate Service Center # 2, year ended June 30, 2020: The Financial Audit contained six findings, five repeated. The financial statements are presented fairly.
45. Regional Office of Education #4 – Boone and Winnebago Counties, year ended June 30, 2020: The Financial Audit contained four findings, three repeated. The financial statements are presented fairly.
46. Regional Office of Education #20 – Edwards, Gallatin, Hamilton, Hardin, Pope, Saline, Wabash, Wayne and White Counties, year ended June 30, 2023: The Financial Audit contained one finding, no repeated. The financial statements are presented fairly.

47. Regional Office of Education #39 – Macon and Piatt Counties, year ended June 30, 2023: The Financial Audit contained eight findings, six repeated. The financial statements are presented fairly.
48. Regional Office of Education #44 – McHenry County, year ended June 30, 2023: The Financial Audit contained three findings, two repeated. The financial statements are presented fairly.
49. Regional Office of Education #47 – Lee, Ogle, and Whiteside Counties, year ended June 30, 2021: The Financial Audit contained three findings, three repeated. The financial statements are presented fairly.
50. Regional Office of Education #47 – Lee, Ogle, and Whiteside Counties, year ended June 30, 2022: The Financial Audit contained two findings, two repeated. The financial statements are presented fairly.
51. Regional Office of Education #56 – Will County, year ended June 30, 2023: The Financial Audit contained seven findings, no repeated. The financial statements are presented fairly.



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

BOARD OF EXAMINERS

State Compliance Examination
For the Two Years Ended June 30, 2023

Release Date: June 27, 2024

FINDINGS THIS AUDIT:	0
FINDINGS LAST AUDIT:	0

INTRODUCTION

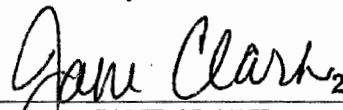
The Board of Examiners (Board) was originally established in 1903 and currently operates under the authority of the Illinois Public Accounting Act (Act) (225 ILCS 450/0.01 *et seq.*). Under the Act (225 ILCS 450/2), the Board is governed by eleven examiners appointed by the Governor, two of whom are members of the public. The Board's responsibilities include setting the requirements and verifying, through testing or transfer, candidate qualifications to become Certified Public Accountants in the State of Illinois.

There were no material findings of noncompliance disclosed during our examination.

ACCOUNTANT'S OPINION

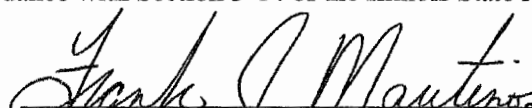
The accountants conducted a State compliance examination of the Board for the two years ended June 30, 2023, as required by the Illinois State Auditing Act. The accountants stated the Board complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by RSM US LLP.



JANE CLARK
Division Director

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



FRANK J. MAUTINO
Auditor General

FJM:TLK



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

CIVIL SERVICE COMMISSION

State Compliance Examination
For the Two Years Ended June 30, 2023

Release Date: August 29, 2024

FINDINGS THIS AUDIT:	0
FINDINGS LAST AUDIT:	0


INTRODUCTION

There were no material findings of noncompliance disclosed during our examination.

ACCOUNTANT'S OPINION

The accountants conducted a State compliance examination of the Civil Service Commission (Commission) for the two years ended June 30, 2023, as required by the Illinois State Auditing Act. The accountants stated the Commission complied, in all material respects, with the requirements described in the report.

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



JANE CLARK
Division Director

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



FRANK J. MAUTINO
Auditor General

FJM:KTW



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL
 Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

COMMISSION ON EQUITY AND INCLUSION

State Compliance Examination
 For the Eighteen Months Ended June 30, 2023

Release Date: June 6, 2024

FINDINGS THIS AUDIT: 6				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	No Repeat Findings. This is the first examination of the Commission on Equity and Inclusion.			
Category 2:	6	0	6				
Category 3:	0	0	0				
TOTAL	6	0	6				
FINDINGS LAST AUDIT: N/A							

INTRODUCTION

This digest covers the Commission on Equity and Inclusion’s (Commission) compliance examination for the eighteen months ended June 30, 2023. The Commission was created pursuant to the Commission on Equity and Inclusion Act (30 ILCS 574/40-5) to expand access to State contracts for minorities, women, persons with disabilities, and veterans and assist the State in enhancing the equity and inclusion throughout its workforce. The Commission began operations on January 1, 2022. This is the Commission’s first compliance examination.

SYNOPSIS

- (23-04) Commission failed to perform monthly reconciliations of the Commission’s records to those of the Illinois Office of Comptroller.
- (23-06) The Commission did not comply with various statutory mandates.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

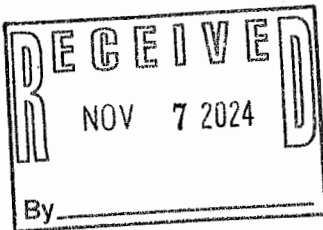
State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: November 7, 2024

FINDINGS THIS AUDIT: 2				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	2021			23-2
Category 2:	1	0	1				
Category 3:	0	1	1				
TOTAL	1	1	2				
FINDINGS LAST AUDIT: 4							

SYNOPSIS

- (23-1) The Commission on Government Forecasting and Accountability (Commission) did not maintain adequate controls over personal services.



- 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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

CORONER TRAINING BOARD

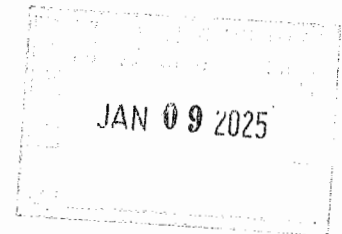
State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: January 9, 2025

FINDINGS THIS AUDIT: 5				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	2021		23-3	
Category 2:	2	3	5	2019		23-1, 23-2	
Category 3:	0	0	0				
TOTAL	2	3	5				
FINDINGS LAST AUDIT: 3							

SYNOPSIS

- (23-1) The Coroner Training Board (Board) did not maintain adequate controls over its reconciliations.
- (23-2) The Board did not exercise adequate control over voucher processing.



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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

**Financial Audit
 For the Year Ended June 30, 2022**

Release Date: April 6, 2023

FINDINGS THIS AUDIT: 3				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	2019		22-1*	
Category 2:	2	1	3	* Finding 2019-002 was reported in the Department's State Compliance Examination for the two years ended June 30, 2019.			
Category 3:	0	0	0				
TOTAL	2	1	3				
FINDINGS LAST AUDIT: 3							

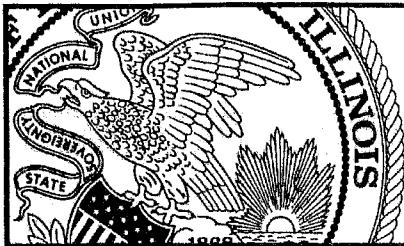
INTRODUCTION

This digest covers the Department of Central Management Services' (Department) Financial Audit as of and for the year ended June 30, 2022.

SYNOPSIS

- (22-1) The Department failed to determine premiums that will allow for the establishment of an actuarially sound reserve for the Community College Health Insurance Program.
- (22-3) The Department did not have sufficient controls over their change management procedures.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF CORRECTIONS

**Financial Audit
 For the Year Ended June 30, 2022**

Release Date: July 6, 2023

FINDINGS THIS AUDIT: 8				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	0	6	6	2008	22-1, 22-2	22-7, 22-8	
Category 2:	0	2	2	2012	22-3		
Category 3:	0	0	0	2018	22-6		
TOTAL	0	8	8	2020	22-4, 22-5		
FINDINGS LAST AUDIT: 8							

INTRODUCTION

This digest covers the Department's Financial Audit as of and for the year ended June 30, 2022. A separate digest covering the Department's Compliance Examination will be released at a later date.

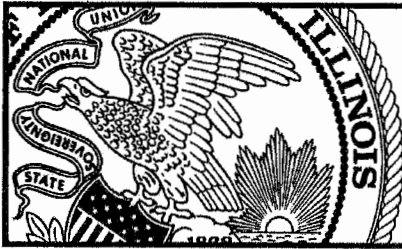
SYNOPSIS

- (22-2) The Department did not maintain accurate and adequate property records and did not timely and accurately record all capital asset information in its financial records.
- (22-4) The Department did not ensure proper financial reporting was performed for the Offender 360 project.
- (22-5) The Department did not properly reconcile and adequately document its reconciliation process to provide assurance census data submitted to its pension and other postemployment benefits (OPEB) plans was complete and accurate.

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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF EMPLOYMENT SECURITY

Financial Audit
For the Year Ended June 30, 2023

Release Date: August 15, 2024

FINDINGS THIS AUDIT: 8				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	3	3	6	2022		23-8	
Category 2:	1	1	2	2021	23-1		
Category 3:	0	0	0	2020	23-2, 23-5		
TOTAL	4	4	8				
FINDINGS LAST AUDIT: 5							

INTRODUCTION

This digest covers the financial statement audit of the Unemployment Compensation Trust Fund of the State of Illinois, Department of Employment Security (Department) as of and for the year ended June 30, 2023. A digest covering the Department's State Compliance Examination for the two years ended June 30, 2023, will be released at a later date.

SYNOPSIS

- (23-1) The Department failed to maintain accurate and complete Pandemic Unemployment Assistance (PUA) claimant data.
- (23-5) The Department did not prepare its year-end bank reconciliations timely and did not record all reconciling items identified in the reconciliation.

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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

Financial Audit

Release Date: August 15, 2023

For the Year Ended June 30, 2022

FINDINGS THIS AUDIT: 9				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	3	5	8	2019	2	9	
Category 2:	0	1	1	2018	3, 4		
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>	2017	1		
TOTAL	3	6	9	2015	5		
FINDINGS LAST AUDIT: 8							

SYNOPSIS

- (22-01) The Departments (HFS and DHS) had weaknesses in the general information technology (IT) controls over the Integrated Eligibility System (IES).
- (22-07) The Department's year-end financial reporting in accordance with generally accepted accounting principles (GAAP) contained weaknesses and inaccuracies.
- (22-08) The Department did not have adequate internal controls to ensure all eligible expenditures initiated by other State agencies were included in its Medicaid federal financial participation (FFP) reimbursement claims.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

**Financial Audit
 For the Year Ended June 30, 2023**

Release Date: December 19, 2024

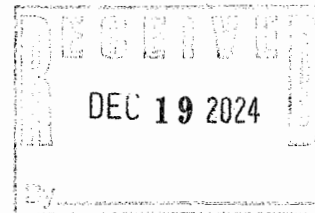
FINDINGS THIS AUDIT: 7				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	1	5	6	2022	6		
Category 2:	1	0	1	2019	2		
Category 3:	0	0	0	2018	4, 5		
TOTAL	2	5	7	2017	1		
FINDINGS LAST AUDIT: 9							

INTRODUCTION

The digest covers The Department’s Financial Audit as of and for the year ended June 30, 2023. A digest covering the Department’s State Compliance Examination for the two years ended June 30, 2023, was separately released.

SYNOPSIS

- **(23-01)** The Departments (HFS and DHS) had weaknesses in the general information technology (IT) controls over the Integrated Eligibility System (IES).
- **(23-06)** The Department’s year-end financial reporting in accordance with generally accepted accounting principles (GAAP) contained weaknesses and inaccuracies.



- 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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF HUMAN SERVICES

Financial Audit

Release Date: June 22, 2022

For the Year Ended June 30, 2021

FINDINGS THIS AUDIT: 10				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	9	10	2020	4, 6		
Category 2:	0	0	0	2019	7, 8		
Category 3:	0	0	0	2018	9, 10		
TOTAL	1	9	10	2017	1, 2, 5		
FINDINGS LAST AUDIT: 13							

SYNOPSIS

- (21-01) The Department does not have an adequate understanding of the suitability of the design of internal control or the operating effectiveness of internal control in place over all data recorded in its financial statements for transactions initiated by other State agencies and recorded in the Department's financial statements.
- (21-03) The Department's year-end financial reporting in accordance with generally accepted accounting principles (GAAP) contained inaccurate information.
- (21-05) The Departments (HFS and DHS) had insufficient internal controls over changes to the Integrated Eligibility System (IES) and recipient data.
- (21-09) The Department of Healthcare and Family Services (HFS) failed to execute interagency agreements (IA) with the Department of Human Services (DHS) establishing adequate internal controls over operation of the State of Illinois' Illinois Medicaid Program Advanced Cloud Technology system (IMPACT). In addition, HFS failed to sufficiently review and document eligibility requirements either prior to the approval of eligibility, and/or during the required monthly screenings for enrolled providers.
- (21-10) The Departments (HFS and DHS) failed to establish and maintain adequate general information technology internal controls (general IT controls) over the operation of the State of Illinois' Illinois Medicaid Program Advanced Technology system (IMPACT).

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF HUMAN SERVICES

Financial Audit

Release Date: August 15, 2023

For the Year Ended June 30, 2022

FINDINGS THIS AUDIT: 8				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	2	5	7	2019	4	6	
Category 2:	0	1	1	2018	7, 8		
Category 3:	0	0	0	2017	2, 5		
TOTAL	2	6	8				
FINDINGS LAST AUDIT: 10							

SYNOPSIS

- (22-01) The Department does not have sufficient internal control over accounting for grant transactions resulting in material misstatements to the draft financial statements.
- (22-02) The Department does not have an adequate understanding of the suitability of the design of internal control or the operating effectiveness of internal control in place over all data recorded in its financial statements for transactions initiated by other State agencies and recorded in the Department's financial statements.
- (22-05) The Departments (HFS and DHS) had weaknesses in the general information technology (IT) controls over the Integrated Eligibility System (IES).

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF HUMAN SERVICES

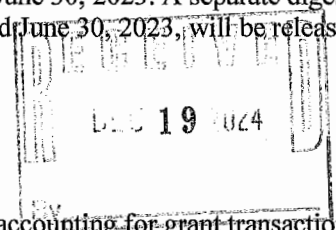
**Financial Audit
 For the Year Ended June 30, 2023**

Release Date: December 19, 2024

FINDINGS THIS AUDIT: 9				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	3	6	9	2022	1		
Category 2:	0	0	0	2019	5		
Category 3:	0	0	0	2018	8, 9		
TOTAL	3	6	9	2017	2, 6		
FINDINGS LAST AUDIT: 8							

INTRODUCTION

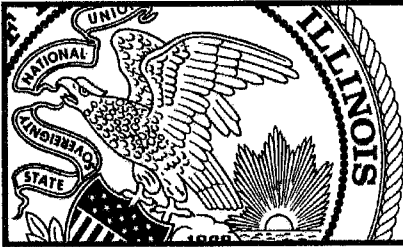
The digest covers the Department's Financial Audit as of and for the year ended June 30, 2023. A separate digest covering the Department's State Compliance Examination for the two years ended June 30, 2023, will be released at a later date.



SYNOPSIS

- (23-01) The Department does not have sufficient internal control over accounting for grant transactions resulting in material misstatements to the draft financial statements.
- (23-02) The Department does not have an adequate understanding of the suitability of the design of internal control or the operating effectiveness of internal control in place over all data recorded in its financial statements for transactions initiated by other State agencies and recorded in the Department's financial statements.
- (23-03) The Department does not have sufficient internal control over accounting for intergovernmental expense transactions.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF INNOVATION AND TECHNOLOGY

**Financial Audit
 For the Year Ended June 30, 2023**

Release Date: May 2, 2024

FINDINGS THIS AUDIT: 4				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	4	0	4	FY23 is the first financial audit of the Department of Innovation and Technology			
Category 2:	0	0	0				
Category 3:	0	0	0				
TOTAL	4	0	4				
FINDINGS LAST AUDIT: N/A							

SYNOPSIS

- (23-02) The Department failed to exercise adequate controls to ensure the new standard, GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*, was properly implemented.
- (23-04) The Department did not adequately review the billing rates utilized to bill agencies for Information Technology and Telecommunications services, and its accounts receivable.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF MILITARY AFFAIRS

Compliance Examination
 For the Two Years Ended June 30, 2020

Release Date: July 14, 2021

FINDINGS THIS AUDIT: 18				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	4	5	2018	20-5	20-7, 20-12, 20-13	
Category 2:	7	6	13	2016		20-9	
Category 3:	0	0	0	2014		20-6, 20-8	
TOTAL	8	10	18	2012	20-2, 20-3		
FINDINGS LAST AUDIT: 16				2004	20-1		

SYNOPSIS

- (20-1) The Department did not maintain sufficient controls over its property and related fiscal records.
- (20-2) The Department did not adhere to the internal auditing provisions of the Fiscal Control and Internal Auditing Act.
- (20-3) The Department did not exercise adequate controls over its commodities inventories.
- (20-13) The Department did not exercise adequate controls over voucher processing.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF REVENUE

State Compliance Examination
 For the Two Years Ended June 30, 2022

Release Date: October 12, 2023

FINDINGS THIS AUDIT: 18				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	3	1	4	2020		6	
Category 2:	11	3	14	2018	4	9	
Category 3:	0	0	0	2007		8	
TOTAL	14	4	18				

FINDINGS LAST AUDIT: 10

INTRODUCTION

The digest covers our Compliance Examination of the Department for the two years ended June 30, 2022. A separate Financial Audit as of and for the year ended June 30, 2022, was previously released on July 27, 2023. In total, this report contains 18 findings, 3 of which were reported in the Financial Audit.

SYNOPSIS

- (22-04) The Department was unable to provide adequate records substantiating the completeness of populations for one or more laws, regulations, or other requirements selected for testing. Therefore, we concluded the Department's population records were not sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.36).
- (22-05) The Department did not prepare or publish reports of summary statistical information relating to license or permit applications of cigarette retailers as required by the Cigarette Tax Act (Act) (35 ILCS 130/).

- 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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

EASTERN ILLINOIS UNIVERSITY

Financial Audit
For the Year Ended June 30, 2023

Release Date: February 6, 2024

FINDINGS THIS AUDIT: 3				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	1*	2	3	2022	23-2		
Category 2:	0	0	0	2020	23-1		
Category 3:	0	0	0				
TOTAL	1	2	3				
FINDINGS LAST AUDIT: 2							

*Finding 2023-003 is considered a new finding for the 6-30-23 financial audit, but was reported in the compliance examination for the period ended 6-30-22.

INTRODUCTION

This digest covers Eastern Illinois University’s Financial Audit as of and for the year ended June 30, 2023. Digests covering the University’s Single Audit and the University’s Compliance Examination for the year ended June 30, 2023 will be issued at a later date.

SYNOPSIS

- (23-01) The University did not have adequate internal control over reporting its census data and did not have a reconciliation process to provide assurance census data submitted to its pension and other postemployment benefits (OPEB) plans was complete and accurate.
- (23-02) The University’s year-end financial reporting in accordance with generally accepted accounting principles (GAAP) contained inaccurate information.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

**ILLINOIS EMERGENCY MANAGEMENT AGENCY AND
 OFFICE OF HOMELAND SECURITY**

State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: August 8, 2024

FINDINGS THIS AUDIT: 10				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	2	3	5	2021	21-02, 23-10	23-03, 23-04, 23-09	
Category 2:	2	3	5	2019	23-01		
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>				
TOTAL	4	6	10				
FINDINGS LAST AUDIT: 10							

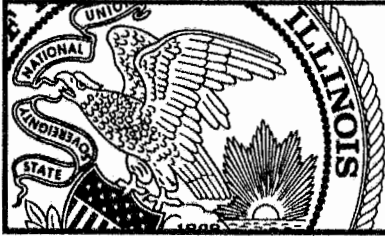
SYNOPSIS

- (24-01) The Illinois Emergency Management Agency and Office of Homeland Security (Agency) did not exercise adequate controls over its receipts and refund processing and accounts receivable reporting.
- (24-02) The Agency did not exercise adequate controls over State property to ensure completeness of property records and accurate and timely reporting to the Office of Comptroller (Comptroller).
- (24-05) The Agency did not have a reconciliation process to provide assurance census data submitted to its pension and other postemployment benefits (OPEB) plans was complete and accurate.

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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ENVIRONMENTAL PROTECTION AGENCY

Compliance Examination
 For the Two Years Ended June 30, 2020

Release Date: July 14, 2021

FINDINGS THIS AUDIT: 18				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	0	1			20-5, 20-6,	
Category 2:	9	8	17	2018		20-8, 20-9, 20-10	
Category 3:	0	0	0	2014		20-1, 20-3	
TOTAL	10	8	18	1994		20-4	
FINDINGS LAST AUDIT: 10							

SYNOPSIS

- (20-2) The Agency did not exercise adequate internal control over its automobiles.
- (20-4) The Agency failed to maintain proper controls over personal services.
- (20-5) The Agency did not comply with the Grant Accountability and Transparency Act and the Illinois Administrative Code requirements for grant administration and monitoring.
- (20-15) The Agency has not implemented adequate practices and controls to protect confidential information.

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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

EXECUTIVE ETHICS COMMISSION

State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: August 15, 2024

FINDINGS THIS AUDIT: 6				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	0	1	1	2021	1	2,3,4	
Category 2:	2	3	5				
Category 3:	0	0	0				
TOTAL	2	4	6				
FINDINGS LAST AUDIT: 6							

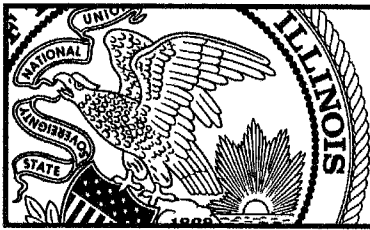
SYNOPSIS

- (23-01) The Executive Ethics Commission's (Commission) internal controls over its voucher processing function were not operating effectively during the examination period.
- (23-02) The Commission did not maintain adequate controls over personal services.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS GENERAL ASSEMBLY- SENATE

State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: October 3, 2024

FINDINGS THIS AUDIT: 2	New	Repeat	Total	AGING SCHEDULE OF REPEATED FINDINGS			
				Repeated Since 2021	Category 1	Category 2 1, 2	Category 3
Category 1:	0	0	0				
Category 2:	0	2	2				
Category 3:	0	0	0				
TOTAL	0	2	2				
FINDINGS LAST AUDIT: 4							

SYNOPSIS

- (23-2) The Senate did not maintain adequate controls to ensure timely employee completion of mandatory training.

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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS COMMERCE COMMISSION

State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: April 25, 2024

FINDINGS THIS AUDIT: 10				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	1	2	2013		23-03	
Category 2:	2	6	8	2015		23-06	
Category 3:	0	0	0	2019	23-02	23-04, 23-05	
TOTAL	3	7	10	2021		23-08, 23-09	
FINDINGS LAST AUDIT: 9							

SYNOPSIS

- (23-01) The Commission's internal controls over its voucher processing function were not operating effectively during the examination period.
- (23-02) The Commission did not exercise adequate controls over receipts.
- (23-03) The Commission lacked adequate control over its accounts receivable.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS COUNCIL ON DEVELOPMENTAL DISABILITIES

State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: July 2, 2024

FINDINGS THIS AUDIT: 7				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	0	1	2015		3	
Category 2:	2	4	6	2019		2	
Category 3:	0	0	0	2021		5,6	
TOTAL	3	4	7				
FINDINGS LAST AUDIT: 5							

SYNOPSIS

- (23-01) The Illinois Council on Developmental Disabilities (Council) failed to properly complete monthly reconciliations of its records maintained by the Office of Comptroller.
- (23-03) The Council was not fully seated and had 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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS EDUCATIONAL LABOR RELATIONS BOARD

Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: April 25, 2024

FINDINGS THIS AUDIT: 8				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	0	0	0	2021		23-3, 23-5, 23-6	
Category 2:	2	5	7	2013		23-4	
Category 3:	1	0	1	2007		23-2	
TOTAL	3	5	8				
FINDINGS LAST AUDIT: 5							

SYNOPSIS

- (23-2) The Board did not have adequate segregation of duties over its expenditure, accounting and recordkeeping functions.
- (23-4) The Board did not maintain sufficient controls over its equipment.

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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS STATE BOARD OF EDUCATION

Financial Audit

Release Date: April 18, 2023

For the Year Ended June 30, 2022

FINDINGS THIS AUDIT: 3	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	2	1	3	2021	22-2		
Category 2:	0	0	0				
Category 3:	0	0	0				
TOTAL	2	1	3				
FINDINGS LAST AUDIT: 2							

SYNOPSIS

- (22-01) The Agency did not did not maintain sufficient controls over financial reporting to ensure its financial statements and the generally accepted accounting principles (GAAP) Package reports prepared for the Office of Comptroller utilized to compile the State of Illinois' Annual Comprehensive Financial Report were complete and accurate.
- (22-02) The Agency did not did not exercise adequate internal control over the State's Evidence-Based Funding Formula.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS STATE BOARD OF EDUCATION

**Financial Audit
 For the Year Ended June 30, 2023**

Release Date: March 14, 2024

FINDINGS THIS AUDIT: 1				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	0	0	0	No Repeat Findings			
Category 2:	1	0	1				
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>				
TOTAL	1	0	1				
FINDINGS LAST AUDIT: 3							

SYNOPSIS

- (23-01) The Illinois State Board of Education had not implemented adequate controls over its service providers.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS STATE UNIVERSITY

State Compliance Examination
 For the Year Ended June 30, 2024

Release Date: March 27, 2025

FINDINGS THIS AUDIT: 13				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	3	3	2023	24-2, 24-3	24-10	
Category 2:	3	7	10	2021		24-6	
Category 3:	0	0	0	2019		24-4, 24-5, 24-7	
TOTAL	3	10	13	2018	24-1		
				2012		24-8	
				2005		24-9	
FINDINGS LAST AUDIT: 11							

INTRODUCTION

This digest covers the Compliance Examination of Illinois State University for the year ended June 30, 2024. A separate digest covering the University's financial audit as of and for the year ended June 30, 2024 was previously released on December 12, 2024. In addition, a separate digest covering the University's Single Audit for the year ended June 30, 2024, was previously released on February 25, 2025, respectively. In total, this report contains 13 findings, three of which were reported within the University's financial audit and single audit.

SYNOPSIS

- (24-04) The University had not fully implemented adequate internal controls related to cybersecurity programs and practices and control of confidential information.
- (24-08) The University did not always ensure compliance with the University Faculty Research and Consulting Act and University policies regarding outside employment.
- (24-13) The University is not in compliance with the Credit Card Marketing Act.

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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

JOINT COMMITTEE ON ADMINISTRATIVE RULES

Compliance Examination
 For the Two Years Ended June 30, 2022

Release Date: April 18, 2024

FINDINGS THIS AUDIT: 3	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	2020		22-02, 22-03	
Category 2:	0	3	3	2018		22-01	
Category 3:	0	0	0				
TOTAL	0	3	3				
FINDINGS LAST AUDIT: 3							

SYNOPSIS

- (22-01) The Committee did not exercise adequate control over voucher processing.

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.



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

JUDGES' RETIREMENT SYSTEM
OF THE STATE OF ILLINOIS

Financial Audit
For the Year Ended June 30, 2023

Release Date: February 29, 2024

FINDINGS THIS AUDIT:	0
-----------------------------	----------

FINDINGS LAST AUDIT:	0
-----------------------------	----------

INTRODUCTION

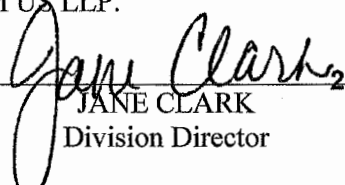
This digest covers the financial statement audit of the Judges' Retirement System of the State of Illinois (System) as of and for the year ended June 30, 2023. A digest covering the System's State Compliance Examination for the two years ended June 30, 2023, will be released at a later date.

The System's total pension liability is \$3,098.3 million at June 30, 2023, an increase of \$84.4 million from \$3,013.9 million at June 30, 2022. The System's net pension liability at June 30, 2023 is \$1,775.9 million, which is the difference between the System's fiduciary net position of \$1,322.3 million and the total pension liability. The System's net position as a percentage of the total pension liability is 42.68% as of June 30, 2023, as compared to 42.40% at June 30, 2022. The criteria used for computing pension liability information in the financial report in accordance with GASB Statement No. 67 differs from the criteria used to compute the actuarial accrued liability and actuarial unfunded liability under the State's funding plan, therefore this information under the State's funding plan is no longer reported in the financial statements. There were no findings reported under *Government Auditing Standards* in our audit.

AUDITOR'S OPINION

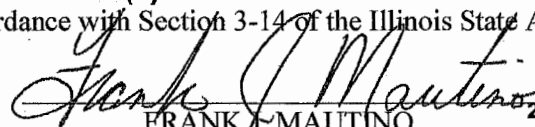
The auditors stated the financial statements of the System as of and for the year ended June 30, 2023, are fairly stated in all material respects.

This financial audit was conducted by RSM US LLP.



JANE CLARK
Division Director

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



FRANK J. MAUTINO
Auditor General

FJM:dmg



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

LEGISLATIVE PRINTING UNIT

State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: November 14, 2024

FINDINGS THIS AUDIT: 4				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	2019		23-1, 23-2	
Category 2:	2	2	4				
Category 3:	0	0	0				
TOTAL	2	2	4				
FINDINGS LAST AUDIT: 2							

SYNOPSIS

- (23-3) The Legislative Printing Unit (Unit) did not maintain adequate internal controls over its personal services.
- (23-4) The Unit did not maintain adequate controls over its commodities inventory.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

OFFICE OF THE ARCHITECT OF THE CAPITOL

State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: October 31, 2024

FINDINGS THIS AUDIT: 3				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	No Repeat Findings			
Category 2:	3	0	3				
Category 3:	0	0	0				
TOTAL	3	0	3				
FINDINGS LAST AUDIT: 1							

SYNOPSIS

- (23-1) The Office of the Architect of the Capitol (Office) did not exercise adequate controls over the recording and reporting of State property.
- (23-3) The Office did not comply with the Legislative Commission Reorganization Act of 1984.

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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

PROCUREMENT POLICY BOARD

State Compliance Examination
 For the Two Years Ended June 30, 2022

Release Date: March 28, 2024

FINDINGS THIS AUDIT: 8	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	2	1	3	2020		22-5, 22-6	
Category 2:	3	2	5	2018	22-1		
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>				
TOTAL	5	3	8				
FINDINGS LAST AUDIT: 3							

SYNOPSIS

- (22-01) The Procurement Policy Board's (Board) internal controls over its voucher processing function were not operating effectively during the examination period.
- (22-02) The Board did not exercise adequate controls over the recording and reporting of State Property.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ROSELAND COMMUNITY MEDICAL DISTRICT COMMISSION

State Compliance Examination
 For the Two Years Ended December 31, 2022

Release Date: March 28, 2024

FINDINGS THIS AUDIT: 4				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	4	4	2020	22-3		
Category 2:	0	0	0	2016	22-1, 22-2, 22-4		
Category 3:	0	0	0				
TOTAL	0	4	4				
FINDINGS LAST AUDIT: 4							

INTRODUCTION

Because of the significance and pervasiveness of the findings described within the report, we expressed an **adverse opinion** on the Roseland Community Medical District Commission's (Commission) compliance with the specified requirements which comprise a State compliance examination. The Codification of Statements on Standards for Attestation Engagements (AT-C § 205.74) states a practitioner "should express an adverse opinion when the practitioner, having obtained sufficient appropriate evidence, concludes that misstatements, individually or in the aggregate, are both material and pervasive to the subject matter."

SYNOPSIS

- (2022-001) The Commission failed to establish a control environment.
- (2022-003) The Commission did not consist of the required number of Commission members throughout Calendar Year 2021 and Calendar Year 2022.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

**Compliance Examination of Census Data
For the Year Ended June 30, 2023**

Release Date: March 20, 2025

INTRODUCTION

This digest covers the Compliance Examination of Census Data for other post-employment benefits (OPEB) for the following agencies (collectively, the Employers) as of and for the year ended June 30, 2023:

- State of Illinois, Department of Central Management Services
- State of Illinois, Department of Transportation
- State of Illinois, Department of Innovation and Technology

Our Special Assistant Auditors were engaged to perform various census testing to determine the Employers' compliance over certain specified requirements. Those requirements were as follows, as applicable to each Employer:

- A. All of the Employers' employees required to be enrolled in the State Employees' Retirement System (System) in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2023.
- B. The changes in significant elements of census data for employees required to be enrolled in the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan (Plan), administered by the State of Illinois, Department of Central Management Services (CMS), occurring during the census data accumulation year ended June 30, 2023, were completely and accurately reported by the Employers to CMS through the System.

The significant elements of census data of the Plan include each employee's:

- a. social security number;
- b. first and last name;
- c. date of birth;
- d. gender; and
- e. rate of pay.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

**Compliance Examination of Census Data
For the Year Ended June 30, 2023**

Release Date: August 29, 2024

INTRODUCTION

This digest covers the Compliance Examination of Census Data for pensions for the following agencies (collectively, the Employers) as of and for the year ended June 30, 2023:

- State of Illinois, Office of the Secretary of State
- State of Illinois, Department of Children and Family Services
- State of Illinois, Department of Corrections
- State of Illinois, Department of Human Services
- State of Illinois, Department of Lottery
- State of Illinois, Department of Healthcare and Family Services
- State of Illinois, Department of Revenue
- State of Illinois, Capital Development Board
- State of Illinois, Environmental Protection Agency, Fund 270 – Water Revolving Fund
- Illinois State Board of Education
- Illinois Student Assistance Commission
- Illinois Workers' Compensation Commission, Self-Insurers Security Fund
- Illinois State Toll Highway Authority
- State of Illinois, Illinois State Police, District 15 and the Illinois State Toll Highway Authority

Our Special Assistant Auditors for the State Employees' Retirement System of Illinois (System) were engaged to perform various census testing to determine the Employers' compliance over certain specified requirements. Those requirements were as follows:

- A. All of the Employers' employees required to be enrolled in the System in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2023.
- B. The changes in significant elements of census data for employees required to be enrolled in the System occurring during the census data accumulation year ended June 30, 2023, were completely and accurately reported by the Employers to the System.

The significant elements of census data of the System include each employee's:

- a. social security number;
- b. first and last name;
- c. date of birth;



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

STATE POLICE MERIT BOARD

State Compliance Examination
 For the Two Years Ended June 30, 2022

Release Date: June 27, 2024

FINDINGS THIS AUDIT: 10				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	1	1	2018	22-01	22-02	
Category 2:	1	7	8	2020		22-03, 22-04, 22-05, 22-06, 22-07, 22-08	
Category 3:	<u>1</u>	<u>0</u>	<u>1</u>				
TOTAL	2	8	10				
FINDINGS LAST AUDIT: 9							

SYNOPSIS

- (22-01) The State Police Merit Board (Board) did not have adequate controls over personal services.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

STATE UNIVERSITIES CIVIL SERVICE SYSTEM

State Compliance Examination
 For the Two Years Ended June 30, 2023

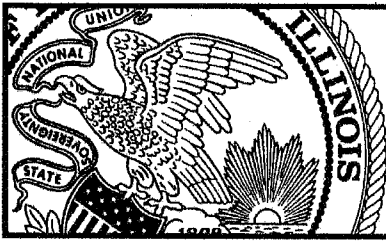
Release Date: April 8, 2025

FINDINGS THIS AUDIT: 2				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	1	0	1	2021		23-2	
Category 2:	0	1	1				
Category 3:	0	0	0				
TOTAL	1	1	2				
FINDINGS LAST AUDIT: 1							

SYNOPSIS

- (23-01) The State Universities Civil Service System's (System) internal controls over its voucher processing function were not operating effectively during the examination period.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

SUPREME COURT HISTORIC PRESERVATION COMMISSION

State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: April 3, 2025

FINDINGS THIS AUDIT: 2	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	0	1	2021		23-2	
Category 2:	0	1	1				
Category 3:	0	0	0				
TOTAL	1	1	2				
FINDINGS LAST AUDIT: 2							

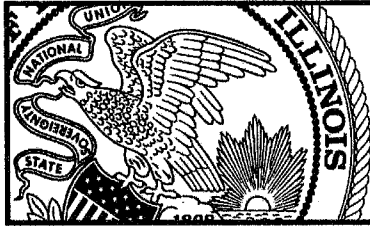
SYNOPSIS

- (23-1) The Supreme Court Historic Preservation Commission (Commission) did not maintain adequate controls over personal services.

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.



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

**Compliance Examination of Census Data
For the Year Ended June 30, 2023**

Release Date: October 3, 2024

INTRODUCTION

This digest covers the Compliance Examination of Census Data for the following agencies (collectively, the Employers) as of and for the year ended June 30, 2023:

- North Cook Intermediate Service Center #1
- DuPage County Regional Office of Education #19
- Lake County Regional Office of Education #34
- LaSalle, Marshall, and Putnam Counties Regional Office of Education #35
- Will County Regional Office of Education #56
- Grundy-Kendall Counties Regional Office of Education #24
- Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education #40
- St. Clair County Regional Office of Education #50
- Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, and Shelby Counties Regional Office of Education #11
- Macon-Piatt Counties Regional Office of Education #39
- Regional Office of Education Professional Services
- Boone-Winnebago Counties Regional Office of Education #4
- State of Illinois, Department of Human Services – Illinois School for the Visually Impaired
- State of Illinois, Department of Human Services – Illinois School for the Deaf
- Illinois State Board of Education

Our Special Assistant Auditors for the Teachers' Retirement System of the State of Illinois (System) were engaged to perform various census testing to determine the Employers' compliance over certain specified requirements. Those requirements were as follows:

- A. All of the Employers' employees required to be enrolled in the System in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2022.
- B. The changes in significant elements of census data for employees required to be enrolled in the System occurring during the census data accumulation year ended June 30, 2022, were completely and accurately reported by the Employers to the System.

The significant elements of census data of the System include each employee's:

- a. social security number;



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

UNIVERSITY OF ILLINOIS

State Compliance Examination
 For the Year Ended June 30, 2022

Release Date: April 20, 2023

FINDINGS THIS AUDIT: 19				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	3	4	2021	22-2	22-5, 22-14, 22-16	
Category 2:	7	8	15	2020	22-1	22-6, 22-13, 22-17	
Category 3:	0	0	0	2009	22-3		
TOTAL	8	11	19	2008		22-11	
FINDINGS LAST AUDIT: 23				2005		22-12	

INTRODUCTION

This digest covers our State Compliance Examination of the University of Illinois for the year ended June 30, 2022. A separate Financial Audit as of and for the year ended June 30, 2022 was previously released on February 16, 2023. A separate Single Audit for the year ended June 30, 2022 was previously released on March 23, 2023. In total, this report contains 19 findings, 10 of which were reported in the Financial Audit and Single Audit collectively.

SYNOPSIS

- (22-14) The University did not report certain automobile accidents involving University vehicles to the Department of Central Management Services in a timely manner.
- (22-16) The University did not ensure employees completed their initial ethics and sexual harassment training in accordance with the requirements of the State Officials and Employees Ethics Act.

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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

UNIVERSITY OF ILLINOIS

Financial Audit
For the Year Ended June 30, 2023

Release Date: February 6, 2024

FINDINGS THIS AUDIT: 3				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	0	2	2	2022	23-2		
Category 2:	1	0	1	2009	23-1		
Category 3:	0	0	0				
TOTAL	1	2	3				
FINDINGS LAST AUDIT: 4							

INTRODUCTION

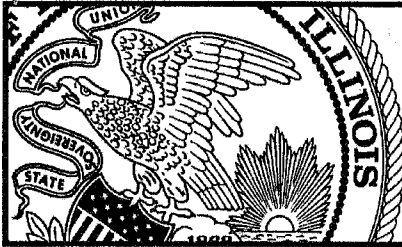
The University’s financial audit report consists of three sets of financial statements as follows – the financial statements of the University, the revenue bond financial statements of the Auxiliary Facilities System, and the revenue bond financial statements of the Health Services Facilities System.

This digest covers the University of Illinois’s Financial Audit as of and for the year ended June 30, 2023. The University’s Compliance Examination and Single Audit will be issued in separate reports at a later date.

SYNOPSIS

- (23-1) The University did not maintain appropriate control over accounting for grant subawards.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

UNIVERSITY OF ILLINOIS

**Single Audit
 For the Year Ended June 30, 2023**

Release Date: March 28, 2024

FINDINGS THIS AUDIT: 9				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	<u>0</u>	<u>2</u>	<u>2</u>	2022	23-2	23-4, 23-5, 23-6	
Category 2:	<u>3</u>	<u>4</u>	<u>7</u>	2020		23-7	
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>	2009	23-1		
TOTAL	<u>3</u>	<u>6</u>	<u>9</u>				
FINDINGS LAST AUDIT: 10							

INTRODUCTION

This digest covers the University of Illinois (University) Single Audit for the year ended June 30, 2023. A separate digest covering the University's Financial Audit as of and for the year ended June 30, 2023, was previously released on February 16, 2023. In addition, a separate digest covering the University's State compliance examination for the year ended June 30, 2023 will be issued separately. In total, this report contains 9 findings, 3 of which were previously reported in the Financial Audit.

SYNOPSIS

- (23-4) The University's controls in place did not ensure certain reporting requirements were submitted timely, properly reviewed or accurate.
- (23-6) The University of Illinois Urbana-Champaign and the University of Illinois Chicago did not make certain subrecipient payments timely and the controls in place did not identify the late payments.

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.



STATE OF ILLINOIS
 OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

WESTERN ILLINOIS UNIVERSITY

State Compliance Examination
 For the Year Ended June 30, 2023

Release Date: May 9, 2024

FINDINGS THIS AUDIT: 10	New	Repeat	Total	AGING SCHEDULE OF REPEATED FINDINGS			
				Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	1	2	2022	23-1	23-9	
Category 2:	5	3	8	2021		23-7	
Category 3:	0	0	0	2018		23-5	
TOTAL	6	4	10				
FINDINGS LAST AUDIT: 7							

Introduction

This digest covers Western Illinois University's (University) State compliance examination for the year ended June 30, 2023. Separate digests covering the University's Financial Audit as of and for the year ended June 30, 2023 and Single Audit for the year ended June 30, 2023 were previously released on March 14, 2024. In total, this report contains ten findings, two of which were reported in the Financial Audit and Single Audit collectively.

SYNOPSIS

- (23-05) Western Illinois University (University) had weaknesses regarding the review of independent internal control reviews over its service providers.

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.



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

INTERMEDIATE SERVICE CENTER #2
WEST COOK

FINANCIAL AUDIT
 For the Year Ended: June 30, 2020

Release Date: August 14, 2024

FINDINGS THIS AUDIT: 6				AGING SCHEDULE OF REPEATED FINDINGS			
				Repeated Since	Category 1	Category 2	Category 3
Category 1:	<u>0</u>	<u>1</u>	<u>1</u>	2015			20-1
Category 2:	<u>1</u>	<u>2</u>	<u>3</u>	2012	20-2		
Category 3:	<u>0</u>	<u>2</u>	<u>2</u>	2017		20-3	
TOTAL	1	5	6	2018			20-4
				2019		20-5	
FINDINGS LAST AUDIT: 5							

SYNOPSIS

- (20-1) The Intermediate Service Center #2 did not provide completed financial statements in an auditable form by the August 31 deadline.
- (20-2) The Intermediate Service Center #2 did not have adequate internal control procedures.
- (20-3) The Intermediate Service Center #2 lacked adequate controls over the review of internal controls over external service providers.
- (20-4) The Intermediate Service Center #2 did not have adequate internal controls over grant compliance.
- (20-5) The Intermediate Service Center #2 did not have adequate internal controls over procurement-card transactions.
- (20-6) The Intermediate Service Center #2 did not have adequate internal controls over payroll processing.

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



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #4
BOONE AND WINNEBAGO COUNTIES

FINANCIAL AUDIT
For the Year Ended: June 30, 2020

Release Date: March 26, 2025

FINDINGS THIS AUDIT: 4				AGING SCHEDULE OF REPEATED FINDINGS			
				Repeated Since	Category 1	Category 2	Category 3
	<u>New</u>	<u>Repeat</u>	<u>Total</u>				
Category 1:	0	0	0	2019		20-1	
Category 2:	1	2	3	2019		20-2	
Category 3:	0	1	1	2016			20-4
TOTAL	1	3	4				
FINDINGS LAST AUDIT: 4							

SYNOPSIS

- (20-1) The Regional Office of Education #4 had inadequate controls over receipts.
- (20-2) The Regional Office of Education #4 had inadequate controls over the bank reconciliation process.
- (20-3) The Regional Office of Education #4 failed to fully insure and collateralize cash balances.
- (20-4) The Regional Office of Education #4 did not provide completed financial statements in an auditable form by the August 31 deadline.

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/or **noncompliance** with State laws and regulations.

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



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #20
EDWARDS, GALLATIN, HAMILTON, HARDIN, POPE, SALINE, WABASH,
WAYNE AND WHITE COUNTIES

FINANCIAL AUDIT
 For the Year Ended: June 30, 2023

Release Date: January 31, 2024

FINDINGS THIS AUDIT: 1				AGING SCHEDULE OF REPEATED FINDINGS			
				Repeated Since	Category 1	Category 2	Category 3
	<u>New</u>	<u>Repeat</u>	<u>Total</u>				
Category 1:	0	0	0				
Category 2:	1	0	1				
Category 3:	0	0	0				
TOTAL	1	0	1				
FINDINGS LAST AUDIT: 0							

SYNOPSIS

- (23-1) The Regional Office of Education #20 did not have sufficient internal controls over the financial reporting process.

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



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #39
MACON AND PIATT COUNTIES

**FINANCIAL AUDIT (In accordance with the
 Uniform Guidance)
 For the Year Ended: June 30, 2023**

**Release Date: January 22,
 2025**

FINDINGS THIS AUDIT: 8	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	1	1	2018	23-1		
Category 2:	2	3	5	2019			23-2
Category 3:	0	2	2	2019			23-3
TOTAL	2	6	8	2022		23-5	
				2022		23-6	
FINDINGS LAST AUDIT: 7				2022		23-7	

SYNOPSIS

- (23-1) The Regional Office of Education #39 did not have sufficient internal controls over the financial reporting process.
- (23-2) The Regional Office of Education #39 had inadequate controls over grant compliance.
- (23-3) The Regional Office of Education #39 did not provide completed financial statements in an auditable form by the August 31 deadline.
- (23-4) The Regional Office of Education #39 had inadequate controls over record keeping of equipment from Federal Funds.
- (23-5) The Regional Office of Education #39 had inadequate controls over allowable costs and costs principles.
- (23-6) The Regional Office of Education #39 had inadequate controls over subrecipient monitoring.
- (23-7) The Regional Office of Education #39 had inadequate controls over the preparation of the Schedule of Expenditures of Federal Awards.
- (23-8) The Regional Office of Education #39 had inadequate controls over the timely submission of the data collection form and related reporting package.

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



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #44
MCHENRY COUNTY

FINANCIAL AUDIT
For the Year Ended: June 30, 2023

Release Date: February 19, 2025

FINDINGS THIS AUDIT: 3	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	1	2	2016	23-2		
Category 2:	0	0	0	2018			23-3
Category 3:	0	1	1				
TOTAL	1	2	3				
FINDINGS LAST AUDIT: 3							

SYNOPSIS

- (23-1) The Regional Office of Education #44 did not have sufficient internal controls over financial statement preparation.
- (23-2) The Regional Office of Education #44 had inadequate control procedures.
- (23-3) The Regional Office of Education #44 did not provide completed financial statements in an auditable form by the August 31 deadline.

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



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #47
LEE, OGLE AND WHITESIDE COUNTIES

**FINANCIAL AUDIT (In Accordance with the Uniform
 Guidance)**
For the Year Ended: June 30, 2021

Release Date: August 21, 2024

FINDINGS THIS AUDIT: 3				AGING SCHEDULE OF REPEATED FINDINGS			
				Repeated Since	Category 1	Category 2	Category 3
Category 1:	<u>New</u> 0	<u>Repeat</u> 1	<u>Total</u> 1	2018			21-1
Category 2:	0	1	1	2017	21-2		
Category 3:	0	1	1	2017		21-3	
TOTAL	0	3	3				
FINDINGS LAST AUDIT: 4							

SYNOPSIS

- (21-1) The Regional Office of Education #47 did not provide completed financial statements in an auditable form by the August 31 deadline.
- (21-2) The Regional Office of Education #47 lacked written policies for federal grants.
- (21-3) The Regional Office of Education #47 did not have adequate subrecipient monitoring documentation.

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



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #47
LEE, OGLE AND WHITESIDE COUNTIES

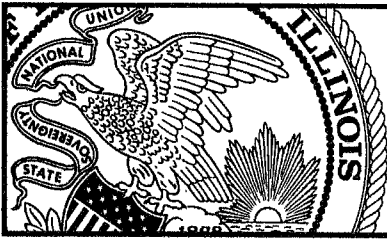
FINANCIAL AUDIT (In Accordance with the Uniform Release Date: August 21, 2024
 Guidance)
 For the Year Ended: June 30, 2022

FINDINGS THIS AUDIT: 2				AGING SCHEDULE OF REPEATED FINDINGS			
				Repeated Since	Category 1	Category 2	Category 3
Category 1:	<u>New</u> 0	<u>Repeat</u> 0	<u>Total</u> 0	2018			22-1
Category 2:	0	1	1	2017		22-2	
Category 3:	<u>0</u>	<u>1</u>	<u>1</u>				
TOTAL	0	2	2				
FINDINGS LAST AUDIT: 3							

SYNOPSIS

- (22-1) The Regional Office of Education #47 did not provide completed financial statements in an auditable form by the August 31 deadline.
- (22-2) The Regional Office of Education #47 did not have adequate subrecipient monitoring documentation.

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



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #56
WILL COUNTY

**FINANCIAL AUDIT (In accordance with the
 Uniform Guidance)
 For the Year Ended: June 30, 2023**

**Release Date: January 22,
 2025**

FINDINGS THIS AUDIT: 7				AGING SCHEDULE OF REPEATED FINDINGS			
				Repeated Since	Category 1	Category 2	Category 3
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	No Repeat Findings			
Category 1:	2	0	2				
Category 2:	2	0	2				
Category 3:	<u>3</u>	<u>0</u>	<u>3</u>				
TOTAL	7	0	7				
FINDINGS LAST AUDIT: 0							

SYNOPSIS

- (23-1) The Regional Office of Education #56 had inadequate controls over Journal Entries.
- (23-2) The Regional Office of Education #56 had inadequate controls over Procurement-Card Transactions.
- (23-3) The Regional Office of Education #56 did not provide completed books and records in an auditable form by the August 15 deadline.
- (23-4) The Regional Office of Education #56 had inadequate controls over Payroll.
- (23-5) The Regional Office of Education #56 had inadequate controls over Expenditures.
- (23-6) The Regional Office of Education #56 did not have a written Procurement Policy.
- (23-7) The Regional Office of Education #56 had inadequate controls over the timely submission of Expenditure Report to the Illinois State Board of Education.

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/or **noncompliance** with State laws and regulations.

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

Legislative Audit Commission

Financial Statement for April, 2025

FROM APPROPRIATION FOR FY 2025

Voucher Number	Date	Purpose	Paid To	Account	Amount
51	4/7/2025	Salaries pay period 4/1/25-4/15/25 Retirement System Social Security	Employees	Personal Services Retirement, Employer Social Security	\$ 13,150.01 962.92 526.62
52	4/2/2025	LAC Fax Line-Catch up Invoices	DOIT	Telecommunications	56.47
53	4/2/2025	LAC Central Payroll and Mainframe usage	DOIT	Contractual Services	24.33
54	4/3/2025	Office Supplies and cleaning supplies	Office Essentials INC.	Commodities	1,422.73
55	4/3/2025	LAC Fax Line-Catch up Invoices	DOIT	Telecommunications	56.03
56	4/3/2025	LAC Fax Line-Catch up Invoices	DOIT	Telecommunications	66.23
57	4/3/2025	LAC Central Payroll and Mainframe usage	DOIT	Contractual Services	71.90
58	4/3/2025	LAC Central Payroll and Mainframe usage	DOIT	Contractual Services	101.57
59	4/3/2025	LAC Central Payroll and Mainframe usage	DOIT	Contractual Services	13.01
60	4/4/2025	BlueRoomStream Services for April 2025	Advanced Digital Media INC	Telecommunications	275.00
61	4/4/2025	Telephone Services for March 2025	AT & T Corp	Telecommunications	59.35
62	4/7/2025	Stamps for Fiscal Officer	Richards & Stehman LLC	Commodities	99.50

TOTAL EXPENDED DURING APRIL ----- \$ 16,885.67

Status of FY 2025 Appropriation at May 1, 2025

Expenditure Object	FY25 Appropriation	Expenditures		Balance
		April	YTD Total	
Personal Services	\$ 383,100.00	\$ 13,150.01	\$ 233,850.71	\$ 149,249.29
Retirement, Employer	\$ 15,300.00	\$ 962.92	\$ 8,886.18	\$ 6,413.82
Social Security	\$ 29,300.00	\$ 526.62	\$ 17,597.68	\$ 11,702.32
Contractual Services	\$ 28,700.00	\$ 210.81	\$ 3,260.43	\$ 25,439.57
Travel	\$ 8,500.00	\$ -	\$ -	\$ 8,500.00
Commodities	\$ 1,300.00	\$ 1,522.23	\$ 1,771.23	\$ (471.23)
Printing	\$ 1,400.00	\$ -	\$ -	\$ 1,400.00
Equipment	\$ 6,000.00	\$ -	\$ 616.17	\$ 5,383.83
Electronic Data Proc.	\$ -	\$ -	\$ -	\$ -
Telecommunications	\$ 1,400.00	\$ 513.08	\$ 1,120.30	\$ 279.70
*Interest Prompt Paymt (Included in Lines At	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 475,000.00	\$ 16,885.67	\$ 267,102.70	\$ 207,897.30

State of Illinois

Legislative Audit Commission

Meeting Minutes May 20, 2024

The meeting lasted from 10:00 AM to 11:39 AM

Members Present: Crespo, Rose, Ellman, Turner, Villanueva, Elik, Evans, and Manley

Staff Present: Hunt, Holloway, Hannel, Suter

Participants:

- Illinois Law Enforcement Training Standards Board – Keith Calloway, Executive Director – Steven Pingolt, Chief Fiscal Officer – John Keigher, Chief Legal Counsel
- Illinois Department of Juvenile Justice – Robert Vickery, Acting Director – Andrew Mundmoto, Chief of Staff – Lindsay England, Chief Financial Officer

The following agendas passed unanimously no objection:

Agenda:

- LAC Resolution #167, performance audit of IEMA contracts, sponsor Senator Rose
- Illinois Law Enforcement Training and Standards Board FY21-22 Compliance Examination – Review #4573
- Illinois Department of Juvenile Justice FY21-22 Compliance Examination – Review #4574
- Consent Calendar
- LAC Financial Statements: April 2024
- Minutes from LAC meeting on April 30, 2024
- Emergency Purchases – FY24, Q3

State of Illinois

Legislative Audit Commission

Meeting Minutes April 29, 2025

The meeting lasted from 9:12 AM to 10:39 AM

Members Present: Crespo, Rose, Ellman, Villanueva, Wilcox, Manley, Elik, Meier, and Moore

Staff Present: Jamie Ray, Deanna Hannel, Joyce Smith

Participants:

- Eastern Illinois University: Jay Gatrell- President, Ramey Martin, Katie Anselment, Mike Hutchinson
- Illinois Board of Higher Education: Ginger Ostro-Director, Dave Kelm, Jenna Rossi
- Illinois Community College Board: Dr. Brian Durham – Executive Director, Jerry Follis, Matt Berry, Brianna Dennis

The following agendas passed unanimously with no objection:

Agenda:

- LAC Resolution #168, performance audit of University of Illinois' Discovery Partners Institute, sponsor Senator Rose
- Eastern Illinois University FY23 Compliance Audit – Review #4575
- Illinois Board of Higher Education FY22-23 Compliance Audit – Review #4576
- Illinois Community College Board FY22-23 Compliance Audit – Review #4577
- Consent Calendar
- LAC Financial Statements: May 2024 – April 2025
- Minutes from LAC meeting on May 20, 2024
- Emergency Purchases: FY24-Q4, FY25-Q1, FY25-Q2
- Auditor Generals' Quarterly Reports: FY24-Q4, FY25-Q1, FY25-Q2, FY25-Q3
- Acknowledgement Reports:
 1. Golden Apple Scholars of Illinois Program Agreed-Upon Procedures for the Year ended June 30, 2024.
 2. Information Submitted by the Retirement Plan for Chicago Transit Authority Employees 2024 Annual Review for the year ended November 26, 2024.
 3. State Actuary's Report of the Actuarial Assumptions and Valuations of the State-Funded Retirement Systems for the year ending December 19, 2024.

4. State of Illinois State Universities Retirement System on allocation of Special Funding Situation for the year ended June 30, 2023.
 5. Teachers' Retirement System of the State of Illinois Report on Allocation of Pension Amounts for the year ended June 30, 2024.
 6. University of Illinois Auxiliary Facilities System Annual Financial Report for the year ended June 30, 2024.
 7. University of Illinois Health Services Facilities System Annual Financial Report for the year ended June 30, 2024.
-