

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY**

STATE COMPLIANCE EXAMINATION

FOR THE YEAR ENDED JUNE 30, 2024

**Performed as Special Assistant Auditors for
the Auditor General, State of Illinois**

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
STATE COMPLIANCE EXAMINATION
FOR THE YEAR ENDED JUNE 30, 2024**

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**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
STATE COMPLIANCE EXAMINATION
FOR THE YEAR ENDED JUNE 30, 2024**

AGENCY OFFICIALS

President	Dr. Evan Glazer
Chief Finance & Operations Officer (7/1/23-7/4/23)	Vacant
Chief Finance & Operations Officer (7/5/23-12/22/23)	Mr. Stephen Stewart
Chief Finance & Operations Officer (12/23/23-6/2/24)	Vacant
Chief Finance & Operations Officer (6/3/24-7/12/24)	Mr. Derek Stovall-Leonard
Chief Finance & Operations Officer (7/13/24-present)	Vacant
Interim Chief Finance & Operations Officer (12/11/23-6/30/24)	Mr. Garrick Grizaffi
Executive Director Business & Financial Operations (7/1/23-9/30/23)	Ms. Kimberly Corrao, MBA
Director of Accounting (7/1/23-2/20/24)	Ms. Janice Meredith, MBA
Director of Accounting (2/21/24-5/5/24)	Vacant
Director of Accounting (5/6/24-7/14/24)	Mr. Brien Martin, MPA
Director of Accounting and Interim Executive Director, Business and Financial Operations (7/15/24-present)	Mr. Brien Martin, MPA

BOARD OF TRUSTEES

Chairman	Dr. Erin W. Roche
1 st Vice Chair (7/1/23-6/30/24)	Ms. Alaina Anderson
1 st Vice Chair (7/1/24-present)	Mr. Eric Brown
2 nd Vice Chair (7/1/23-6/30/24)	Ms. Kathleen Clarke
2 nd Vice Chair (7/1/24-present)	Ms. Alaina Anderson
Ex-Officio Member	Dr. Ginger Ostro
Ex-Officio Member	Mr. Tony Sanders
Ex-Officio Member	Dr. Brian Durham
Ex-Officio Member (7/1/23-6/30/24)	Dr. Jeffrey Craig
Ex-Officio Member (7/1/24-present)	Dr. Micheal Smith
Trustee	Dr. Luis Núñez
Trustee (7/1/23-6/30/24)	Mr. Eric R. Brown
Trustee	Dr. Herbert Steven Sims
Trustee	Ms. Tiy Goddard
Trustee	Dr. Roberto Curci
Trustee (7/1/23-2/12/24)	Dr. Paula Olszewski-Kubilius
Trustee	Dr. Tina Halliman
Trustee	Mr. Frederick Chin
Trustee (8/11/23-present)	Dr. Carolyn Theard-Griggs
Trustee (2/12/24-present)	Dr. Susan Corwith
Trustee (7/1/24-present)	Ms. Kathleen Clarke
Trustee (7/1/23-8/10/23)	Vacant
Trustee (7/1/23-2/11/24)	Vacant
Trustee (2/13/24-present)	Vacant

The Academy is located at:
1500 Sullivan Rd.
Aurora, IL 60506-1000



630.907.5000 . 1500 SULLIVAN ROAD, AURORA, IL 60506-1000 . IMSA.EDU

MANAGEMENT ASSERTION LETTER

April 16, 2025

Borschnack, Pelletier & Co.
Certified Public Accountants
200 E. Court St., Suite 608
Kankakee, IL 60901

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Illinois Mathematics and Science Academy (Academy). We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Academy's compliance with the following specified requirements during the year ended June 30, 2024. Based on this evaluation, we assert that during the year ended June 30, 2024, the Academy has materially complied with the specified requirements listed below.

- A. The Academy has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Academy has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. Other than what has been previously disclosed and reported in the Schedule of Findings, the Academy has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. Other than what has been previously disclosed and reported in the Schedule of Findings, State revenues and receipts collected by the Academy are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.
- E. Other than what has been previously disclosed and reported in the Schedule of Findings, Money or negotiable securities or similar assets handled by the Academy on behalf of the State or held in trust by the Academy have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Yours truly,

Illinois Mathematics and Science Academy

SIGNED ORIGINAL ON FILE

Dr. Evan M. Glazer, President

SIGNED ORIGINAL ON FILE

Brien Martin, Director of Accounting and Interim Executive Director, Business and Financial Operations

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
STATE COMPLIANCE EXAMINATION
FOR THE YEAR ENDED JUNE 30, 2024**

STATE COMPLIANCE REPORT

SUMMARY

The State compliance testing performed during this examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide*.

ACCOUNTANT'S REPORT

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

SUMMARY OF FINDINGS

<u>Number of Findings</u>	<u>Current Report</u>	<u>Prior Report</u>
Repeated findings	6	3
Prior recommendations implemented or not repeated	1	3
	2	0

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings				
2024-001	8	New	Inadequate Controls over Identifying and Recording Unearned Revenue, Unavailable Revenue and Accounts Payable	Material Weakness and Material Noncompliance
2024-002	10	New	Noncompliance with Property and Equipment Requirements	Material Weakness and Material Noncompliance
2024-003	12	2023/2021	Weaknesses in Cybersecurity Programs and Practices	Significant Deficiency and Noncompliance
2024-004	15	New	Noncompliance with the State Finance Act	Significant Deficiency and Noncompliance
2024-005	16	New	Weaknesses with Payment Card Industry Data Security Standards	Significant Deficiency and Noncompliance
2024-006	17	New	Noncompliance with the Fiscal Control and Internal Auditing Act	Significant Deficiency and Noncompliance

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
STATE COMPLIANCE EXAMINATION
FOR THE YEAR ENDED JUNE 30, 2024**

STATE COMPLIANCE REPORT

SUMMARY (Continued)

SCHEDULE OF FINDINGS (Continued)

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>
Prior Findings Not Repeated			
A	18	2023/2021	Disaster Recovery Planning Weaknesses
B	18	2023/2022	Compliance Weaknesses over Personal Services

EXIT CONFERENCE

Findings 2024-001 through 2024-006 and their associated recommendations appearing in this report were discussed with Academy personnel at an exit conference on April 11, 2025.

Attending were:

Illinois Mathematics and Science Academy

Dr. Evan Glazer, President
Brien Martin, Director of Accounting and Interim Executive Director,
Business and Financial Operations
Richard Busby, Director of Project Management

Office of the Auditor General

Rhonda Huff, Audit Manager

Borschneck, Pelletier & Co.

Paul Pelletier, Partner
Robert Sikma, Partner
Michael Brady, Senior Accountant

The responses to the recommendations were provided by Brien Martin, Director of Accounting and Interim Executive Director, Business and Financial Operations, in a correspondence dated April 16, 2025.

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Trustees
Illinois Mathematics and Science Academy
Aurora, Illinois

Report on State Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the State of Illinois, Illinois Mathematics and Science Academy (Academy) with the specified requirements listed below, as more fully described in the *Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide)* as adopted by the Auditor General, during the year ended June 30, 2024. Management of the Academy is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Academy's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. The Academy has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Academy has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The Academy has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the Academy are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the Academy on behalf of the State or held in trust by the Academy have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act), and the *Audit Guide*. Those standards, the Act, and the *Audit Guide* require that we plan and perform the examination to obtain reasonable assurance about whether the Academy complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Academy complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance with the specified requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

Our examination disclosed material noncompliance with the following specified requirements applicable to the Academy during the year ended June 30, 2024.

Specified Requirement C

As described in the accompanying Schedule of Findings as item 2024-002, the Academy had not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

Specified Requirement D

As described in the accompanying Schedule of Findings as item 2024-001, the Academy had not ensured the State revenues and receipts collected by the Academy were in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts was fair, accurate, and in accordance with law.

Specified Requirement E

As described in the accompanying Schedule of Findings as item 2024-001, money or negotiable securities or similar assets handled by the Academy on behalf of the State or held in trust by the Academy had not been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

In our opinion, except for the material noncompliance with the specified requirements described in the preceding paragraph, the Academy complied with the specified requirements during the year ended June 30, 2024, in all material respects. However, the results of our procedures disclosed instances of noncompliance with the specified requirements, which are required to be reported in accordance with criteria established by the *Audit Guide* and are described in the accompanying Schedule of Findings as items 2024-003 through 2024-006.

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings, we did identify certain deficiencies in internal control that we consider to be a material weakness and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the specified requirements on a timely basis. A material weakness in internal control is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings as items 2024-001 and 2024-002 to be material weaknesses.

A significant deficiency in internal control is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings as items 2024-003 through 2024-006 to be significant deficiencies.

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

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

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

SIGNED ORIGINAL ON FILE

Kankakee, Illinois
April 16, 2025

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

CURRENT FINDINGS - COMPLIANCE

2024-001 FINDING: Inadequate Controls over Identifying and Recording Unearned Revenue, Unavailable Revenue and Accounts Payable

The Illinois Mathematics and Science Academy (Academy) has not established adequate internal controls over identifying and recording deferred revenue, unavailable revenue, and accounts payable for financial reporting purposes.

During our audit, we noted various errors in the Academy's accounting records. We proposed adjustments related to those errors and the Academy recorded the required adjustments to its accounting records. The posted adjustments related to the following:

Fund 1223 (Local Fund):

- An increase to unearned revenue (\$40,450) for amounts received in Fiscal Year 2024 but were for the Fiscal Year 2025 school year.
- An increase in accounts receivable and unavailable revenue (\$8,271) for accounts that were overlooked and not received within 60 days of the end of the fiscal year.
- An increase in accounts payable (\$17,280) for a liability which had not been recorded.

Fund 1366 (Student Activity Fund):

- An increase to unearned revenue (\$22,400) for amounts received in Fiscal Year 2024 but were for Fiscal Year 2025 activities.

Generally Accepted Accounting Principles (GAAP) for governmental entities is promulgated by the Governmental Accounting Standards Board (GASB). GASB Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, requires the use of modified accrual basis of accounting for governmental funds. Under the modified accrual basis, 1) expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows; 2) receivables are recorded when a right to receive payment exists; 3) unavailable revenue is recorded if governmental fund revenue is not collected soon enough after the end of the period (60 days) to pay current liabilities; and 4) unearned revenue is recorded when receipts are received in advance prior to providing the related service.

Additionally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Academy establish and maintain a system, or systems, of internal financial and administrative controls which shall 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 reports.

Academy officials indicated the entries had not been properly recorded due to employee turnover at the Academy.

Failure to maintain accounting records and present financial reports in accordance with accounting principles generally accepted in the United States of America distorts the financial statements of the Academy. (Finding Code No. 2024-001)

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

CURRENT FINDINGS - COMPLIANCE

2024-001 FINDING: Inadequate Controls over Identifying and Recording Unearned Revenue, Unavailable Revenue and Accounts Payable (Continued)

RECOMMENDATION

We recommend that the Academy improve its procedures to ensure accurate financial reporting.

ACADEMY RESPONSE

The Academy agrees with the finding as presented and will be implementing procedures necessary to identify all unearned and unavailable revenues, accounts payable, and any accompanying year-end accruals and adjustments as necessary to comply with current accounting standards.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

CURRENT FINDINGS - COMPLIANCE

2024-002 FINDING: Noncompliance with Property and Equipment Requirements

The Illinois Mathematics and Science Academy (Academy) did not fully comply with the requirements applicable to its property and equipment.

During the examination, we requested the Academy provide us with their property control records in order to select samples and test compliance with the specified requirements. The Academy provided their records, but by comparing it to other records obtained during the examination, we concluded the Academy's property control records were not complete and accurate.

Due to these conditions, we were unable to conclude whether the Academy's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.36). **Even given the population limitations noted above which hindered our ability to conclude whether a sample selected could be representative of the population**, the accountants performed additional testing and noted the exceptions below.

Our testing identified the following:

- The Academy's annual certification of inventory (as of July 1, 2023) submitted to the Department of Central Management Services (DCMS) noted 32 items (\$28,706) of equipment that could not be located by the Academy. We noted an additional 26 items (\$34,352) on the Academy's property control records which indicated "lost", but were not included as "unlocated" on the Academy's Certification of Inventory.
- The Academy had not adopted policies clearly delineating categories of equipment considered to be subject to theft.
- The Academy had not fully updated its property control records for additions occurring during Fiscal Year 2024. We requested the Academy's property control listing on November 6, 2024 and were informed at that time that all of the additions for Fiscal Year 2024 were not yet recorded.
- The Academy's 4th quarter Agency Report of State Property was not accurate. The beginning balance reported for "Equipment" was \$7,646,388; however, the ending balance on the 3rd quarter report was \$7,692,868 (a difference of \$46,480). The ending balance of equipment reported for the 4th quarter differed from the reconciled property control records received near the end of fieldwork by \$107,828.

The State Property Control Act (30 ILCS 605/4) requires the responsible officer at the Academy to be accountable for the supervision, control and inventory of property under their jurisdiction to ensure proper accounting and safeguarding of assets.

The annual certification of inventory instructions distributed by DCMS states the Academy is certifying, as of the certification date, that all items of inventory were present and accounted for or were missing and listed as a discrepancy.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

CURRENT FINDINGS - COMPLIANCE

2024-002 FINDING: Noncompliance with Property and Equipment Requirements
(Continued)

The Illinois Administrative Code (44 Ill. Admin Code 5010.210) (Code) states the Academy is responsible for adopting policies clearly delineating categories of equipment considered to be subject to theft. The Code (44 Ill. Admin Code 5010.400) further requires the Academy to adjust property records within 90 days after acquisition, change or deletion of equipment items.

The Statewide Accounting Management System (SAMS) (Procedure 29.20.10) requires the Academy to enter the previous quarter's "Amount per Agency Records" balance for equipment on its Agency Report of State Property.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Academy to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that property is safeguarded against waste, loss, unauthorized use, and misappropriation.

Academy officials indicated complete and accurate property control records were not timely maintained and an incorrect Agency Report of State Property was filed due to competing priorities for staff and staffing turnovers. The Academy previously believed it was not to report missing items on the Certification of Inventory unless the item had been missing for over 3 years and the likelihood of locating the items was unlikely. The lack of development of a policy clearly delineating categories of equipment considered to be subject to theft was due to competing priorities, staff turnover, and the procedures involved to get a policy approved by the Academy's Board of Trustees.

Failure to maintain accurate property control records and properly report its inventory hinders the Academy's (and the State's) accountability for its assets. Failure to adopt a policy identifying equipment considered to be high theft and not updating property control records timely results in noncompliance with the Code. (Finding Code No. 2024-002)

RECOMMENDATION

We recommend the Academy maintain complete and accurate property control records, improve accountability for its equipment, and properly complete the Agency Report of State Property. We further recommend the Academy properly report unlocated equipment on its certification of inventory, timely update property control records, and adopt a policy that clearly identifies the categories of equipment that are considered to be high theft as required by the Code.

ACADEMY RESPONSE

The Academy agrees with the finding as presented and has already implemented the State's requirement for lost items, for identifying more clearly items that are considered high theft, more timely recording of acquired and disposed assets, and improved its internal processes to better align the amounts and balances reported to the State with the equipment balances in the Academy's accounting system.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

CURRENT FINDINGS - COMPLIANCE

2024-003 FINDING: Weaknesses in Cybersecurity Programs and Practices

Illinois Mathematics and Science Academy (Academy) had not implemented adequate internal controls related to cybersecurity programs, practices and control of confidential and personal information.

To assist the Academy in meeting its mission of providing education to high school individuals, the Academy utilizes information technology applications which contain confidential and personal information.

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 Academy's cybersecurity program, practices and control of confidential information, we noted the Academy had not:

- Fully classified its data, based on the data classification methodology, to identify and ensure adequate protection of information.
- Encrypted electronic media.
- Obtained current system and organization control reports from service organizations and determined the existence of appropriate complementary user entity controls for the Academy. We tested 5 service organizations and noted the Academy did not have current reports for any of them.
- Developed formal policies and procedures for authorizing and/or terminating user access to the Academy's financial information system application.
- Completed an annual review of user access to the Academy's financial information system application.
- Did not review the Department of Innovation and Technology's Central Payroll System security report to identify users who should be removed and determine if access rights were appropriate. The security report included 3 former employees of the Academy whose access rights had not been revoked.

Our testing of the population of users for the Academy's financial information system application identified one user who had been terminated during Fiscal Year 2024, but still had access rights as of our testing date.

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 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. It also requires policies and procedures for creating, enabling, modifying, disabling and removing accounts.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

CURRENT FINDINGS - COMPLIANCE

2024-003 FINDING: Weaknesses in Cybersecurity Programs and Practices (Continued)

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Academy 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 to maintain accountability over the State's resources.

This finding was first reported in the Academy's *State Compliance Examination* for the year ended June 30, 2021. In subsequent years, the Academy has addressed several of the weaknesses reported in prior years, however, some weaknesses still remain.

Academy officials indicated employee turnover and other priorities have contributed to these continuing weaknesses.

The lack of adequate cybersecurity programs and practices could result in unidentified risk and vulnerabilities, which could ultimately lead to the Academy's confidential and personal information being susceptible to cyber-attacks and unauthorized disclosure. (Finding Code No. 2024-003. 2023-001, 2022-001, 2021-001)

RECOMMENDATION

We recommend the Academy:

- Fully classify its data, based on the data classification methodology, to identify and ensure adequate protection of information.
- Implement its plan for the encryption of electronic media.
- Require system and organization controls reports to be obtained annually for all service organizations and verify that the complementary user entity controls identified by the service organization have been implemented.
- Develop formal policies and procedures for authorizing and/or terminating application users with access to the Academy's financial information system application.
- Perform a comprehensive annual review of users with access to the Academy's financial information system application to determine access rights remain appropriate.
- Annually review the Department of Innovation and Technology's Central Payroll System security report to determine that access rights are still appropriate.
- Ensure all terminated employees and contractors have their access rights revoked upon termination.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

CURRENT FINDINGS - COMPLIANCE

2024-003 FINDING: Weaknesses in Cybersecurity Programs and Practices (Continued)

ACADEMY RESPONSE

The Academy agrees with the finding as presented. For those items outstanding from previous audits, some of the processes necessary to comply with requirements do require a computer-by-computer installation of encryption software, which has taken longer than anticipated and could not be completed by the June 30, 2024 reporting end date.

The Academy has taken steps to inactivate or delete, as warranted or appropriate in the circumstances, former employees from both internal and state-operated systems. The Academy is working on ways in which computer access can be better defined for employees being on-boarded, and to determine which employees require system access be removed upon their departure from the Academy.

Furthermore, the Academy is currently working to ensure compliance with statutory requirements surrounding complimentary end-user controls and the reporting that accompanies them.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

CURRENT FINDINGS - COMPLIANCE

2024-004 FINDING: Noncompliance with the State Finance Act

Illinois Mathematics and Science Academy (Academy) did not comply with the requirements of the State Finance Act (Act) regarding transferring of income received to the Academy's Income Fund.

The Academy did not transfer the required amount of income received to the IMSA Income Fund within 10 days as required by the Act. As of June 30, 2024, the Academy's Local Fund owed the IMSA Income Fund \$895,450.

The Act (30 ILCS 105/6a-6) requires the Academy to deposit all items of income into a local clearing account and transfer to the IMSA Income Fund (held in the State Treasury) all income (except income exempted by the Act) not later than 10 days after the receipt.

Academy officials indicated that the transfers were overlooked due to employee turnover at the Academy.

Failure to timely transfer the required amounts to the IMSA Income Fund results in noncompliance with the Act. (Finding Code No. 2024-004)

RECOMMENDATION

We recommend that the Academy ensure that all required transfers are made to the IMSA Income Fund within 10 days of receipt as required by the Act.

ACADEMY RESPONSE

The Academy agrees with the finding as presented and will be implementing procedures necessary to maintain compliance with statutory requirements and the timely deposit of funds due to the Academy's Income Fund account with the State.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

CURRENT FINDINGS - COMPLIANCE

2024-005 FINDING: Weaknesses with Payment Card Industry Data Security Standards

The Illinois Mathematics and Science Academy (Academy) did not complete all requirements to demonstrate full compliance with Payment Card Industry Data Security Standards (PCI DSS).

During our examination of the Academy's PCI compliance program, we noted the Academy had not completed their Self-Assessment Questionnaires (SAQ(s) or had a vulnerability scan during the fiscal year. The Academy's previous PCI DSS validations occurred in March 2023 and expired on March 14, 2024 and March 30, 2024. The Academy's last vulnerability scans expired June 22, 2023.

The PCI DSS requires any organization that stores, processes, or transmits cardholder data or could affect the security of cardholder data environment to attest to their compliance with the PCI DSS on an annual basis. As the Academy accepts branded credit cards, they are required to complete applicable SAQ(s) each year and attest to their compliance. The PCI DSS also requires organizations to maintain a vulnerability management program that protects all systems against malware and regularly update anti-virus software or programs. Organizations are required to regularly test security systems and processes (including vulnerability scans every three months).

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Academy 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 to maintain accountability over the State's resources.

Academy officials indicated the PCI DSS compliance requirements were overlooked due to employee turnover at the Academy.

Failure to complete the appropriate PCI DSS SAQ(s) and vulnerability scans leaves the Academy out of compliance with the PCI DSS and puts the Academy at risk of increased fees or having their ability to accept credit cards revoked. Additionally, there is an increased risk of failure of the controls intended to protect cardholder data entrusted to the Academy. (Finding Code No. 2024-005)

RECOMMENDATION

We recommend that the Academy implement procedures to ensure appropriate SAQ(s) are completed on an annual basis and vulnerability scans are completed every three months as required.

ACADEMY RESPONSE

The Academy agrees with the finding as presented and will be implementing procedures necessary to maintain compliance with statutory and computing industry requirements.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

CURRENT FINDINGS - COMPLIANCE

2024-006 FINDING: Noncompliance with the Fiscal Control and Internal Auditing Act

The Illinois Mathematics and Science Academy (Academy) did not comply with the Fiscal Control and Internal Auditing Act (FCIAA).

We noted the Academy did not timely file its FCIAA certification. The FCIAA certification was required to be submitted to the Office of the Auditor General by May 1, 2024 but was not filed until July 22, 2024 (82 days late).

The FCIAA (30 ILCS 10/3003) requires the chief executive officer of the Academy to conduct an evaluation of their systems of internal fiscal and administrative controls and file a certification regarding the evaluation with the Auditor General by May 1st of each year.

Academy officials indicated the reporting requirement was overlooked due to employee turnover at the Academy.

Timely evaluations of internal controls are necessary to verify whether existing controls are adequate to prevent or detect possible risks. (Finding Code No. 2024-006)

RECOMMENDATION

We recommend the Academy perform timely evaluations of its systems of internal fiscal and administrative controls and timely file its certification with the Office of the Auditor General by May 1st of each year as required by the FCIAA.

ACADEMY RESPONSE

The Academy agrees with the finding as presented and will be implementing procedures necessary to maintain compliance with statutory requirements and plans to present its FY25 report to the Auditor General's office by the official deadline and continue submitting on-time submissions in the future.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

PRIOR FINDINGS NOT REPEATED

A FINDING: Disaster Recovery Planning Weaknesses

During the prior examination, the Illinois Mathematics and Science Academy (Academy) had not fully updated its Disaster Recovery Plan and had not performed testing.

During the current examination period, the Academy updated their Disaster Recovery Plan and performed the required testing. (Finding Code No. 2023-002, 2022-002, 2021-004)

B FINDING: Compliance Weaknesses over Personal Services

During the prior examination, the Illinois Mathematics and Science Academy (Academy) did not have adequate internal controls to ensure compliance with regulations applicable to its personal service operations.

During the current examination period, the Academy made improvements to their internal controls to ensure compliance with regulations applicable to its personal service operations. This finding has been moved to the immaterial findings letter. (Finding Code No. 2023-003, 2022-003)