

Illinois State Board of Elections

STATE COMPLIANCE EXAMINATION

**FOR THE TWO YEARS ENDED
JUNE 30, 2025**

**PERFORMED AS SPECIAL
ASSISTANT AUDITORS FOR THE
AUDITOR GENERAL,
STATE OF ILLINOIS**

STATE OF ILLINOIS
STATE BOARD OF ELECTIONS
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2025

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STATE OF ILLINOIS
STATE BOARD OF ELECTIONS
STATE COMPLIANCE EXAMINATION
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BOARD OFFICIALS

Executive Director	Ms. Bernadette Matthews
Assistant Executive Director	Mr. Jeremy Kirk
Chief Fiscal Officer (02/16/24 - Present)	Ms. Elena Goutsalenko
Acting Chief Fiscal Officer (12/01/23 - 02/15/24)	Mr. Jeremy Kirk
Chief Fiscal Officer (07/01/23 - 11/30/23)	Mr. Eric Bolinger
General Counsel	Ms. Marni Malowitz

BOARD OFFICERS

Chair of the Board (07/01/25 - Present)	Ms. Laura Donahue
Chair of the Board (07/01/23 - 06/30/25)	Ms. Casandra Watson
Vice Chair of the Board (07/01/25 - Present)	Mr. Rick Terven, Sr.
Vice Chair of the Board (07/01/23 - 06/30/25)	Ms. Laura Donahue

BOARD MEMBERS

Member	Mr. Jack Vrett
Member	Ms. Cristina Cray
Member	Ms. Tonya Genovese
Member	Ms. Catherine McCrory
Member (07/01/25 - Present)	Ms. Casandra Watson
Member (07/01/23 - 06/30/25)	Mr. Rick Terven, Sr.
Member	Ms. Jennifer Ballard Croft

BOARD OFFICES

The State Board of Elections' primary administrative offices are located at:

69 West Washington St., Suite LL08
Chicago, Illinois 60602

2329 South MacArthur Blvd.
Springfield, Illinois 62704

STATE BOARD OF ELECTIONS

STATE OF ILLINOIS

2329 S. MacArthur Blvd.
Springfield, Illinois 62704
217-782-4141
TTY: 800-964-3013
Fax: 217-782-5959

69 W. Washington St., Suite LL08
Chicago, Illinois 60602
312-814-6440
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EXECUTIVE DIRECTOR
Bernadette M. Matthews

BOARD MEMBERS
Laura K. Donahue, Chair
Rick S. Terven, Sr., Vice Chair
Jennifer M. Ballard Croft
Cristina D. Cray
Tonya L. Genovese
Catherine S. McCrory
Jack Vrett
Casandra B. Watson

MANAGEMENT ASSERTION LETTER

February 6, 2026

Roth & Company, LLP
540 West Madison St., Suite 2450
Chicago, Illinois 60661

Roth & Company, LLP:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, Board of Elections (Board). 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 Board's compliance with the following specified requirements during the two-year period ended June 30, 2025. Based on this evaluation, we assert that during the years ended June 30, 2024, and June 30, 2025, the Board has materially complied with the specified requirements listed below.

- A. The Board 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 Board 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 Board 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 Board 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 Board on behalf of the State or held in trust by the Board have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Yours truly,

State of Illinois, Board of Elections

SIGNED ORIGINAL ON FILE

Bernadette Matthews, Executive Director

SIGNED ORIGINAL ON FILE

Elena Goutsalenko, Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Marni Malowitz, General Counsel

STATE OF ILLINOIS
STATE BOARD OF ELECTIONS
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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*.

ACCOUNTANTS' REPORT

The Independent Accountants' Report on State Compliance and on Internal Control Over Compliance does not contain scope limitations or disclaimers, but does contain a modified opinion on compliance and identifies material weaknesses over internal control over compliance.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report</u>
Findings	7	13
Repeated Findings	7	8
Prior Recommendations Implemented or Not Repeated	6	1

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings				
2025-001	10	2023/2023	Voucher Processing Internal Controls Not Operating Effectively	Material Noncompliance and Material Weakness
2025-002	13	2023/2019	Change Control Weakness	Material Noncompliance and Material Weakness
2025-003	15	2023/2021	Inadequate Controls over Service Providers	Noncompliance and Significant Deficiency
2025-004	17	2023/2023	Receipt Processing Internal Controls Not Operating Effectively	Noncompliance and Significant Deficiency

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SCHEDULE OF FINDINGS (CONTINUED)

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings (Continued)				
2025-005	19	2023/2019	Weaknesses in Cybersecurity Programs and Practices	Noncompliance and Significant Deficiency
2025-006	21	2023/2017	Noncompliance with Election Code	Noncompliance and Significant Deficiency
2025-007	26	2023/2019	Inadequate Disaster Recovery Planning	Noncompliance and Significant Deficiency
Prior Findings Not Repeated				
A	28	2023/2023	System Access Weaknesses	
B	28	2023/2023	Inadequate Controls over Implementation of New Accounting Standards	
C	28	2023/2023	Inadequate Controls over State Property	
D	28	2023/2017	Noncompliance with Raffles and Poker Runs Act	
E	29	2023/2019	Failure to Enter into Agreement with Other State Agencies for the Transmission of Registration Member Data	
F	29	2023/2019	Lack of System Development Standards	

STATE OF ILLINOIS
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EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with the State Board of Elections personnel at an exit conference on February 4, 2026.

Attending were:

Board of Elections

Jeremy Kirk, Assistant Executive Director
Elena Goutsalenko, Chief Fiscal Officer
Joelle Sullivan, Accounting Manager

Office of the Auditor General

Stephanie Wildhaber, OAG Senior Audit Manager

Roth & Company, LLP

Elda Arriola, Partner
Darlene Dizon, Senior Manager
Juna Advincula, Supervisor
Rochelle Reyes, Senior Associate

The responses to these recommendations were provided by Elena Goutsalenko, Chief Fiscal Officer, in a correspondence dated February 5, 2026.

INDEPENDENT ACCOUNTANTS' REPORT
ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Governing Board
State of Illinois, Board of Elections

Report on State Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the State of Illinois, Board of Elections (Board) with the specified requirements listed below, as more fully described in the *Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide)* as adopted by the Auditor General, during the two years ended June 30, 2025. Management of the Board is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Board's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. The Board 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 Board 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 Board 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 Board 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 Board on behalf of the State or held in trust by the Board 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 Board complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Board complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance with the specified requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our modified 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 Board's compliance with the specified requirements.

Our examination disclosed material noncompliance with the following specified requirements applicable to the Board during the two years ended June 30, 2025. As described in the accompanying Schedule of Findings as items 2025-001 and 2025-002, the Board had not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

In our opinion, except for the material noncompliance with the specified requirements described in the preceding paragraph, the Board complied with the specified requirements during the two years ended June 30, 2025, 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 2025-003 through 2025-007.

The Board's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The Board'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 Board 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 Board's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on



the Board's compliance with the specified requirements and to test and report on the Board's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board'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 material weaknesses 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 a 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 2025-001 and 2025-002 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 2025-003 through 2025-007 to be significant deficiencies.

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

The Board's responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The Board'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

Chicago, Illinois
February 6, 2026



STATE OF ILLINOIS
STATE BOARD OF ELECTIONS
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025

2025-001. **FINDING** (Voucher Processing Internal Controls Not Operating Effectively)

The State Board of Elections’ (Board) internal controls over its voucher processing function were not operating effectively during the examination period.

Due to our ability to rely upon the processing integrity of the Enterprise Resource Planning System (ERP) operated by the Department of Innovation and Technology (DoIT), we were able to limit our voucher testing at the Board to determine whether certain key attributes were properly entered by the Board’s staff into the ERP. In order to determine the operating effectiveness of the Board’s internal controls related to voucher processing and subsequent payment of interest, we selected a sample of key attributes (attributes) to determine if the attributes were properly entered into the State’s Enterprise Resource Planning (ERP) System based on supporting documentation. The attributes tested were 1) vendor information, 2) expenditure amount, 3) object(s) of expenditure, and 4) the later of the receipt date of the proper bill or the receipt date of the goods and/or services.

Our testing noted 1 of 140 (1%) attributes were not properly entered into the ERP System. We also conducted an analysis of the Board’s expenditures data for Fiscal Years 2024 and 2025 to determine compliance with the State Prompt Payment Act (30 ILCS 540) and the Illinois Administrative Code (Code) (74 Ill. Admin. Code 900.70), we noted for 78 of 3,350 (2%) vouchers, the attributes were not properly entered into the ERP System. Therefore, the Board’s internal controls over voucher processing **were not operating effectively**.

The Statewide Accounting Management System (SAMS) (Procedure 17.20.20) requires the Board to, after receipt of goods or services, verify the goods or services received met the stated specifications and prepare a voucher for submission to the Comptroller’s Office to pay the vendor, including providing vendor information, the amount expended, and object(s) of expenditure. Further, the Code (74 Ill. Admin. Code 900.30) requires the Board to maintain records which reflect the date goods were received and accepted, the date services were rendered, and the proper bill date. Finally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Board to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance expenditures are properly recorded and accounted for to maintain accountability over the State’s resources.

Due to this condition, we qualified our opinion because we determined the Board had not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

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For the Two Years Ended June 30, 2025

2025-001. **FINDING** (Voucher Processing Internal Controls Not Operating Effectively)
- Continued

Our analysis of the Board’s expenditures data for Fiscal Years 2024 and 2025 also noted the Board did not timely approve 221 of 3,350 (7%) vouchers processed during the examination period, totaling \$6,914,042. Of the 221 untimely approvals identified, 194 (6%) vouchers totaling \$3,176,911 occurred in Fiscal Year 2024 and 27 (1%) vouchers totaling \$3,737,131 occurred in Fiscal Year 2025. We noted these vouchers were approved between 31 and 184 days after receipt of a proper bill or other obligating document.

The Code (74 Ill. Admin. Code 900.70) requires the Board to timely review each vendor’s invoice and approve proper bills within 30 days after receipt. The Code (74 Ill. Admin. Code 1000.50) also requires the Board to process payments within 30 days after physical receipt of Internal Service Fund bills.

Board management stated the exceptions were due to oversight and data entry errors.

Failure to properly enter the key attributes into the State’s ERP when processing a voucher for payment hinders the reliability and usefulness of data extracted from the ERP System, which can result in improper interest calculations and expenditures. Further, failure to timely process proper bills and obligations due may result in noncompliance, unnecessary interest charges, and cash flow challenges for payees. (Finding Code No. 2025-001, 2023-001)

RECOMMENDATION

We recommend the Board design and maintain internal controls to provide assurance its data entry of key attributes into ERP is complete and accurate. Further, we recommend the Board timely approve proper bills and obligations due.

BOARD RESPONSE

The Board agrees with the facts presented in the finding; however, the Board disagrees that this finding is material from a quantitative and qualitative perspective. The audit report for the period ending June 30, 2023 was released to the Board on April 24, 2024. Following the June 30, 2023 report being issued, a Corrective Action Plan (CAP) was developed and implemented by July 1, 2024. The current finding cites 221 non-compliant vouchers, the majority of which are from Fiscal Year 2024 and were processed prior to the release of the prior audit report and CAP implementation (194 from Fiscal Year 2024 and 27 from Fiscal Year 2025). Therefore, the effective error rate for the period ending June 30, 2025,

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For the Two Years Ended June 30, 2025

2025-001. **FINDING** (Voucher Processing Internal Controls Not Operating Effectively)
- Continued

while accounting for a prior audit finding that was not issued to the Board until almost halfway through the next audit period, is 0.81% (27 of 3,350 vouchers). The Board believes they have already strengthened and reinforced internal controls to ensure compliance with applicable requirements, which is reflected in the Fiscal Year 2024 to Fiscal Year 2025 reduction in instances of non-compliance.

ACCOUNTANTS' COMMENT

We acknowledge the Board's response regarding the corrective actions implemented after the prior audit report, including the CAP initiated in July 2024, and we understand the Board's perspective regarding the reduction of exceptions in Fiscal Year 2025. However, the examination finding period covers Fiscal Years 2024 and 2025. For purposes of audit evaluation, findings are assessed over the entire audit period under review, and consideration is given to both quantitative and qualitative factors. While the error rate for transactions processed after implementation of corrective actions was 0.81 percent (27 of 3,350 vouchers), the total number of non-compliant vouchers (221) identified during the audit period indicates that control deficiencies existed during the audit period. Continued monitoring and reinforcement of internal controls are necessary to ensure sustained compliance with applicable requirements. In addition, Generally Accepted Government Auditing Standards (GAGAS), also known as the *Yellow Book*, provides the preeminent standards for government auditing. GAGAS (paragraph 7.42) states auditors should include in the examination report all internal control deficiencies, even those communicated early, that are considered to be significant deficiencies or material weaknesses that the auditors identified based on the engagement work performed.

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STATE BOARD OF ELECTIONS
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025

2025-002. **FINDING** (Change Control Weakness)

The State Board of Elections (Board) had weaknesses in its change management controls.

As a result of the Board’s mission to administer the State of Illinois’ election laws and campaign laws, the Board maintained several critical, confidential, and/or financial applications, such as the Voter Registration System (IVRS), eCanvass (precinct upload election data), and Elections App (ballot certification).

During testing of 13 system change requests covering IVRS, eCanvass, and Elections App, we noted the Board had not:

- properly approved two (15%) system change requests prior to change development, and
- established adequate segregation of duties, allowing the same personnel to develop and deploy the system changes for eight (61%) change requests.

The *Center for Internet Security, Critical Security Controls, version 8*, Secure Configuration of Enterprise Assets and Software section, requires entities to establish and maintain controls over changes to their environment, applications, and data.

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 that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and maintain accountability over the State’s resources.

Board management stated that it is not feasible for the Board to have separate personnel performing development and deploying due to the size of the agency and staffing. It would be wasteful of taxpayers’ money to employ additional staff to address this finding. The Board historically relied on a development model where the same personnel performed both development and deployment activities. Additionally, the change management procedures did not include a formal requirement for management approval before development began, resulting in missing evidence of pre-development authorization.

This finding was first noted during the Compliance Examination for the two years ended June 30, 2019. In the subsequent years, the Board has been unsuccessful in implementing a corrective action plan.

STATE OF ILLINOIS
STATE BOARD OF ELECTIONS
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025

2025-002. **FINDING** (Change Control Weakness) - Continued

Lack of enforcement of change control procedures increases the risk of unauthorized, improper, or erroneous changes to the Board’s environment, applications, and data. (Finding Code No. 2025-002, 2023-004, 2021-005, 2019-006)

RECOMMENDATION

We recommend the Board ensure change management controls are suitably designed and implemented to protect computer systems and data.

BOARD RESPONSE

The Board disagrees with the finding. The Board has documented change management processes within established project management documentation. The Board believes those processes align with the recommendations presented by the auditors. However, the Board will revise change management procedures to alleviate any future findings regarding change management.

ACCOUNTANTS’ COMMENT

We acknowledge the Board’s response regarding its documented change management processes. However, the identified deficiencies, specifically the improper approval of system change requests and inadequate segregation of duties, pose a significant risk to the integrity of the Board’s systems and data. Additionally, based on audit procedures performed, the auditors determined that the existing documentation did not fully demonstrate consistent application of change management controls in accordance with established configuration management recommended practices. The auditors acknowledge the Board’s commitment to revising its change management procedures to strengthen controls and mitigate future risks. In addition, Generally Accepted Government Auditing Standards (GAGAS), also known as the *Yellow Book*, provides the preeminent standards for government auditing. GAGAS (paragraph 7.42) states auditors should include in the examination report all internal control deficiencies, even those communicated early, that are considered to be significant deficiencies or material weaknesses that the auditors identified based on the engagement work performed.

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2025-003. **FINDING** (Inadequate Controls over Service Providers)

The State Board of Elections (Board) had not implemented adequate internal controls over its service providers.

We performed testing on three of the eight service providers identified in the population of service providers provided by the Board. The Board utilized these service providers for software as a service. During our testing, we noted the Board had not:

- Entered into an agreement with one (13%) service provider to ensure the roles and responsibilities, and the security, integrity, availability, confidentiality, and privacy controls over the Board’s applications and data of both the Board and service providers, were documented, and
- Documented their review of three (100%) service providers’ System and Organization Controls (SOC) reports, including the impact of noted deviations, Complementary User Entity Control, and subservice organizations.

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.

The *Center for Internet Security, Critical Security Controls, version 8*, Service Provider section, requires entities to assess the service providers’ internal controls.

Board management indicated the issues were due to competing priorities.

This finding was first noted during the Compliance Examination for the two years ended June 30, 2021. In the subsequent years, the Board has been unsuccessful in implementing a corrective action.

Without proper documentation of the Board’s review of the SOC reports and Complementary User Entity Controls (CUECs), the Board does not have assurance the service provider’s internal controls are adequate. Additionally, failure to enter into an agreement with service providers may result in contractual terms, obligations and services not being met and corrected. (Finding Code No. 2025-003, 2023-003, 2021-008)

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STATE BOARD OF ELECTIONS
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-003. **FINDING** (Inadequate Controls over Service Providers) (Continued)

RECOMMENDATION

We recommend the Board:

- Enter into agreements with service providers to define the roles and responsibilities and the security, integrity, availability, confidentiality, and privacy controls over the Board’s applications and data of both the Board and service providers.
- Document the review of SOC reports or independent review of internal controls associated with service providers, including the review of CUECs ensuring they are implemented on the Board’s environment, impact of deviations identified by service auditors, and controls of subservice organizations.

BOARD RESPONSE

The Board agrees with the finding. Currently the Board is reviewing a draft interagency agreement with the Department of Innovation and Technology to address the deficiency. Furthermore, the Board keeps the list of service providers updated with the expiration date of software, which is used to notify appropriate divisions of upcoming renewals or reviews.

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STATE BOARD OF ELECTIONS
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025

2025-004. **FINDING** (Receipt Processing Internal Controls Not Operating Effectively)

The State Board of Elections' (Board) internal controls over its receipt processing function were not operating effectively during the examination period.

Due to our ability to rely upon the processing integrity of the Enterprise Resource Planning System (ERP) operated by the Department of Innovation and Technology (DoIT), we were able to limit our receipt testing at the Board to determine whether certain key attributes were properly entered by the Board's staff into the ERP. In order to determine the operating effectiveness of the Board's internal controls related to receipt processing, we selected a sample of key attributes (attributes) to determine if the attributes were properly entered into the ERP System based on supporting documentation. The attributes tested were (1) amount, (2) fund being deposited into, (3) date of receipt, (4) date deposited, and (5) SAMS Source Code.

During our testing of receipts and analysis of the Board's receipts data for Fiscal Years 2024 and 2025 to determine compliance with the State Officers and Employees Money Disposition Act (Act), we noted for 11 of 1,013 (1%) receipts, the attributes were not properly entered into the ERP System. Therefore, the Board's internal controls over receipt processing **were not operating effectively**. Additionally, the Board's receipts data did not document the date on which the payment was received for 1 of 1,013 (<1%) receipts. As such, we were unable to determine if the Board deposited the receipt timely.

The Act (30 ILCS 230/2(a)) requires the Board to maintain a detailed record of all moneys received, which is to include date of receipt, the payor, purpose and amount, and the date and manner of disbursement.

Additionally, the Statewide Accounting Management System (Manual) (Procedure 25.10.10) requires the Board to segregate the moneys into funds and document the source of the moneys. Further, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Board establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance revenues, expenditures, and transfers of assets, resources, or funds applicable to the 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.

Board management stated the issues were due to employee errors in entering dates in ERP.

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STATE BOARD OF ELECTIONS
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025

2025-004. **FINDING** (Receipt Processing Internal Controls Not Operating Effectively)
- Continued

Failure to properly enter the key attributes into the State’s ERP when processing a receipt hinders the reliability and usefulness of data extracted from the ERP, which can result in improper recording of revenues and accounts receivable. (Finding Code No. 2025-004, 2023-002)

RECOMMENDATION

We recommend the Board design and maintain internal controls to provide assurance its data entry of key attributes into ERP is complete and accurate.

BOARD RESPONSE

The Board agrees with the finding. The Board has already strengthened and reinforced internal controls to ensure compliance with applicable requirements. Corrective action has already been taken.

STATE OF ILLINOIS
STATE BOARD OF ELECTIONS
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025

2025-005. **FINDING** (Weaknesses in Cybersecurity Programs and Practices)

The State Board of Elections (Board) had weaknesses in internal controls related to cybersecurity programs and practices.

As a result of the Board’s mission to administer the State of Illinois’ election laws and campaign laws, the Board maintains computer systems that contain large volumes of confidential or personal information such as names, addresses, and Social Security numbers of the citizens of the State.

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

- Developed a risk management methodology and conducted a comprehensive risk assessment or implemented risk reducing controls.
- Ensured all types of data were identified and classified to ensure proper safeguards.
- Ensured information security policies have been formally communicated to staff and contractors and acknowledge their understanding of responsibilities.
- Ensured all employees completed all required cybersecurity trainings. During testing of trainings required for 75 employees, 8 board members, and 8 contractors sampled, we noted one (1%) employee did not complete the phishing-related remedial training that was required following a failed phishing simulation training.

The *Center for Internet Security, Critical Security Controls, version 8* requires entities to establish controls over the risk, threats, and security of their environment, applications, and data.

The Awareness and Training Policy (Policy) section of the Board’s Information Technology Security Policy Manual, states that the Board is responsible for the establishment and implementation of an internally managed cybersecurity awareness and training program. This training educates employees how to safeguard the confidentiality, integrity, and availability of the Board information technology assets. Additionally, the Policy requires the Board to document and monitor individual Information System security training activities, including basic security awareness training and specific Information System security training.

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SCHEDULE OF FINDINGS – CURRENT FINDINGS
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2025-005. **FINDING** (Weaknesses in Cybersecurity Programs and Practices) - Continued

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.

Board management indicated the weaknesses were due to competing priorities and the lengthy and complex State procurement process.

This finding was first noted during the Compliance Examination for the two years ended June 30, 2019. In the subsequent years, the Board has been unsuccessful in implementing a corrective action plan.

Weak cybersecurity programs and practices could result in unidentified risks and vulnerabilities, which could ultimately lead to the Board's confidential and personal information being susceptible to cyber-attacks and unauthorized disclosure. (Finding Code No. 2025-005, 2023-006, 2021-001, 2019-001)

RECOMMENDATION

The Board has ultimate responsibility for ensuring their systems and data are properly protected. Specifically, we recommend the Board:

- Develop a risk management methodology and ensure formal risk assessments are performed to identify and ensure adequate protection of information (i.e., confidential, or personal information) most susceptible to attack,
- Ensure all types of data are identified and classified to ensure proper safeguards,
- Communicate the information security policies to staff and contractors and require them to acknowledge their understanding of their responsibilities, and
- Ensure all employees completed all required cybersecurity trainings.

BOARD RESPONSE

The Board agrees with this finding. The internal controls were strengthened to ensure all employees complete all assigned trainings and have full understanding of their responsibilities. Additionally, the Board initialized procuring of a third party vendor to implement a risk management tracking software.

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SCHEDULE OF FINDINGS – CURRENT FINDINGS
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2025-006. **FINDING** (Noncompliance with Election Code)

The State Board of Elections (Board) did not comply with certain requirements of the Election Code (10 ILCS 5) (Code) during the examination period.

We tested several sections of the Code and noted the following:

- The Code (10 ILCS 5/1-20.1) established the Task Force to Review Eligibility to Hold Public Office (Task Force) to review what criminal conduct precludes an individual from holding public office and to recommend changes to these eligibility criteria. The Code requires the Task Force to be composed of 20 members appointed by the Governor (3 members from the legal and civil liberties associations and 2 formerly incarcerated individuals), legislative leaders (4 members of the public and 8 legislators), the Attorney General or designee (1 member), and the Executive Director of the Illinois Sentencing Policy Advisory Council (2 members). The Code also requires the Board to appoint a co-chairperson, to provide administrative and technical support to the Task Force and be responsible for administering its operations and ensuring that the requirements of the Task Force are met. The Code requires the Task Force to hold at least four meetings with the first meeting occurring within 60 days of the statute's effectivity date of May 17, 2023, and produce a report of findings and recommendations to the General Assembly and the Governor by May 1, 2025.

As of June 30, 2025, we noted 13 statutory positions on the Task Force remain vacant, preventing the Task Force from achieving a quorum. The vacant positions include members appointed by the Governor (president of a statewide bar association or designee and executive director of a civil liberties association or designee); the Attorney General or designee; members of the public appointed by the Speaker of the House, Minority Leader of the House, President of the Senate, and Minority Leader of the Senate; two members from the Illinois Sentencing Policy Advisory Council appointed by its Executive Director; and 4 State Senators. As a result, no co-chairpersons have been appointed, no meetings have been held, no administrative or technical support has been provided, and no report of findings and recommendations has been submitted to the General Assembly or Governor.

The Board stated the statutory provisions for appointing Task Force members is not the responsibility of the Board and is beyond its control and statutory obligation. With 13 of 20 positions vacant, the Task Force lacks a quorum, preventing co-chair appointments, support provision, and scheduling of meetings.

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2025-006. **FINDING** (Noncompliance with Election Code) - Continued

Failure to maintain the required members of the Task Force may inhibit the Task Force from fulfilling its duties and responsibilities. The Task Force's failure to meet and produce a report to be submitted to the Governor and General Assembly represents noncompliance with the Code.

- The Code (10 ILCS 5/1A-16.1(a)) requires the Board and the Office of the Secretary of State, pursuant to an interagency contract and jointly adopted rules, to establish an automatic voter registration program that satisfies the requirements of the Code and other applicable laws.

During our testing, we noted the Board was unable to jointly adopt rules to implement automatic voter registration with the Office of the Secretary of State.

The Board stated they have been working diligently with the Secretary of State to establish the underlying administrative and technical requirements necessary for secure and accurate data transmission that meets statutory requirements and accounts for both agencies' unique technological capabilities. The Board has an interagency agreement with the Secretary of State to implement automatic voter registration. Ongoing efforts continue to jointly adopt the required rules.

Failure to jointly adopt the necessary rules delays the implementation of the automatic voter registration program. This may result in missed opportunities to streamline voter registration, potentially limiting eligible voters' access to timely registration and reducing overall voter participation in elections.

- The Code (10 ILCS 5/1A-16.2(a)) requires each designated automatic voter registration agency, pursuant to an interagency contract and jointly adopted rules with the Board, to participate in the automatic voter registration (AVR) program established by the Board. The Code defines the designated automatic voter registration agencies as the divisions of Family and Community Services and Rehabilitation Services of the Department of Human Services (DHS), the Department of Employment Security (DES), the Department of Financial and Professional Regulation (DFPR), the Department of Natural Resources (DNR), or a State agency or federal government determined by the Board to have access to reliable personal information and has entered into an interagency contract with the Board to participate in the AVR program.

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2025-006. **FINDING** (Noncompliance with Election Code) – Continued

During our testing, the Board has not entered into interagency agreements and jointly adopted rules necessary to participate in the AVR program with all the designated automatic voter registration agencies. We noted the Board has not entered into interagency agreements with DNR and DFPR. Additionally, the Board has not jointly adopted rules with DHS, DNR, and DFPR.

The Board stated it has continued its efforts to establish the technical and operational requirements necessary to transmit voter registration data with designated agencies. The Board has negotiated terms of interagency agreements and is awaiting responses from the designated agencies to finalize and execute agreements.

Failure to fully execute interagency agreements and jointly adopt rules with all designated automatic voter registration agencies delays the comprehensive implementation of the AVR program. This may lead to inconsistent participation among designated agencies, reduced efficiency in voter registration processing, and noncompliance with the Code.

- The Code (10 ILCS 5/9-8.5(h)) requires the Board, within two business days after the filing of a Notification of Self-Funding, to post the notification on its website.

During our testing, we noted that the Board did not timely post the notification on its website for one of four (25%) Notifications of Self-Funding tested. The Board posted the notification three days after the date of filing.

The Board stated that the untimely posting was due to oversight.

Failure to timely post Notifications of Self-Funding may result in reduced transparency and hinder public access to critical campaign finance information. This could impair stakeholders' ability to monitor compliance and respond appropriately to self-funding declarations.

During the prior examination period, the Board did not establish monitoring mechanisms to determine whether business entities were updating their registrations as needed. During the current examination period, we noted the Board amended its rules to clarify enforcement procedures to ensure registrations of business entities are up to date.

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2025-006. **FINDING** (Noncompliance with Election Code) - Continued

This finding was first noted during the examination for the two years ended June 30, 2017. In the subsequent years, the Board has been unsuccessful in implementing a corrective action plan. (Finding Code No. 2025-006, 2023-009, 2021-002, 2019-002, 2017-001)

RECOMMENDATION

We recommend the Board perform the following:

- Work with appointing authorities to fill all vacant Task Force positions and track quorums, meetings, and reporting deadlines.
- Submit the required Task Force report to the Governor and General Assembly to comply with the Code.
- Finalize rules and interagency agreements for automatic voter registration and establish clear timelines to monitor progress.
- Ensure Notifications of Self-Funding are posted on the website timely.

BOARD RESPONSE

The Board disagrees with one aspect of the finding and agrees with the other two aspects of the finding, as follows:

The Board disagrees it has not complied with 10 ILCS 5/1-20.1. The conditions described in the finding are the responsibilities of the Task Force and other named entities within 10 ILCS 5/1-20.1, not the Board. The Board's responsibility under 10 ILCS 5/1-20.1 are limited to providing administrative and technical support to the Task Force and ensuring that the requirements of the Task Force are met. Due to the vacancies that have not been appointed by other entities has prevented the establishment of the Task Force. Therefore, the Board has been unable to provide the administrative or technical support required by statute. Lastly, the Board disagrees with the auditor's assertion that administrative support includes facilitating the establishment of the Task Force, especially since the entities responsible for establishing the Task Force are named in the statute.

The Board agrees with the finding related to 10 ILCS 5/1A-16.1(a). The Board will continue their efforts to fulfill the statutory requirements.

The Board agrees with the finding related to 10 ILCS 5/9-8.5(h). The Board has already strengthened and reinforced internal controls to ensure compliance with applicable requirements. Corrective action has already been taken.

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2025-006. **FINDING** (Noncompliance with Election Code) - Continued

ACCOUNTANTS' COMMENT

We acknowledge the Board's position regarding the responsibilities assigned to other entities under 10 ILCS 5/1-20.1. However, the statute requires the Board provide administrative and technical support to the Task Force and to ensure the requirements of the Task Force are met. While the appointment of the Task Force members is the responsibility of other named entities, the absence of appointments does not eliminate the Board's obligation to take reasonable steps within its authority to facilitate compliance with the statute. Additionally, administrative support reasonably includes actions necessary to support the formation and operation of the Task Force, such as coordination, communication with appointing authorities, and documentation of efforts to establish the Task Force. In addition, Generally Accepted Government Auditing Standards (GAGAS), also known as the *Yellow Book*, provides the preeminent standards for government auditing. GAGAS (paragraph 7.42) states auditors should include in the examination report all internal control deficiencies, even those communicated early, that are considered to be significant deficiencies or material weaknesses that the auditors identified based on the engagement work performed. Furthermore, GAGAS (paragraph 7.45) states when auditors identify or suspect noncompliance with provisions of laws or regulations that have an effect on the subject matter or an assertion about the subject matter that are less than material but warrant the attention of those charged with governance, they should communicate in writing to audited entity officials.

**STATE OF ILLINOIS
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SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-007. **FINDING** (Inadequate Disaster Recovery Planning)

The State Board of Elections (Board) did not have an adequate disaster recovery plan and had not conducted testing.

As a result of the Board’s mission to administer the State of Illinois’ election laws and campaign laws, the Board maintains computer systems that contain large volumes of confidential or personal information such as names, addresses, and Social Security numbers of the citizens of the State.

The Board established a Disaster Recovery Policy to implement preventative measures and mitigate the impact of unforeseen and potentially harmful events, such as natural disasters and deliberate sabotage. However, during the examination period, we noted the Board had not:

- conducted business impact analysis,
- developed an adequate disaster recovery plan, and
- conducted recovery testing.

The *Center for Internet Security, Critical Security Controls, version 8*, Data Recovery section, requires entities to establish and maintain data recovery practices sufficient to restore its information technology assets.

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 that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and maintain accountability over the State’s resources.

Board management indicated the issues were due to the Board being in the process of a complete overhaul of their disaster recovery infrastructure. The current system is being decommissioned and will be replaced with a new solution that will offer enhanced capabilities and better align with the current business needs.

This finding was first noted during the Compliance Examination for the two years ended June 30, 2019. In the subsequent years, the Board has been unsuccessful in implementing a corrective action plan.

Without an adequately documented and tested disaster recovery plan, the Board’s applications may not be able to be recovered within an acceptable time period. (Finding Code No. 2025-007, 2023-012, 2021-006, 2019-007)

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SCHEDULE OF FINDINGS – CURRENT FINDINGS
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2025-007. **FINDING** (Inadequate Disaster Recovery Planning) - Continued

RECOMMENDATION

We recommend the Board conduct business impact analysis, develop an adequate disaster recovery plan, and conduct recovery testing of its applications and data at least annually.

BOARD RESPONSE

The Board agrees with the finding. The Board initialized procuring of a third party vendor to implement disaster recovery program.

STATE OF ILLINOIS
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SCHEDULE OF FINDINGS – PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2025

A. **FINDING** (System Access Weaknesses)

During the prior examination, the State Board of Elections (Board) did not have adequate internal controls over access to their applications and data.

During the current examination, our sample testing disclosed the Board had established procedures for requesting, approving, modifying, and periodic review of user accounts, and that access requests were properly documented and authorized. In addition, our sample testing indicated that access for terminated users was timely and properly discontinued. (Finding Code 2023-005)

B. **FINDING** (Inadequate Controls over Implementation of New Accounting Standards)

During the prior examination, the Board did not have adequate controls to ensure new accounting standards, Governmental Accounting Standards Board (GASB) Statement No. 87 – *Leases* and GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements (SBITA)*, are implemented.

During the current examination, our testing disclosed the Board implemented the requirements of GASB Statements No. 87 and 96. Additionally, the Accounting for Leases-Lessee Form SCO-560 and SBITA Form SCO-560S were prepared and submitted to the Office of Comptroller. (Finding Code 2023-007)

C. **FINDING** (Inadequate Controls over State Property)

During the prior examination, the Board did not maintain adequate controls over State Property related to C-15 reports, annual inventory certifications, and recording of asset additions.

During the current examination, our testing disclosed the Board’s C-15 reports agreed with the detailed property records from the Enterprise Resource Planning System (ERP). In addition, we noted the annual inventory certifications submitted to the Department of Central Management Services (CMS) were accurate and our sample testing indicated equipment purchases were properly recorded in the Board’s ERP detailed property records. (Finding Code 2023-008)

D. **FINDING** (Noncompliance with Raffles and Poker Runs Act)

During the prior examination, the Board was unable to demonstrate compliance with all restrictions of the Raffles and Poker Runs Act (Act) when granting raffle licenses.

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During the current examination, our testing disclosed the Board used the resources available to them to deny ineligible applicants and to suspend or revoke licenses when a violation is proven. As a result, the finding is not repeated. (Finding Code No. 2023-010, 2021-003, 2019-003, 2017-002)

E. **FINDING** (Failure to Enter into Agreement with Other State Agencies for the Transmission of Registration Member Data)

During the prior examination, the Board failed to enter into a formal agreement with other State agencies and provide necessary information to transmit member data under the Electronic Registration Information Center Membership Agreement, as required by the Election Code (Code) (10 ILCS 5/1A-45(b-5)).

During the current examination, we noted this portion of the Code was repealed on July 1, 2024 pursuant to Public Act 103-0600 and no longer requires the Board to enter into such agreements for the transmission of member data. (Finding Code 2023-011, 2021-004, 2019-005)

F. **FINDING** (Lack of System Development Standards)

During the prior examination, the Board did not have standards to ensure system developments were adequately planned, developed, tested, documented, approved, and implemented.

During the current examination, we noted the Board has developed and implemented a comprehensive system development methodology that ensures system development projects are properly planned, developed, tested, documented, approved, and implemented. (Finding Code 2023-013, 2021-007, 2019-008)