

**STATE OF ILLINOIS
ILLINOIS LABOR RELATIONS BOARD**

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
ILLINOIS LABOR RELATIONS BOARD
STATE COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2025**

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**STATE OF ILLINOIS
ILLINOIS LABOR RELATIONS BOARD
STATE COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2025**

BOARD OFFICIALS

Executive Director	Ms. Kimberly F. Stevens
Chief Fiscal Officer	Mr. Aaron M. Itulya
General Counsel	Ms. Helen J. Kim

GOVERNING BOARD CHAIRS

State Panel Chair	William E. Lowry, Jr.
Local Panel Chair	Lynne O. Sered

GOVERNING BOARD MEMBERS

State Panel Member	Kendra S. Cunningham
State Panel Member	Jeffrey W. Mears
State Panel Member	Frances A. Hurley (through 10/22/2025)
State Panel Member	Vacant (3/25/2023 – Present)
Local Panel Member	Charles E. Anderson
Local Panel Member	Angela C. Thomas

BOARD OFFICES

The Board's primary administrative offices are located at:

801 South 7th Street
Suite 1200A, 12th Floor
Springfield, Illinois 62703

160 North LaSalle Street
Suite S-400
Chicago, Illinois 60601



Illinois Labor Relations Board

MANAGEMENT ASSERTION LETTER

March 18, 2026

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

Ladies and Gentlemen:

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, Illinois Labor Relations Board (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, 2025 and June 30, 2024, the Board has materially complied with the specified requirements 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. 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.

Yours truly,

State of Illinois, Illinois Labor Relations Board

SIGNED ORIGINAL ON FILE

Kimberly F. Stevens, Executive Director

SIGNED ORIGINAL ON FILE

Aaron M. Itulya, Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Helen J. Kim, General Counsel

**STATE OF ILLINOIS
ILLINOIS LABOR RELATIONS BOARD
STATE COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2025**

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	2	2
Prior recommendations implemented or not repeated	2	2
	0	2

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	8	2023/2021	Untimely Submission of Required Reports	Significant Deficiency and Noncompliance
2025-002	10	2023/2021	Weaknesses Regarding Electronic Data Processing Procedures	Significant Deficiency and Noncompliance

**STATE OF ILLINOIS
ILLINOIS LABOR RELATIONS BOARD
STATE COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2025**

EXIT CONFERENCE

The Board waived an exit conference in a correspondence from Mr. Aaron Itulya, Chief Fiscal Officer, on February 17, 2026. The responses to the recommendations were provided by Mr. Aaron Itulya, Chief Fiscal Officer, in a correspondence dated February 26, 2026.

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Governing Board
State of Illinois, Illinois Labor Relations Board

Report on State Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the State of Illinois, Illinois Labor Relations Board (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.

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 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 Board's compliance with the specified requirements.

In our opinion, 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 2025-001 through 2025-002.

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.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the specified requirements on a timely basis. A *material weakness* in internal control is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2025-001 through 2025-002 that we consider to be significant deficiencies.

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

The 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

Kankakee, Illinois
March 18, 2026

**STATE OF ILLINOIS
ILLINOIS LABOR RELATIONS BOARD
SCHEDULE OF FINDINGS
FOR THE TWO YEARS ENDED JUNE 30, 2025
CURRENT FINDINGS – STATE COMPLIANCE**

2025-001 FINDING Untimely Submission of Required Reports

The Illinois Labor Relations Board (Board) failed to timely submit required reports.

During testing of the Board's annual reports, we noted the following:

- The Board failed to submit its Fiscal Year 2023 Annual Report to the Governor's Office by the required deadline.

The State Finance Act (30 ILCS 105/3) requires the Board to make and deliver to the Governor an annual report of its acts and doings no later than January 7 of each year. The Fiscal Year 2023 report was due on January 7, 2024. The report was filed 26 days late.

- The Board did not submit its Fiscal Year 2023 and Fiscal Year 2024 Annual Report in an electronic format to the State Library in a timely manner. Printed reports were delivered to the State Library on February 5, 2024 and January 7, 2025, respectively. Electronic copies of the reports were not submitted until July 24, 2025 (as a result of examination inquiries).

The State Library Act (Act) (15 ILCS 320/21) requires the Board to provide and deposit with the Illinois State Library sufficient copies of all publications issued by the Board for its collection and exchange purposes. The Act also states the State Librarian shall by rule or regulation specify the number of copies required and the publications that must be deposited. Those rules, Illinois Administrative Code (Code) (23 Ill. Admin. Code 3020.110), require the Board to submit printed copies of all publications on the core list and an electronic copy of the publication via the Illinois State Library's metadata generator using a secure transfer protocol. The State Library's core list includes annual reports of all agencies.

Board officials indicated it was unaware of the January 7 due date until the prior examination pointed it out. The electronic submission to the State Library was originally overlooked.

Failure to timely submit annual reports represents noncompliance with statutory and Code requirements and reduces information available to parties which may be used in making budget and policy decisions. (Finding Code No. 2025-001, 2023-001, 2021-001)

RECOMMENDATION

We recommend the Board ensure annual reports are timely submitted to the Governor's Office and the State Library.

**STATE OF ILLINOIS
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FOR THE TWO YEARS ENDED JUNE 30, 2025

CURRENT FINDINGS – STATE COMPLIANCE**

2025-001 FINDING Untimely Submission of Required Reports (Continued)

BOARD RESPONSE

The Board accepts the recommendation. The Board timely submitted its FY 2025 Annual Report to the Governor's Office and the State Library. The Board's Annual Reports (including the Fiscal Year 2023 and Fiscal Year 2024 reports) are also published on the Board's website, where they are publicly accessible.

**STATE OF ILLINOIS
ILLINOIS LABOR RELATIONS BOARD
SCHEDULE OF FINDINGS
FOR THE TWO YEARS ENDED JUNE 30, 2025**

CURRENT FINDINGS – STATE COMPLIANCE

2025-002 FINDING Weaknesses Regarding Electronic Data Processing Procedures

The Illinois Labor Relations Board (Board) did not maintain adequate controls over its electronic data processing.

During testing, we noted the following:

- The Board adopted a disaster recovery plan for its Case Management database during the examination period; however, the Board did not conduct a recovery test during the examination period.

The *Contingency Planning Guide for Federal Information Systems* (Special Publication 800-34) published by the National Institute of Standards and Technology (NIST) states disaster recovery planning is a key element of information system contingency planning which is a critical component of emergency management and organizational resilience. The NIST endorses the formal development and testing of disaster recovery plans.

- The Board did not provide any documentation that it had performed a review of user access rights to the Central Time and Attendance System (CTAS), eTime, the Central Payroll System (CPS), or the Case Management Tracking System during Fiscal Year 2024.

The Board's review of user access rights to the Case Management Tracking System in Fiscal Year 2025 identified the following:

- During Fiscal Year 2024 and Fiscal Year 2025, three users had different levels of access for the Local Panel as compared to the State Panel. The Board corrected access levels for these three users, on June 25, 2025, to reflect equal access to both panels within the Case Management Tracking System. When asked why the users had differing access rights, the Board had no explanation.
- User access rights for an external consultant for a project that ended in June 2024 were not removed until June 25, 2025.
- User access rights for a temporary worker who last worked on July 31, 2024 were not removed until June 25, 2025.
- User access rights for a former employee who left the Board on February 15, 2024 were not removed until June 25, 2025.

The National Institute of Standards and Technology (NIST) (Special Publication 800-53, Fifth Revision), Access Control Section, endorses the development of well-designed and well-managed controls to protect computer systems and data. Effective computer security controls provide safeguarding, securing, and controlling access to hardware, software and the information stored in the computer system.

**STATE OF ILLINOIS
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FOR THE TWO YEARS ENDED JUNE 30, 2025
CURRENT FINDINGS – STATE COMPLIANCE**

**2025-002 FINDING: Weaknesses Regarding Electronic Data Processing Procedures
(Continued)**

- The Board indicated they utilize several of DoIT's policies as their own. We requested evidence of acknowledgement and acceptance of the Acceptable Use Policy for two of the Board's employees. The Board indicated they had no certification or documentation of acceptance for the employees.

The DoIT Acceptable Use Policy states the requirements and prohibitions of using the State's IT resources. The final page of the policy includes a certification to be signed by the employee stating that they have been provided a copy of the policy and understand and agree to comply with the conditions of the policy as a condition of employment. The signed certification is to be returned to the employee's immediate supervisor, returned to the personnel office and retained in the employee's personnel file.

- The Board indicated they rely on DoIT's annual trainings for purposes of reporting security violations or suspected violations. We requested evidence of the topics covered in the training or other documentation to substantiate that reporting of security violations was covered in the trainings. The Board was unable to provide any evidence of such.

The DoIT Information Security Incident Management Policy requires all employees of the State of Illinois to report any and all information security incidents to the DoIT Division of Information Security within 24 hours.

- We also noted the Board indicated that they do not have an on-boarding policy for new staff and contractors who may require access to IT systems and do not have a data maintenance and destruction policy.

The NIST (Special Publication 800-53, Fifth Revision), Personnel Security and Access Control Sections endorse the development of policies and procedures to perform screening prior to authorizing access, developing security policies and managing system accounts and access privileges through defined processes. The System and Information Integrity and Media Protection Sections recommends the management and retention of information within the system, output from the system, and the destruction of information in accordance with applicable laws, regulations, policies, standards and operational guidelines.

Board Officials indicated it established a disaster recovery plan for its Case Management Tracking System prior to the end of Fiscal Year 2025, but did not have an opportunity to test it. Formal user access reviews commenced in Fiscal Year 2025 and are expected to occur annually. The other exceptions relate to policies and the Board was not aware of the need for such policies or the content of applicable DoIT policies.

**STATE OF ILLINOIS
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FOR THE TWO YEARS ENDED JUNE 30, 2025**

CURRENT FINDINGS – STATE COMPLIANCE

**2025-002 FINDING: Weaknesses Regarding Electronic Data Processing Procedures
(Continued)**

Failure to maintain adequate controls over electronic data processing results in significant risk of noncompliance, and poses an additional risk of fraud, misuse of information, security breach, and data loss. Failure to adopt policies (or be versed in DoIT policies which the Board claims to have adopted) may result in additional security weakness. (Finding Code No. 2025-002, 2023-002, 2021-004)

RECOMMENDATION

We recommend the Board test (and document its testing) of its disaster recovery plan for its Case Management database and solidify implemented controls to routinely and accurately review access rights. The Board's new interagency agreement with DoIT requires the Board to formally adopt DoIT's Enterprise policies, we recommend the Board become intimately familiar with the content of those policies and comply with them.

We further recommend the Board determine if the DoIT policies being adopted on July 1, 2025 sufficiently address on-boarding of staff and contractors and data maintenance and destruction. If not, additional policies specific to the Board should be developed.

BOARD RESPONSE

The Board accepts the recommendations regarding testing its disaster recovery plan for its Case Management database and reviewing the Illinois Department of Innovation and Technology (DoIT) Enterprise policies. The Board will seek guidance/coordinate with DoIT regarding testing its disaster recovery plan. The Board will also determine which of the DoIT Enterprise policies the Board should adopt.

The Board's understanding of the NIST standards as they relate to the review of access rights is that they fall under a control parameter that allows for an organization to assign a specific, organization-defined value to the control or control enhancement. This signifies that, under the NIST standards, the frequency of access rights reviews is left to the discretion of the organization to define for itself. Following the conclusion of its prior compliance examination, the Board reviewed its controls over access rights to determine whether enhancements were needed. The Board's Executive Director issued a memorandum formalizing the Board's access rights review process on July 31, 2024. The Board subsequently conducted an access rights review which concluded in August 2024. The Board will review its controls over access rights to determine whether enhancements are needed.