



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS CRIMINAL JUSTICE INFORMATION AUTHORITY

Compliance Examination
 For the Two Years Ended June 30, 2019

Release Date: March 10, 2020

FINDINGS THIS AUDIT: 10	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	4	4	2017	1, 2, 3, 4	7	
Category 2:	3	3	6	2015		5	
Category 3:	0	0	0	2013		6	
TOTAL	3	7	10				
FINDINGS LAST AUDIT: 10							

SYNOPSIS

- **(19-01)** The Authority failed to conduct adequate site visit monitoring of its grantees in accordance with its Federal and State Grants Unit's Policies and Procedures.
- **(19-02)** The Authority failed to prepare and maintain adequate documentation supporting its administrative and fiscal operations.
- **(19-03)** The Authority did not exercise adequate controls over the monitoring of grant agreements under its purview.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

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

**ILLINOIS CRIMINAL JUSTICE INFORMATION AUTHORITY
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2019**

EXPENDITURE STATISTICS	2019	2018	2017
Total Expenditures.....	\$ 101,471,912	\$ 88,215,624	\$ 53,386,851
OPERATIONS TOTAL.....	\$ 10,017,903	\$ 9,153,455	\$ 9,461,376
% of Total Expenditures.....	9.8%	10.4%	17.7%
Personal Services.....	5,973,638	5,328,610	4,983,696
Other Payroll Costs (FICA, Retirement).....	2,023,439	1,886,454	2,660,889
All Other Operating Expenditures.....	2,020,826	1,938,391	1,816,791
AWARDS AND GRANTS.....	\$ 90,894,122	\$ 76,676,974	\$ 43,837,133
% of Total Expenditures.....	89.6%	86.9%	82.1%
REFUNDS.....	\$ 559,917	\$ 2,385,195	\$ 88,342
% of Total Expenditures.....	0.6%	2.7%	0.2%
Total Receipts.....	\$ 84,714,610	\$ 49,798,861	\$ 43,390,463
Average Number of Employees.....	75	74	75

AGENCY DIRECTOR
During Examination Period: John Maki, Esq (through 2/28/19), Megan Alderden, Ph.D. Acting (3/1/19 - 6/30/19) Currently: Jason Stamps (Acting) (effective 7/23/19)

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

FAILURE TO CONDUCT ADEQUATE SITE VISIT MONITORING OF GRANTEEES

The Illinois Criminal Justice Information Authority (Authority) failed to conduct adequate site visit monitoring of its grantees in accordance with its Federal and State Grants Unit's Policies and Procedures (FSGU P&P) during the examination period.

Specifically, we noted the following deficiencies:

**Site visits were not conducted for
38% of programs**

- The Authority did not conduct site visits for 30 of the 78 programs (38%).
- The Authority did not perform site visits for the five equipment grants issued (100%) during the examination period.
- The Authority did not perform site visits for 7 of 11 grant agreements tested (64%) which required site visits be performed.
- Of the 36 programs which had a site visit conducted timely by the Authority, we sampled 10 grants to determine if the Authority performed the site visit as required by its FSGU P&P. For all 10 grants selected (100%), documentation of the site visit was considered to be inadequate. (Finding 1, pages 10-13)

**100% of grantee files tested did not
have adequate site visit
documentation maintained**

We recommended the Authority take immediate action to adequately conduct and document the site visits it performs during a State fiscal year for the purposes of monitoring grantees of the grant programs administered by the Authority.

**Authority agreed with the
recommendation**

The Authority agreed with the recommendation and stated it continues to improve its site visit activities and would amend the FSGU Policy and Procedure Manual to reflect attainable site visit requirements, while still ensuring sufficient oversight of grantees and compliance with State and federal site visit requirements.

GENERAL FAILURE TO PREPARE AND MAINTAIN DOCUMENTATION

The Authority failed to prepare and maintain adequate documentation supporting its administrative and fiscal operations during the examination period. As a result, we were unable to determine if the Authority complied with the applicable statutory regulations.

Some of the missing documentation we noted were as follows:

Accountants unable to determine Authority's compliance with various statutory regulations.

- For 11 of 23 (48%) employees tested, the Authority did not maintain employee deduction forms for union dues, association dues and other insurance deductions.
- For seven of 72 (10%) reconciliations performed of the Monthly Appropriations Status Report (SB01) to the Authority's records, the Authority did not document the date the reconciliations were performed.
- For three of the 64 (5%) Monthly Cash Report (SB05) reconciliations and all 144 (100%) Monthly Revenue Status Report (SB04) reconciliations, the Authority did not document the date the reconciliations were performed.
- For 4 of 60 (7%) grant agreements selected for detail testing, we noted the grants' progress reports required to be received by the Authority were not dated. (Finding 2, pages 14-16)

We recommended Authority management and staff take immediate action to strengthen its control over records maintenance for each area in which a compliance requirement is present.

Authority agreed with the recommendation

The Authority agreed with the recommendation and stated it had initiated activities to improve the preparation and maintenance of documentation, including finalizing an agency retention schedule in 2019. The Authority also stated it developed an internal working group to revise and improve many of its forms to better assist staff in the completion and retention of required documents.

INADEQUATE CONTROLS OVER MONITORING GRANT AGREEMENT REQUIREMENTS

Numerous documents not on file

The Authority did not exercise adequate controls over the monitoring of grant agreements under its purview during the examination period.

During our grant agreement detail testing of 60 grants, some of the deficiencies we noted were as follows:

Subcontractor agreements not on file

- Progress reports from the grantees were not dated,
- Annual civil rights certifications were not on file,
- Signed notice of awards were not on file,
- Addendums to subcontractor and subgrantee agreements were not on file,
- Timekeeping procedures were not on file, and
- Grant agreements were signed by the Authority and the grantee after the start of the grant period. The grant agreements were signed between 4 and 225 days late. (Finding 3, pages 17-21)

Authority agreed with the recommendation

We recommended the Authority ensure all reporting requirements are adhered to and ensure grant agreements are approved prior to the effective date of the agreement.

The Authority agreed with the recommendation and stated it will continue to make efforts to ensure grants are processed timely. The Authority also stated it had revised the timekeeping requirement of the grantee contracts to better reflect the proper documentation needed to ensure sufficient oversight of grantees.

OTHER FINDINGS

The remaining findings pertain to inadequate controls over expenditures and obligations, noncompliance with the Gang Crime Witness Protection Act of 2013, inadequate controls over payroll file deductions, non-appointment of members, failure to timely file FCIAA, failure to comply with the State Employment Records Act, and noncompliance with contracting procedures. We will review the Authority's progress towards the implementation of our recommendations in our next compliance examination

ACCOUNTANT'S OPINION

The accountants conducted a compliance examination of the Authority for the two years ended June 30, 2019, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Findings 2019-001 through 2019-004. Except for the noncompliance described in these findings, the accountants stated the Authority complied, in all material respects, with the requirements described in the report.

This compliance examination was conducted by E.C. Ortiz & Co., LLP.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

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

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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