



**STATE EMPLOYEES' GROUP INSURANCE
PROGRAM, OTHER POST-EMPLOYMENT
BENEFITS PLAN**

COMPLIANCE EXAMINATIONS OF GROUP INSURANCE
CENSUS DATA

For the Year Ended June 30, 2021

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



SIKICH.COM

**STATE EMPLOYEES' GROUP INSURANCE PROGRAM, OTHER POST-
EMPLOYMENT BENEFITS PLAN**

COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA

For the Year Ended June 30, 2021

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**STATE EMPLOYEES' GROUP INSURANCE PROGRAM, OTHER POST-
EMPLOYMENT BENEFITS PLAN**

COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA

For the Year Ended June 30, 2021

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DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

**STATE OF ILLINOIS
DEPARTMENT OF CENTRAL
MANAGEMENT SERVICES**

**COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021**

DEPARTMENT OFFICIALS

Director (Acting) (01/21/23 – Present)	Ms. Raven DeVaughn
Director (Acting) (06/13/22 – 01/20/23)	Mr. Anthony Pascente
Director (07/01/20 – 06/12/22)	Ms. Janel Forde
Assistant Director (05/06/23 – Present)	Vacant
Assistant Director (03/28/22 – 05/05/23)	Mr. Mark Mahoney
Assistant Director (Acting) (05/01/21 – 03/27/22)	Mr. Mark Mahoney
Assistant Director (Acting) (01/21/23 – Present)	Vacant
Assistant Director (09/07/21 – 01/20/23)	Ms. Raven DeVaughn
Assistant Director (12/04/20 – 04/30/21)	Vacant
Assistant Director (Acting) (07/01/20 – 12/03/20)	Mr. Michael Merchant
Chief of Staff (02/16/23 – Present)	Mr. Patrick Nolan
Chief of Staff (06/13/22 – 02/15/23)	Vacant
Chief of Staff (07/01/20 - 06/12/22)	Mr. Anthony Pascente
Chief Administrative Officer (05/01/21 – Present)	Ms. Sarah Kerley
Chief Administrative Officer (07/01/20 – 04/30/21)	Mr. Mark Mahoney
Chief Operating Officer (Acting) (04/16/23 – Present)	Mr. Sean Neuert
Chief Operating Officer (01/21/23 – Present)	Vacant
Chief Operating Officer (07/01/20 – 01/20/23)	Ms. Aysegul Kalaycioglu
Chief Fiscal Officer (01/21/21 – Present)	Ms. Karen Pape
Chief Fiscal Officer (Acting) (07/01/20 – 01/20/21)	Ms. Karen Pape
General Counsel (Acting) (05/16/23 – Present)	Ms. CoreyAnne Gulkewicz
General Counsel (07/01/20 – 05/15/23)	Mr. Terrence Glavin
Chief Internal Auditor (06/16/23 – Present)	Vacant
Chief Internal Auditor (Acting) (05/16/23 – 06/15/23)	Mr. Jack Rakers
Chief Internal Auditor (07/01/21 – 05/15/23)	Mr. Jack Rakers

Department main offices are located at:

State of Illinois Building
555 W. Monroe Street
Chicago, Illinois 60661

William G. Stratton Building
401 S. Spring Street
Springfield, Illinois 62706



MANAGEMENT ASSERTION LETTER

June 28, 2023

Sikich LLP
3051 Hollis Drive, 3rd Floor
Springfield, IL 62704

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, rules, and regulations applicable to identifying and enrolling eligible employees of the State of Illinois, Department of Central Management Services (Department) and reporting their significant elements of census data and related employer contributions through the State Employees' Retirement System (System) to the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan (Plan) administered by the Department. We are responsible for, and we have established and maintained an effective system of internal controls over the specified requirements. We have performed an evaluation of the Department's compliance with the specified requirements during the applicable periods noted below. Based on this evaluation, we assert the Department has materially complied with the specified requirements listed below.

- A. All of the Department's employees required to be enrolled in the System in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2021.
- B. The changes in significant elements of census data for employees required to be enrolled in the Plan occurring during the census data accumulation year ended June 30, 2021, were completely and accurately reported by the Department through the System.

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

- social security number;
- first and last name;
- date of birth;
- gender; and,
- rate of pay.

- C. The employer group insurance contributions for funds other than the General Revenue Fund, which includes contributions for both current employees and an additional amount to cover retiree benefits under a pay as you go methodology, remitted by the Department for the Plan during the allocation year ended June 30, 2022, were complete, accurate, and in accordance with applicable laws, rules, and regulations. Further, General Revenue Fund payroll paid by the Department and recorded within the Statewide Accounting Management System under detail object code 1120 were complete, accurate, and in accordance with applicable laws, rules, and regulations. Employer group insurance contributions (for funds other than the General Revenue Fund) and General Revenue Fund payroll under detail object code 1120 are the basis for determining the Department's proportionate share of the OPEB liability, deferred inflows of resources, deferred outflows of resources and OPEB expense.

State of Illinois, Department of Central Management Services

SIGNED ORIGINAL ON FILE

Raven DeVaughn, Acting Director

SIGNED ORIGINAL ON FILE

Karen Pape, Chief Financial Officer

SIGNED ORIGINAL ON FILE

CoreyAnne Gulkewicz, Acting General Counsel

**STATE OF ILLINOIS
DEPARTMENT OF CENTRAL
MANAGEMENT SERVICES**

**COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021**

EXAMINATION REPORT

SUMMARY

The compliance testing of census data and employer contributions for group insurance under the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan 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 Compliance and on Internal Control Over Compliance does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report*</u>
Findings	-	N/A
Repeated Findings	N/A	N/A
Prior Recommendations Implemented or Not Repeated	N/A	N/A

* This is the first compliance examination over census data of the Department of Central Management Services. Therefore, there were no prior findings.

EXIT CONFERENCE

The Illinois Department of Central Management Services waived an exit conference in a correspondence from Amy Lange, Audit Liaison, on June 12, 2023.

3051 Hollis Drive, 3rd Floor
Springfield, IL 62704
217.793.3363

SIKICH.COM

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

Honorable Susana M. Mendoza
Comptroller
State of Illinois

Ms. Raven DeVaughn
Acting Director
State of Illinois, Department of Central Management Services

External Auditors
State of Illinois, Department of Central Management Services

Compliance

As limited-scope Special Assistant Auditors for the Auditor General of the State Employees' Retirement System (System), we have examined compliance by management of the State of Illinois, Department of Central Management Services (Department) 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:

- 1) the census data accumulation year for the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan (Plan) administered by the Department ended June 30, 2021; and,
- 2) the proportionate share allocation year for the Plan ended June 30, 2022.

Management of the Department is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Department's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. All of the Department's employees required to be enrolled in the System in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2021.

- B. The changes in significant elements of census data for employees required to be enrolled in the Plan occurring during the census data accumulation year ended June 30, 2021, were completely and accurately reported by the Department through the System.

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

- a. social security number;
 - b. first and last name;
 - c. date of birth;
 - d. gender; and,
 - e. rate of pay.
- C. The employer group insurance contributions for funds other than the General Revenue Fund, which includes contributions for both current employees and an additional amount to cover retiree benefits under a pay as you go methodology, remitted by the Department for the Plan during the allocation year ended June 30, 2022, were complete, accurate, and in accordance with applicable laws, rules, and regulations. Further, General Revenue Fund payroll paid by the Department and recorded within the Statewide Accounting Management System under detail object code 1120 were complete, accurate, and in accordance with applicable laws, rules, and regulations. Employer group insurance contributions (for funds other than the General Revenue Fund) and General Revenue Fund payroll under detail object code 1120 are the basis for determining the Department's proportionate share of the OPEB liability, deferred inflows of resources, deferred outflows of resources and OPEB expense.

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 Department complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Department 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 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 Department's compliance with the specified requirements.

In our opinion, the Department complied, in all material respects, with the specified requirements during:

- 1) the census data accumulation year for the Plan ended June 30, 2021, and,
- 2) the proportionate share allocation year for the Plan ended June 30, 2022.

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.

Internal Control Over Compliance

Management of the Department 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 Department's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Department's compliance with the specified requirements and to test and report on the Department's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department'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 or significant deficiencies.

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

Springfield, Illinois
June 28, 2023

DEPARTMENT OF TRANSPORTATION

**STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION**

**COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021**

DEPARTMENT OFFICIALS

Secretary (06/01/21 – Present)	Mr. Omer Osman
Secretary (Acting) (07/01/20 – 05/31/21)	Mr. Omer Osman
Assistant Secretary	Vacant
Chief of Staff (06/01/23 – Present)	Vacant
Chief of Staff (07/01/20 – 05/31/23)	Ms. Georgina (Syas) White
Deputy Chief of Staff (05/16/22 – Present)	Vacant
Deputy Chief of Staff (07/01/20 – 05/15/22)	Ms. Becky Locker
Chief Operating Officer (04/23/22 – Present)	Vacant
Chief Operating Officer (07/01/20 – 04/22/22)	Ms. Sheleda Doss
Chief Fiscal Officer (04/01/22 – Present)	Ms. Vicki Wilson
Chief Fiscal Officer (Acting) (07/01/20 – 03/31/22)	Ms. Joanne Woodworth
Director, Office of Communications	Mr. Guy Tridgell
Director, Office of Legislative Affairs (01/01/22 – Present)	Mr. Matthew McAnarney
Director, Office of Legislative Affairs (Acting) (12/01/21 – 12/31/21)	Mr. Matthew McAnarney
Director, Office of Legislative Affairs (07/01/20 – 11/30/21)	Ms. Nicola Cortez-Hun
Director, Office of Finance and Administration (02/16/22 – Present)	Ms. Vicki Wilson
Director, Office of Finance and Administration (07/01/20 – 02/15/22)	Vacant
Deputy Director, Office of Finance and Administration	Mr. Matt Magalis
Director, Office of Business and Workforce Diversity (10/01/22 – Present)	Vacant
Director, Office of Business and Workforce Diversity (05/02/22 – 09/30/22)	Mr. Jonathan McGee
Director, Office of Business and Workforce Diversity (01/01/22 – 05/01/22)	Vacant
Director, Office of Business and Workforce Diversity (07/01/20 – 12/31/21)	Ms. Pamela Simon
Director/Chief Legal Counsel, Office of Chief Counsel (Acting) (06/16/23 – Present)	Mr. Terrence Glavin
Director/Chief Legal Counsel, Office of Chief Counsel (06/01/21 – 06/15/23)	Ms. Yangsu Kim

**STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION**

**COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021**

Director/Chief Legal Counsel, Office of Chief Counsel (Acting) (05/01/21 – 05/31/21)	Ms. Margaret van Dijk
Director/Chief Legal Counsel, Office of Chief Counsel (07/01/20 – 04/30/21)	Mr. Phil Kaufmann
Director/Chief Internal Auditor, Office of Internal Audit	Mr. Stephen Kirk
Deputy Secretary of Communications and Legislative Affairs formerly Deputy Secretary of Program Development and External Affairs (04/24/23 – Present)	Mr. Jeremy LaMarche
Deputy Secretary of Communications and Legislative Affairs formerly Deputy Secretary of Program Development and External Affairs (03/01/23 – 04/23/23)	Vacant
Deputy Secretary of Communications and Legislative Affairs formerly Deputy Secretary of Program Development and External Affairs (05/16/22 – 02/28/23)	Ms. Becky Locker
Deputy Secretary of Communications and Legislative Affairs formerly Deputy Secretary of Program Development and External Affairs (01/01/22 – 05/15/22)	Vacant
Deputy Secretary of Communications and Legislative Affairs formerly Deputy Secretary of Program Development and External Affairs (07/01/20 – 12/31/21)	Mr. Douglas House
Deputy Secretary of Administration, Diversity and Legal Affairs (05/16/23 – Present)	Mr. Terrence Glavin
Deputy Secretary of Administration, Diversity and Legal Affairs (01/01/23 – 05/15/23)	Vacant
Deputy Secretary of Administration, Diversity and Legal Affairs (03/16/21 – 12/31/22)	Ms. Margaret van Dijk
Deputy Secretary of Administration, Diversity and Legal Affairs (07/01/20 – 03/15/21)	Vacant
Deputy Secretary of Project Implementation	Vacant
Director, Office of Planning and Programming (09/16/20 – Present)	Ms. Holly (Ostdick) Bieneman
Director, Office of Planning and Programming (07/01/20 – 09/15/20)	Vacant
Deputy Director, Office of Planning and Programming (07/01/22 – Present)	Ms. Elizabeth Irvin
Deputy Director, Office of Planning and Programming (07/01/20 – 06/30/22)	Vacant

**STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION**

**COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021**

Director, Office of Highways Project Implementation (07/01/21 – Present)	Mr. Stephen Travia
Director, Office of Highways Project Implementation (07/01/20 – 06/30/21)	Vacant
Deputy Director, Office of Highways Project Implementation (11/16/21 - Present)	Mr. Justan Mann
Deputy Director, Office of Highways Project Implementation (07/01/20 – 11/15/21)	Vacant
Director, Office of Intermodal Project Implementation (01/18/22 – Present)	Mr. Jason Osborn
Director, Office of Intermodal Project Implementation (Acting) (07/01/20 – 01/17/22)	Mr. Matt Magalis
Deputy Director, Rail, Office of Intermodal Project Implementation	Mr. John Oimoen
Deputy Director, Transit, Office of Intermodal Project Implementation (06/01/21 – Present)	Ms. Ashounta Reese
Deputy Director, Transit, Office of Intermodal Project Implementation (Acting) (07/01/20 – 05/31/21)	Mr. John Oimoen
Deputy Director, Aeronautics, Office of Intermodal Project Implementation	Mr. Clayton Stambaugh

The Department's primary administrative offices are located at:

2300 S. Dirksen Parkway
Springfield, IL 62764

69 W. Washington Street
Chicago, IL 60602



MANAGEMENT ASSERTION LETTER

June 23, 2023

Sikich LLP
3051 Hollis Drive, 3rd Floor
Springfield, IL 62704

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, rules, and regulations applicable to identifying and enrolling eligible employees of the State of Illinois, Department of Transportation (Department) and reporting their significant elements of census data and related employer contributions through the State Employees' Retirement System (System) to the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan (Plan) administered by the State of Illinois, Department of Central Management Services (CMS). We are responsible for, and we have established and maintained an effective system of internal controls over the specified requirements. We have performed an evaluation of the Department's compliance with the specified requirements during the applicable periods noted below. Based on this evaluation, we assert the Department has materially complied with the specified requirements listed below.

- A. All of the Department's employees required to be enrolled in the System in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2021.
- B. The changes in significant elements of census data for employees required to be enrolled in the Plan occurring during the census data accumulation year ended June 30, 2021, were completely and accurately reported by the Department to CMS through the System.

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

- social security number;
- first and last name;
- date of birth;
- gender; and,
- rate of pay.

C. The employer group insurance contributions for funds other than the General Revenue Fund, which includes contributions for both current employees and an additional amount to cover retiree benefits under a pay as you go methodology, remitted by the Department for the Plan to CMS during the allocation year ended June 30, 2022, were complete, accurate, and in accordance with applicable laws, rules, and regulations. Further, General Revenue Fund payroll paid by the Department and recorded within the Statewide Accounting Management System under detail object code 1120 were complete, accurate, and in accordance with applicable laws, rules, and regulations. Employer group insurance contributions (for funds other than the General Revenue Fund) and General Revenue Fund payroll under detail object code 1120 are the basis for determining the Department's proportionate share of the OPEB liability, deferred inflows of resources, deferred outflows of resources and OPEB expense.

Yours truly,

State of Illinois, Department of Transportation

SIGNED ORIGINAL ON FILE

Omer Osman, Secretary

SIGNED ORIGINAL ON FILE

Vicki Wilson, Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Terrence Glavin, Acting Chief Legal Counsel

**STATE OF ILLINOIS
DEPARTMENT OF TRANSPORTATION**

**COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021**

EXAMINATION REPORT

SUMMARY

The compliance testing of census data and employer contributions for group insurance under the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan 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 Compliance and on Internal Control Over Compliance does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report*</u>
Findings	-	N/A
Repeated Findings	N/A	N/A
Prior Recommendations Implemented or Not Repeated	N/A	N/A

* This is the first compliance examination over census data of the Department of Transportation. Therefore, there were no prior findings.

EXIT CONFERENCE

The Illinois Department of Transportation waived an exit conference in a correspondence from Kayla Routh, External Audit Coordinator, on June 13, 2023.

3051 Hollis Drive, 3rd Floor
Springfield, IL 62704
217.793.3363

SIKICH.COM

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

Honorable Susana M. Mendoza
Comptroller
State of Illinois

Mr. Omer Osman
Secretary
Illinois Department of Transportation

External Auditors
Illinois Department of Transportation

Ms. Raven DeVaughn
Acting Director
State of Illinois, Department of Central Management Services

External Auditors
State of Illinois, Department of Central Management Services

Compliance

As limited-scope Special Assistant Auditors for the Auditor General of the State Employees' Retirement System (System), we have examined compliance by management of the State of Illinois, Department of Transportation (Department) 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:

- 1) the census data accumulation year for the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan (Plan) administered by the Department of Central Management Services (CMS) ended June 30, 2021; and,
- 2) the proportionate share allocation year for the Plan ended June 30, 2022.

Management of the Department is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Department's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. All of the Department's employees required to be enrolled in the State Employees' Retirement System (System) in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2021.
- B. The changes in significant elements of census data for employees required to be enrolled in the Plan occurring during the census data accumulation year ended June 30, 2021, were completely and accurately reported by the Department to CMS through the System.

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

- a. social security number;
 - b. first and last name;
 - c. date of birth;
 - d. gender; and,
 - e. rate of pay.
- C. The employer group insurance contributions for funds other than the General Revenue Fund, which includes contributions for both current employees and an additional amount to cover retiree benefits under a pay as you go methodology, remitted by the Department for the Plan to CMS during the allocation year ended June 30, 2022, were complete, accurate, and in accordance with applicable laws, rules, and regulations. Further, General Revenue Fund payroll paid by the Department and recorded within the Statewide Accounting Management System under detail object code 1120 were complete, accurate, and in accordance with applicable laws, rules, and regulations. Employer group insurance contributions (for funds other than the General Revenue Fund) and General Revenue Fund payroll under detail object code 1120 are the basis for determining the Department's proportionate share of the OPEB liability, deferred inflows of resources, deferred outflows of resources and OPEB expense.

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 Department complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Department 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 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 Department's compliance with the specified requirements.

In our opinion, the Department complied, in all material respects, with the specified requirements during:

- 1) the census data accumulation year for the Plan ended June 30, 2021, and,
- 2) the proportionate share allocation year for the Plan ended June 30, 2022,

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.

Internal Control Over Compliance

Management of the Department 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 Department's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Department's compliance with the specified requirements and to test and report on the Department's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department'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 or significant deficiencies.

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

Springfield, Illinois
June 23, 2023

DEPARTMENT OF INNOVATION AND TECHNOLOGY

**STATE OF ILLINOIS
DEPARTMENT OF INNOVATION
AND TECHNOLOGY**

**COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021**

DEPARTMENT OFFICIALS

Secretary (Acting) (06/01/23 – Present)	Mr. Sanjay Gupta
Secretary (Acting) (01/13/23 – 05/31/23)	Mr. Brandon Ragle
Secretary (04/09/22 – 01/12/23)	Mrs. Jennifer Ricker
Secretary (Acting) (09/05/20 – 04/08/22)	Mrs. Jennifer Ricker
Secretary (07/01/20 – 09/04/20)	Mr. Ron Guerrier
Assistant Secretary (06/01/23 – Present)	Mr. Brandon Ragle
Assistant Secretary (01/09/23 – 05/31/23)	Vacant
Assistant Secretary (07/08/22 – 01/08/23)	Mr. Brandon Ragle
Assistant Secretary (03/16/21 – 07/07/22)	Vacant
Assistant Secretary (Acting) (07/01/20 – 03/15/21)	Mrs. Jennifer Ricker
Chief Administrative Officer (01/01/23 – Present)	Mr. Albert Coll
Chief Administrative Officer (11/01/22 – 12/31/22)	Vacant
Chief Administrative Officer (07/01/21– 10/31/22)	Mrs. Nina Harris
Chief Administrative Officer (07/01/20 – 06/30/21)	Vacant
Chief of Staff	Mrs. Jenifer Johnson
Chief Fiscal Officer (09/15/22 – Present)	Ms. Mary Feagans
Chief Fiscal Officer (06/16/22 – 09/14/22)	Vacant
Chief Fiscal Officer (Acting) (07/01/20 – 06/15/22)	Mr. Brian Turner
General Counsel (01/01/23 – Present)	Ms. Margaret van Dijk
General Counsel (11/01/22 – 12/31/22)	Vacant
General Counsel (07/01/21 – 10/31/22)	Mr. Matthew Runyen
General Counsel (03/16/21 – 06/30/21)	Vacant
General Counsel (07/01/20 – 03/15/21)	Ms. Margaret van Dijk
Chief Internal Auditor (02/16/21 – Present)	Mr. John Valtierra
Chief Internal Auditor(09/29/20 – 02/15/21)	Vacant
Chief Internal Auditor (07/01/20 – 09/28/20)	Mr. Doug Tinch

The Department's primary administrative office is located at:

120 West Jefferson Street
Springfield, Illinois 62702

MANAGEMENT ASSERTION LETTER

June 22, 2023

Sikich LLP
3051 Hollis Drive, 3rd Floor
Springfield, IL 62704

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, rules, and regulations applicable to identifying and enrolling eligible employees of the State of Illinois, Department of Innovation and Technology (Department) and reporting their significant elements of census data and related employer contributions through the State Employees' Retirement System (System) to the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan (Plan) administered by the State of Illinois, Department of Central Management Services (CMS). We are responsible for, and we have established and maintained an effective system of internal controls over the specified requirements. We have performed an evaluation of the Department's compliance with the specified requirements during the applicable periods noted below. Based on this evaluation, we assert the Department has materially complied with the specified requirements listed below.

- A. All of the Department's employees required to be enrolled in the System in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2021.
- B. The changes in significant elements of census data for employees required to be enrolled in the Plan occurring during the census data accumulation year ended June 30, 2021, were completely and accurately reported by the Department to CMS through the System.

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

- social security number;
- first and last name;
- date of birth;
- gender; and,
- rate of pay.

C. The employer group insurance contributions for funds other than the General Revenue Fund, which includes contributions for both current employees and an additional amount to cover retiree benefits under a pay as you go methodology, remitted by the Department for the Plan to CMS during the allocation year ended June 30, 2022, were complete, accurate, and in accordance with applicable laws, rules, and regulations. Further, General Revenue Fund payroll paid by the Department and recorded within the Statewide Accounting Management System under detail object code 1120 were complete, accurate, and in accordance with applicable laws, rules, and regulations. Employer group insurance contributions for funds other than the General Revenue Fund and General Revenue Fund payroll under detail object code 1120 are the basis for determining the Department's proportionate share of the OPEB liability, deferred inflows of resources, deferred outflows of resources and OPEB expense.

Yours truly,

State of Illinois, Department of Innovation and Technology

SIGNED ORIGINAL ON FILE

Sanjay Gupta, Acting Secretary

SIGNED ORIGINAL ON FILE

Mary Feagans, Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Margaret van Dijk, General Counsel

**STATE OF ILLINOIS
DEPARTMENT OF INNOVATION AND TECHNOLOGY**

**COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021**

EXAMINATION REPORT

SUMMARY

The compliance testing of census data and employer contributions for group insurance under the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan 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 Compliance and on Internal Control Over Compliance does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report*</u>
Findings	-	N/A
Repeated Findings	N/A	N/A
Prior Recommendations Implemented or Not Repeated	N/A	N/A

* This is the first compliance examination over census data of the Department of Innovation and Technology. Therefore, there were no prior findings.

EXIT CONFERENCE

The Illinois Department of Innovation and Technology waived an exit conference in a correspondence from Kelly Guerrero, Internal Auditor, on June 13, 2023.

3051 Hollis Drive, 3rd Floor
Springfield, IL 62704
217.793.3363

SIKICH.COM

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

Honorable Susana M. Mendoza
Comptroller
State of Illinois

Mr. Sanjay Gupta
Secretary
Illinois Department of Innovation and Technology

External Auditors
Illinois Department of Innovation and Technology

Ms. Raven DeVaughn
Acting Director
State of Illinois, Department of Central Management Services

External Auditors
State of Illinois, Department of Central Management Services

Compliance

As limited-scope Special Assistant Auditors for the Auditor General of the State Employees' Retirement System (System), we have examined compliance by management of the State of Illinois, Department of Innovation and Technology (Department) 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:

- (1) the census data accumulation year for the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan (Plan) administered by the State of Illinois, Department of Central Management Services (CMS) ended June 30, 2021; and,
- (2) the proportionate share allocation year for the Plan ended June 30, 2022.

Management of the Department is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Department's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. All of the Department's employees required to be enrolled in the System in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2021.
- B. The changes in significant elements of census data for employees required to be enrolled in the Plan occurring during the census data accumulation year ended June 30, 2021, were completely and accurately reported by the Department to CMS through the System.

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

- a. social security number;
 - b. first and last name;
 - c. date of birth;
 - d. gender; and,
 - e. rate of pay.
- C. The employer group insurance contributions for funds other than the General Revenue Fund, which includes contributions for both current employees and an additional amount to cover retiree benefits under a pay as you go methodology, remitted by the Department for the Plan to CMS during the allocation year ended June 30, 2022, were complete, accurate, and in accordance with applicable laws, rules, and regulations. Further, General Revenue Fund payroll paid by the Department and recorded within the Statewide Accounting Management System under detail object code 1120 were complete, accurate, and in accordance with applicable laws, rules, and regulations. Employer group insurance contributions for funds other than the General Revenue Fund and General Revenue Fund payroll under detail object code 1120 are the basis for determining the Department's proportionate share of the OPEB liability, deferred inflows of resources, deferred outflows of resources and OPEB expense.

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 Department complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Department 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 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 Department's compliance with the specified requirements.

In our opinion, the Department complied, in all material respects, with the specified requirements during:

- 1) the census data accumulation year for the Plan ended June 30, 2021, and,
- 2) the proportionate share allocation year for the Plan ended June 30, 2022.

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.

Internal Control Over Compliance

Management of the Department 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 Department's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Department's compliance with the specified requirements and to test and report on the Department's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department'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 or significant deficiencies.

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

Springfield, Illinois
June 22, 2023

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
A Component Unit of the State of Illinois

COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021

AUTHORITY OFFICIALS

Executive Director (08/26/22 – Present)	Ms. Cassandra Rouse
Interim Executive Director (04/01/22 – 08/25/22)	Ms. Lanyea Griffin
Executive Director (03/15/22 – 03/31/22)	Vacant
Executive Director (07/01/20 – 03/14/22)	Mr. Jose Alvarez
Chief Financial Officer	Ms. Cathy R. Williams
General Counsel	Ms. Kathleen Pasulka-Brown
Chief Operations Officer (11/17/22 – Present)	Mr. Jeffrey Donoghue
Chief Operations Officer (08/26/22 – 11/16/22)	Vacant
Chief Operations Officer (07/22/21 – 08/25/22)	Ms. Cassandra Rouse
Chief Operations Officer (01/30/21 – 07/21/21)	Vacant
Chief Operations Officer (07/01/20 – 01/29/21)	Mr. Derek Messier
Controller	Ms. Patricia Pearn

TOLL HIGHWAY AUTHORITY BOARD OFFICERS

Chair (02/17/23 – Present)	Mr. Arnaldo Rivera
Chair (01/31/23 – 02/16/23)	Vacant
Chair (02/17/22 – 01/30/23)	Ms. Dorothy Abreu
Chair (07/01/20 – 02/18/22)	Mr. William S. Evans Jr.
Vice Chair	Mr. James Connolly

TOLL HIGHWAY AUTHORITY BOARD MEMBERS

Member (04/01/23 – Present)	Vacant
Member (07/01/20 – 03/31/23)	Ms. Alice Gallagher
Member	Ms. Jacqueline Gomez Fuentes
Member	Ms. Karen McConnaughay
Member	Mr. Scott Paddock
Member	Mr. Gary Perinar
Member	Mr. James Sweeney
Member (04/02/2022 – Present)	Vacant
Member (07/01/2020 – 04/01/22)	Mr. Stephen Davis

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
A Component Unit of the State of Illinois

COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021

The Illinois State Toll Highway Authority's primary administrative office is located at:

2700 Ogden Avenue
Downers Grove, Illinois 60515



MANAGEMENT ASSERTION LETTER

June 26, 2023

Sikich LLP
3051 Hollis Drive, 3rd Floor
Springfield, IL 62704

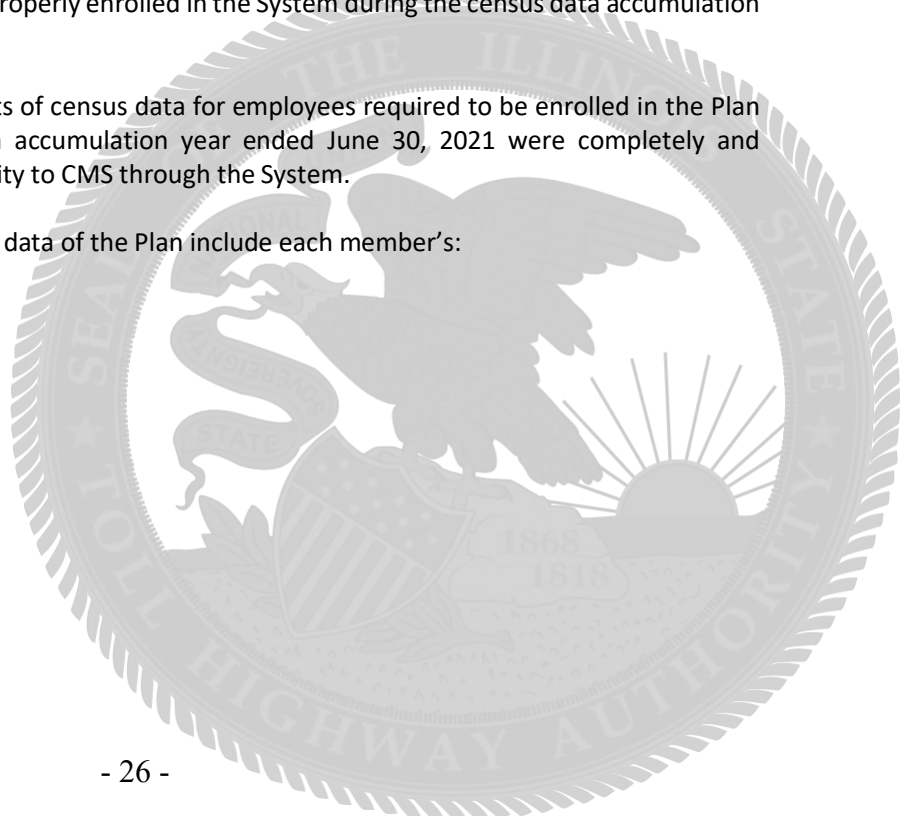
Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, rules, and regulations applicable to identifying and enrolling eligible employees of The Illinois State Toll Highway Authority (“Authority”) and reporting their significant elements of census data and related employer contributions through the State Employees Retirement System (“System”) to the State Employees’ Group Insurance Program, Other Post-Employment Benefits Plan (“Plan”) administered by the State of Illinois, Department of Central Management Services (“CMS”). We are responsible for, and we have established and maintained, an effective system of internal controls over the specified requirements. We have performed an evaluation of the Authority’s compliance with the specified requirements during the applicable periods noted below. Based on this evaluation, we assert the Authority has materially complied with the specified requirements listed below.

- A. All of the Authority’s employees required to be enrolled in the System in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2021.
- B. The changes in significant elements of census data for employees required to be enrolled in the Plan occurring during the census data accumulation year ended June 30, 2021 were completely and accurately reported by the Authority to CMS through the System.

The significant elements of census data of the Plan include each member’s:

- social security number;
- first and last name;
- date of birth;
- gender; and
- rate of pay.



- C. The employer group insurance contributions for sworn troopers assigned to Illinois State Police Troop 15, which includes contributions for both current employees and an additional amount to cover retiree benefits under a pay as you go methodology, remitted by the Authority for the Plan to CMS during the allocation year ended June 30, 2022 were complete, accurate, and in accordance with applicable laws, rules, and regulations. Further, the annual contributions to CMS for the Authority's average employer's share of the cost of retiree coverage per participating employee in the Plan were complete, accurate, and in accordance with Section 11 of the State Employees Group Insurance Act of 1971. Employer group insurance contributions and the annual contributions to CMS for the Authority's average employer's share of the cost of retiree coverage per participating employee in the Plan are the basis for determining the Authority's proportionate share of the OPEB liability, deferred inflows of resources, deferred outflows of resources and OPEB expense.

Yours truly,

The Illinois State Toll Highway Authority

SIGNED ORIGINAL ON FILE

Cassandra Rouse, Executive Director

SIGNED ORIGINAL ON FILE

Cathy Williams, Chief Financial Officer

SIGNED ORIGINAL ON FILE

Kathleen Pasulka-Brown, General Counsel

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
A Component Unit of the State of Illinois

COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Years Ended June 30, 2021

EXAMINATION REPORT

SUMMARY

The compliance testing of census data and employer contributions for group insurance under the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan 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 Compliance and on Internal Control Over Compliance does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report*</u>
Findings	-	N/A
Repeated Findings	N/A	N/A
Prior Recommendations Implemented or Not Repeated	N/A	N/A

* This is the first compliance examination over census data on the Illinois State Toll Highway Authority. Therefore, there were no prior findings.

EXIT CONFERENCE

The Illinois State Toll Highway Authority waived an exit conference in a correspondence from Patricia Pearn, Controller, on June 12, 2023.

3051 Hollis Drive, 3rd Floor
Springfield, IL 62704
217.793.3363

SIKICH.COM

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

Honorable Susana M. Mendoza
Comptroller
State of Illinois

Board of Directors
Illinois State Toll Highway Authority

Ms. Cassandra Rouse
Executive Director
Illinois State Toll Highway Authority

External Auditors
Illinois State Toll Highway Authority

Ms. Raven DeVaughn
Acting Director
State of Illinois, Department of Central Management Services

External Auditors
State of Illinois, Department of Central Management Services

Compliance

As limited-scope Special Assistant Auditors for the Auditor General of the State Employees' Retirement System (System), we have examined compliance by management of the Illinois State Toll Highway Authority (Authority), a component unit of the State of Illinois, 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:

- 1) the census data accumulation year for the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan (Plan) administered by the Department of Central Management Services (CMS) ended June 30, 2021; and,
- 2) the proportionate share allocation year for the System ended June 30, 2022.

Management of the Authority is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Authority's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. All the Authority's employees required to be enrolled in the System in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2021.
- B. The changes in significant elements of census data for employees required to be enrolled in the Plan occurring during the census data accumulation year ended June 30, 2021, were completely and accurately reported by the Authority to CMS through the System.

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

- a. social security number;
 - b. first and last name;
 - c. date of birth;
 - d. gender; and,
 - e. rate of pay.
- C. The employer group insurance contributions for sworn troopers assigned to the Illinois State Police's District 15, which includes contributions for both current employees and an additional amount to cover retiree benefits under a pay as you go methodology, remitted by the Authority for the Plan to CMS during the allocation year ended June 30, 2022, were complete, accurate, and in accordance with applicable laws, rules, and regulations. Further, the annual contributions to CMS for the Authority's average employer's share of the cost of retiree coverage per participating employee in the Plan, were complete, accurate, and in accordance with Section 11 of the State Employees Group Insurance Act of 1971. Employer group insurance contributions and the annual contributions to CMS for the Authority's average employer's share of the cost of retiree coverage per participating employee in the Plan are the basis for determining the Authority's proportionate share of the OPEB liability, deferred inflows of resources, deferred outflows of resources and OPEB expense.

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 Authority complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Authority 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 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 Authority's compliance with the specified requirements.

In our opinion, the Authority complied, in all material respects, with the specified requirements during:

- 1) the census data accumulation year for the Plan ended June 30, 2021, and,
- 2) the proportionate share allocation year for the Plan ended June 30, 2022.

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.

Internal Control Over Compliance

Management of the Authority 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 Authority's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Authority's compliance with the specified requirements and to test and report on the Authority's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 or significant deficiencies.

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

Springfield, Illinois
June 26, 2023

ILLINOIS STATE POLICE – DISTRICT 15

**STATE OF ILLINOIS
ILLINOIS STATE POLICE - DISTRICT 15**

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
A Component Unit of the State of Illinois**

**COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Years Ended June 30, 2021**

DEPARTMENT OFFICIALS

Director	Mr. Brendan Kelly
First Deputy Director	Mr. Matt Davis
Chief Financial Officer (11/01/21 – Present)	Mr. Benjamin Dieterich
Chief Financial Officer (07/01/20 – 10/31/21)	Mr. Michael Yokley
Chief Legal Counsel (Acting) (06/04/22 – Present)	Ms. Kelly Griffith
Chief Legal Counsel (06/01/21 – 06/03/22)	Ms. Maureen McCurry
Chief Legal Counsel (07/01/20 – 05/31/21)	Ms. Yvette Loizon
Chief Internal Auditor (08/01/20 – Present)	Ms. Denise Caldwell
Chief Internal Auditor (07/01/20 – 07/31/20)	Mr. Brent Nolen

The Department's primary administrative office is located at:

801 South Seventh Street
Springfield, Illinois 62703

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
A Component Unit of the State of Illinois

COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021

AUTHORITY OFFICIALS

Executive Director (08/26/22 – Present)	Ms. Cassaundra Rouse
Interim Executive Director (04/01/22 – 08/25/22)	Ms. Lanyea Griffin
Executive Director (03/15/22 – 03/31/22)	Vacant
Executive Director (07/01/20 – 03/14/22)	Mr. Jose Alvarez
Chief Financial Officer	Ms. Cathy R. Williams
General Counsel	Ms. Kathleen Pasulka-Brown
Chief Operations Officer (11/17/22 – Present)	Mr. Jeffrey Donoghue
Chief Operations Officer (08/26/22 – 11/16/22)	Vacant
Chief Operations Officer (07/22/21 – 08/25/22)	Ms. Cassaundra Rouse
Chief Operations Officer (01/30/21 – 07/21/21)	Vacant
Chief Operations Officer (07/01/20 – 01/29/21)	Mr. Derek Messier
Controller	Ms. Patricia Pearn

TOLL HIGHWAY AUTHORITY BOARD OFFICERS

Chair (02/17/23 – Present)	Mr. Arnaldo Rivera
Chair (01/31/23 – 02/16/23)	Vacant
Chair (02/17/22 – 01/30/23)	Ms. Dorothy Abreu
Chair (07/01/20 – 02/18/22)	Mr. William S. Evans Jr.
Vice Chair	Mr. James Connolly

TOLL HIGHWAY AUTHORITY BOARD MEMBERS

Member (04/01/23 – Present)	Vacant
Member (07/01/20 – 03/31/23)	Ms. Alice Gallagher
Member	Ms. Jacqueline Gomez Fuentes
Member	Ms. Karen McConnaughay
Member	Mr. Scott Paddock
Member	Mr. Gary Perinar
Member	Mr. James Sweeney
Member (04/02/2022 – Present)	Vacant
Member (07/01/2020 – 04/01/22)	Mr. Stephen Davis

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
A Component Unit of the State of Illinois

COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021

The Illinois State Toll Highway Authority's primary administrative office is located at:

2700 Ogden Avenue
Downers Grove, Illinois 60515



ILLINOIS STATE POLICE
Office of the Director

JB Pritzker
Governor

Brendan F. Kelly
Director

MANAGEMENT ASSERTION LETTER

June 30, 2023

Sikich LLP
3051 Hollis Drive, 3rd Floor
Springfield, IL 62704

Ladies and Gentlemen:

The State of Illinois, Illinois State Police (Department) and The Illinois State Toll Highway Authority (“Authority”), a component unit of the State of Illinois, have shared responsibilities for processing the payroll of sworn officers assigned to the Department’s Troop 15, which is responsible for patrolling the Authority’s roadways and facilities. The Department and the Authority are responsible for the identification of, and compliance with, all aspects of laws, rules, and regulations, and the intergovernmental agreement between the Department and the Authority outlining the duties, roles, functions, and responsibilities of the parties as allowed for by the State Police Act (20 ILCS 2610/20), applicable to reporting their significant elements of census data and related employer contributions through the State Employees’ Retirement System (“System”) to the State Employees’ Group Insurance Program, Other Post-Employment Benefits Plan (“Plan”) administered by the State of Illinois, Department of Central Management Services (“CMS”). The Authority is responsible for processing and paying the payroll for the Department and, therefore, is responsible for reporting the Department’s significant elements of census data and authorizing the Comptroller to pay the related employer contributions to the Plan. We are responsible for, and we have established and maintained an effective system of internal controls over the specified requirements. We have jointly performed an evaluation of our compliance based on the delineated responsibilities of the Department and the Authority with the specified requirements during the applicable periods noted below. Based on this evaluation, we assert the Department and the Authority have materially complied with the specified requirements listed below.

- A. All of the Department’s sworn officers assigned to Troop 15 required to be enrolled in the System in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2021. The enrollment of these sworn officers within the System occurred through payroll transactions which were processed by the Authority using information provided by the Department.

B. The changes in significant elements of census data for Troop 15’s sworn officers required to be enrolled in the Plan occurring during the census data accumulation year ended June 30, 2021 were completely and accurately reported by the Department through the Authority’s payroll transactions to the System.

The significant elements of census data of the Plan include each member’s:

- social security number;
- first and last name;
- date of birth;
- gender; and
- rate of pay.

B. The employer group insurance contributions for sworn troopers assigned to the Illinois State Police’s Troop 15, which includes contributions for both current employees and an additional amount to cover retiree benefits under a pay as you go methodology, remitted by the Authority for the Plan to CMS during the allocation year ended June 30, 2022 were complete, accurate, and in accordance with applicable laws, rules, and regulations. Further, the annual contributions to CMS for the Authority’s average employer’s share of the cost of retiree coverage per participating employee in the Plan were complete, accurate, and in accordance with Section 11 of the State Employees Group Insurance Act of 1971. Employer group insurance contributions and the annual contributions to CMS for the Authority’s average employer’s share of the cost of retiree coverage per participating employee in the Plan are the basis for determining the Authority’s proportionate share of the OPEB liability, deferred inflows of resources, deferred outflows of resources and OPEB expense.

Yours truly,

State of Illinois, State Police

The Illinois State Toll Highway Authority

SIGNED ORIGINAL ON FILE

SIGNED ORIGINAL ON FILE

Brendan Kelly, Director

Cassandra Rouse, Executive Director

SIGNED ORIGINAL ON FILE

SIGNED ORIGINAL ON FILE

Benjamin Dieterich, Chief Financial Officer

Cathy Williams, Chief Financial Officer

SIGNED ORIGINAL ON FILE

SIGNED ORIGINAL ON FILE

Kelly Griffith, Acting Chief Legal Counsel

Kathleen Pasulka-Brown, General Counsel

**STATE OF ILLINOIS
ILLINOIS STATE POLICE - DISTRICT 15**

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
A Component Unit of the State of Illinois**

**COMPLIANCE EXAMINATION OF GROUP INSURANCE CENSUS DATA
For the Year Ended June 30, 2021**

EXAMINATION REPORT

SUMMARY

The compliance testing of census data and employer contributions for group insurance under the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan 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 Compliance and on Internal Control Over Compliance does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report*</u>
Findings	-	N/A
Repeated Findings	N/A	N/A
Prior Recommendations Implemented or Not Repeated	N/A	N/A

* This is the first compliance examination over census data of the Illinois State Police and the Illinois State Toll Highway Authority. Therefore, there were no prior findings.

EXIT CONFERENCE

The Illinois State Police – District 15 waived an exit conference in a correspondence from Benjamin Dieterich, Chief Financial Officer, on June 13, 2023. Additionally, the Illinois State Toll Highway Authority waived an exit conference in a correspondence from Patricia Pearn, Controller, on June 12, 2023.

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

Honorable Susana M. Mendoza
Comptroller
State of Illinois

Board of Directors
Illinois State Toll Highway Authority

Ms. Cassandra Rouse
Executive Director
Illinois State Toll Highway Authority

Mr. Brendan Kelly
Director
State of Illinois, Illinois State Police

External Auditors
Illinois State Toll Highway Authority

External Auditors
State of Illinois, Illinois State Police

Ms. Raven DeVaughn
Acting Director
State of Illinois, Department of Central Management Services

External Auditors
State of Illinois, Department of Central Management Services

Compliance

As limited-scope Special Assistant Auditors for the Auditor General of the State Employees' Retirement System (System), we have examined compliance by management of the State of Illinois, Illinois State Police (Department) and the Illinois State Toll Highway Authority (Authority), a component unit of the State of Illinois, 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:

- 1) the census data accumulation year for the State Employees' Group Insurance Program, Other Post-Employment Benefits Plan (Plan) administered by the Department of Central Management Services (CMS) ended June 30, 2021; and,
- 2) the proportionate share allocation year for the Plan ended June 30, 2022.

Management of the Department and Authority are responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Department and Authority's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. All of the Department's sworn officers assigned to District 15 required to be enrolled in the System in accordance with applicable laws, rules, and regulations were properly enrolled in the System during the census data accumulation year ended June 30, 2021. The enrollment of these sworn officers within the System occurred through payroll transactions which were processed by the Authority using information provided by the Department.
- B. The changes in significant elements of census data for District 15's sworn officers required to be enrolled in the Plan occurring during the census data accumulation year ended June 30, 2021, were completely and accurately reported by the Department through the Authority's payroll transactions to the System.

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

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

- C. The employer group insurance contributions for sworn troopers assigned to the Illinois State Police's District 15, which includes contributions for both current employees and an additional amount to cover retiree benefits under a pay as you go methodology, remitted by the Authority for the Plan to CMS during the allocation year ended June 30, 2022, were complete, accurate, and in accordance with applicable laws, rules, and regulations. Further, the annual contributions to CMS for the Authority's average employer's share of the cost of retiree coverage per participating employee in the Plan, were complete, accurate, and in accordance with Section 11 of the State Employees Group Insurance Act of 1971. Employer group insurance contributions and the annual contributions to CMS for the Authority's average employer's share of the cost of retiree coverage per participating employee in the Plan are the basis for determining the Authority's proportionate share of the OPEB liability, deferred inflows of resources, deferred outflows of resources and OPEB expense.

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 Department and Authority complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Department and Authority 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 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 Department and Authority's compliance with the specified requirements.

In our opinion, the Department and the Authority complied, in all material respects, with the specified requirements during:

- 1) the census data accumulation year for the Plan ended June 30, 2021, and,
- 2) the proportionate share allocation year for the Plan ended June 30, 2022.

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.

Internal Control Over Compliance

Management of the Department and the Authority 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 Department and the Authority's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Department and the Authority's compliance with the specified requirements and to test and report on the Department and the Authority's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Department and the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department and the Authority'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 or significant deficiencies.

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

Springfield, Illinois
June 30, 2023