



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: July 16, 2024

FINDINGS THIS AUDIT: 3				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	0	0	0	2020		23-2	
Category 2:	2	1	3				
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>				
TOTAL	2	1	3				
FINDINGS LAST AUDIT: 6							

INTRODUCTION

This digest covers the State compliance examination of the State Employees' Retirement System of Illinois (System) for the two years ended June 30, 2023. A digest covering the System's financial audit as of and for the year ended June 30, 2023, was previously released on February 29, 2024. This report contains three findings. The financial audit report contained no findings.

SYNOPSIS

- (23-2) The State Employees' Retirement System of Illinois did not have adequate controls in place over user access to its Information Technology (IT) systems.

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.

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

INADEQUATE INTERNAL CONTROLS OVER ACCESS TO INFORMATION SYSTEMS

The State Employees' Retirement System of Illinois (System) did not have adequate controls in place over user access to its Information Technology (IT) systems.

The System utilized a combination of systems administered both internally as well as externally. During a review of both internal and external systems, we noted:

Evidence of security reviews not retained

- The System did not retain evidence of internal or external security reviews performed during the examination period.
- 7 of 238 (3%) user accounts maintained access to systems after the users' separations. (Finding 2, page 10)

This finding has been reported since 2020.

We recommended the System perform and document security reviews to ensure that continued monitoring is being performed and possible changes or updates to access rights are being made. In addition, we recommended the System implement controls to ensure users' access is timely removed after separation.

The System agreed

The System agreed with our recommendations.

OTHER FINDINGS

The remaining findings pertain to inadequate controls over security incident and vulnerability management and inadequate controls over change management. We will review the System's progress towards the implementation of our recommendations in our next State compliance examination.

AUDITOR'S OPINION

The financial audit report was previously released. The auditors stated the financial statements of the System as of and for the year ended June 30, 2023, are fairly stated in all material respects.

ACCOUNTANT'S OPINION

The accountants conducted a State compliance examination of the System for the two years ended June 30, 2023, as required by the Illinois State Auditing Act. The accountants stated the System complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by RSM US LLP.

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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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