



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

COMMISSION ON EQUITY AND INCLUSION

State Compliance Examination
 For the Eighteen Months Ended June 30, 2023

Release Date: June 6, 2024

FINDINGS THIS AUDIT: 6				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	No Repeat Findings. This is the first examination of the Commission on Equity and Inclusion.			
Category 2:	6	0	6				
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>				
TOTAL	6	0	6				
FINDINGS LAST AUDIT: N/A							

INTRODUCTION

This digest covers the Commission on Equity and Inclusion’s (Commission) compliance examination for the eighteen months ended June 30, 2023. The Commission was created pursuant to the Commission on Equity and Inclusion Act (30 ILCS 574/40-5) to expand access to State contracts for minorities, women, persons with disabilities, and veterans and assist the State in enhancing the equity and inclusion throughout its workforce. The Commission began operations on January 1, 2022. This is the Commission’s first compliance examination.

SYNOPSIS

- (23-04) Commission failed to perform monthly reconciliations of the Commission’s records to those of the Illinois Office of Comptroller.
- (23-06) The Commission did not comply with various statutory mandates.

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

FAILURE TO PERFORM REQUIRED RECONCILIATIONS

The Commission on Equity and Inclusion (Commission) failed to perform monthly reconciliations of the Commission's records to those of the Illinois Office of Comptroller for the following:

Reconciliations not performed

- Comptroller's Monthly Reconciliation Status Report (SB01) for Fiscal Years 2022 and 2023;
- Comptroller's Monthly Revenue Status Report (SB04) for Fiscal Year 2023;
- Monthly Agency Contract Report (SC14 Report) for Fiscal Years 2022 and 2023; and,
- Monthly Obligation Activity Report (SC15 Report) for Fiscal Years 2022 and 2023. (Finding 4, page 16)

We recommended the Commission ensure required reconciliations are timely performed.

Commission agreed

The Commission accepted the finding and recommendation and stated that as a new Commission (1/1/2022), they were unaware of this Office of the Comptroller requirement. The Commission also stated it has implemented processes to ensure monthly reconciliations are completed.

NONCOMPLIANCE WITH STATUTORY MANDATES

The Commission did not comply with various statutory mandates.

During testing we noted the following:

Wage earnings report not submitted

- The Commission did not request wage earnings information from each State agency or public institution of higher education during the examination period. Since no data was obtained, the Commission failed to make the required information available to the public on the Internet website of the Commission and failed to submit a report to the Governor and the General Assembly a report on the wage earnings of employees across the State.
- The Commission did not provide a report with all the required components to the Business Enterprise Council for Minorities, Women, and Persons with Disabilities (BEP Council) in fiscal year 2023. The final report submitted failed to include the following report components:

- Dollar amount and percentage of participation by businesses owned by minorities, women, and persons with disabilities.
- Names of the certified firms identified in the utilization plan.

Monthly reports not submitted

- The Commission did not include any reports submitted to the General Assembly on its internet site nor did they provide the copies of the report to the State Government Report Distribution Center.
- The Commission did not provide and deposit with the State Library sufficient copies of any of its publications issued nor did they appoint a State Library contact.
- The Commission failed to provide the State Comptroller or receive a waiver for any of the monthly reports required by the State Finance Act. (Finding 6, pages 20-23)

We recommended the Commission:

- Gather information categorized by both race and gender, specifying the respective wage earnings of employees of that State agency or public institution of higher education, post the results of the information on the Commission’s website and file the required report with the General Assembly and the Governor;
- Include all required components in the report to the BEP Council;
- Include reports submitted to the General Assembly on the Commission’s Internet site and provide copies of the reports to the State Government Report Distribution Center;
- Provide and deposit with the State Library sufficient copies of the Commission’s publications issued and appoint a State Library contact; and
- Provide the State Comptroller monthly reports required by the State Finance Act or receive a waiver.

Commission agreed

The Commission accepted the finding and recommendation and stated it is actively working to correct/implement the recommendation.

OTHER FINDINGS

The remaining findings pertain to personal services weaknesses, noncompliance with the State Employment Records Act, failure to submit State Employment Plan surveys, and weaknesses in the information technology function. We will review the Commission's progress towards the implementation of our recommendations in our next State compliance examination.

ACCOUNTANT'S OPINION

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

This State compliance examination was conducted by Sikich CPA LLC.

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JANE CLARK
Division Director

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

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FRANK J. MAUTINO
Auditor General

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