



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**OFFICE OF COMPTROLLER  
 FISCAL OFFICER RESPONSIBILITIES**

**Compliance Examination  
 For the Year Ended June 30, 2024**

**Release Date: March 11, 2025**

FINDINGS THIS AUDIT: 6				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
<b>Category 1:</b>	<b>0</b>	<b>3</b>	<b>3</b>	2022	<b>24-1, 24-3</b>	24-4, 24-5, 24-6	
<b>Category 2:</b>	<b>0</b>	<b>3</b>	<b>3</b>	2009	<b>24-2</b>		
<b>Category 3:</b>	<b>0</b>	<b>0</b>	<b>0</b>				
<b>TOTAL</b>	<b>0</b>	<b>6</b>	<b>6</b>				
<b>FINDINGS LAST AUDIT: 6</b>							

**INTRODUCTION**

This digest covers the Office of Comptroller’s (Office) Fiscal Officer Responsibilities Compliance Examination for the year ended June 30, 2024. The Office’s Fiscal Officer Responsibilities Financial Audit as of and for the year ended June 30, 2024 was previously released on December 19, 2024. In total, this report contains six findings, one of which was also reported in the Financial Audit.

**SYNOPSIS**

- **(24-02)** The Office did not ensure all statutorily mandated transfers between State funds were made within established timeframes.
- **(24-03)** The Office had not implemented adequate controls over its service providers.

**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**

**LATE PAYMENT OF STATUTORILY MANDATED TRANSFERS**

The Office of Comptroller (Office) did not ensure all statutorily mandated transfers between State funds were made within established timeframes, as required.

**Late payments for inter-fund transfers totaling \$448 million were made after June 30, 2024**

The Office processed transfers from 34 to 365 days after the mandated transfer date. The late transfers outstanding as of and paid after June 30, 2024 totaled \$448 million. The Office also made 207 late transfers, totaling \$539 million, between State funds that were made between one and 30 days after the statutorily mandated transfer date. Lastly, we noted 68 late transfers, totaling \$383 million, which were still outstanding as of October 18, 2024, relating to fiscal year 2024 and fiscal year 2023. (Finding 2, pages 12-14) **This finding was first reported in 2009.**

We recommended the Office make transfers within timeframes established by applicable statutes. While we realize the lack of available funds in the State Treasury requires prioritization and cash management decisions, we recommended the Office continue in its efforts to make transfers in as timely a manner as possible.

**Office accepts the recommendation**

Office officials accepted the recommendation and stated the Office will continue in its effort to make the required transfers timely but given all the competing payments from limited resources in the State Treasury there will always be some transfers pending until funds are available, or when needed. Office officials also stated most GRF transfers were made by the end of June 30, 2024 and the few pending GRF transfers were not delayed and the pending non-GRF transfers, especially those for capital obligations, will be processed upon collaboration with the respective State agencies. Office officials further stated the Office staff continues to work together with various State fiscal officers on a regular ongoing basis to manage the processing of such transfers throughout the fiscal year to avoid disruptions in the delivery of State services or programs.

**INADEQUATE CONTROLS OVER SERVICE PROVIDERS**

The Office of Comptroller (Office) had not implemented adequate controls over its service providers.

We requested the Office's population of service providers utilized during the examination period to determine if the Office had reviewed the internal controls of its service providers. In

response to our request, the Office provided a population; however, the population contained an inaccuracy.

**Office's service provider population had an inaccuracy**

Due to this condition, we were unable to conclude the Office's population records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.36).

Despite the limitation noted above, we selected a sample of service providers for our detailed testing and noted the Office:

**Office did not review SOC reports**

- Did not review the System and Organization Controls (SOC) reports for three of three (100%) service providers.
- Did not have a system in place to monitor performance measures or compliance with the contract requirements at the service providers. (Finding 3, pages 15-16) **This finding was first reported in 2022.**

**Office did not have a system to monitor service providers**

We recommended the Office maintain an accurate list of service providers and review SOC reports covering the examination period. Additionally, we recommended the Office monitor the contracted controls at its service providers to ensure compliance with the contract requirements.

**Office agreed with the recommendation**

The Office agreed with the recommendations and stated the Office implemented a process to maintain an authoritative list of service providers and ensure complete review of SOC2 reports or industry standard alternatives. The Office also stated it was in the process of finalizing a document to include in future contracts ensuring providers meet security control requirements.

**OTHER FINDINGS**

The remaining findings pertain to the Office's failure to implement adequate Information Technology controls, inadequate controls over remote access, inadequate disaster recovery planning, and weaknesses in cybersecurity programs and practices. We will review the Office's progress towards the implementation of our recommendations in our next compliance examination.

**AUDITOR'S OPINION**

The financial audit was previously released. The auditors stated the budgetary basis fund balances at June 30, 2024, and the revenues and expenditures for the year then ended relating to the State of Illinois, Office of Comptroller - Fiscal Officer Responsibilities' Traditional Budgetary Financial Report, are fairly presented in all material respects.

**ACCOUNTANT'S OPINION**

The accountants conducted a compliance examination of the Office of Comptroller, Fiscal Officer Responsibilities for the year ended June 30, 2024, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Findings 2024-001, 2024-002 and 2024-003. Except for the noncompliance described in these findings, the accountants stated the Office of Comptroller, Fiscal Officer Responsibilities, complied in all material respects with the requirements described in the report.

This compliance examination was conducted by Sikich LLP.

**SIGNED ORIGINAL ON FILE**

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COURTNEY DZIERWA  
Division Director

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

**SIGNED ORIGINAL ON FILE**

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FRANK J. MAUTINO  
Auditor General

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