ADELFIA LLC
CERTIFIED PUBLIC ACCOUNTANTS

STATE OF ILLINOIS
GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2025

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

STATE OF ILLINOIS
GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2025

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STATE OF ILLINOIS
GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2025

AGENCY OFFICIALS

Speaker of the House	Emanuel Welch
Minority Leader	Tony McCombie
Clerk of the House	John Hollman
Assistant Clerk of the House	Bradley Bolin
House Chief Fiscal Officers:	
Democratic Leadership	
(01/01/2026 – current)	Thomas Cory
(07/01/2023 – 12/31/2025)	Henry Harms
Republican Leadership	Melissa Thomas
Office of the Clerk	Kirk Walker

AGENCY OFFICES

Agency offices are located at:

Office of the Speaker of the House
300 State Capitol Building
Springfield, IL 62706

Office of the Minority Leader
316 State Capitol Building
Springfield, IL 62706

Office of the Clerk of the House
420 State Capitol Building
Springfield, IL 62706

GENERAL ASSEMBLY
STATE OF ILLINOIS
HOUSE OF REPRESENTATIVES

MANAGEMENT ASSERTION LETTER

September 3, 2026

Adelfia LLC
400 E. Randolph Street, Suite 700
Chicago, Illinois 60601

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, General Assembly, Illinois House of Representatives – Democratic Leadership (House – Democratic Leadership). We are responsible for, and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the House – Democratic Leadership's compliance with the following specified requirements during the two-year period ended June 30, 2025. Based on this evaluation, we assert that during the years ended June 30, 2024, and June 30, 2025, the House – Democratic Leadership has materially complied with the specified requirements listed below.

A. The House – Democratic Leadership has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.

B. The House – Democratic Leadership has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.

C. The House – Democratic Leadership has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

D. State revenues and receipts collected by the House – Democratic Leadership are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.

Yours truly,

State of Illinois, General Assembly, Illinois House of Representatives – Democratic Leadership

SIGNED ORIGINAL ON FILE

Clayton Harris III, Chief of Staff

SIGNED ORIGINAL ON FILE

Thomas Cory, Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Katherine Bray, Chief Legal Counsel

ILLINOIS HOUSE OF REPRESENTATIVES

District Office:
9317B IL Rte 84
Savanna, IL 61074
Phone: 815-291-8989

Springfield Office:
316 State House
Springfield, IL 62706
Phone: 217-782-3992

Tony McCombie
State Representative • 89th District
House Minority Leader

MANAGEMENT ASSERTION LETTER

September 3, 2026

Adelfia LLC
400 E. Randolph Street, Suite 700
Chicago, Illinois 60601

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, General Assembly, Illinois House of Representatives – Republican Leadership (House – Republican Leadership). We are responsible for, and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the House – Republican Leadership's compliance with the following specified requirements during the two-year period ended June 30, 2025. Based on this evaluation, we assert that during the years ended June 30, 2024, and June 30, 2025, the House – Republican Leadership has materially complied with the specified requirements listed below.

A. The House – Republican Leadership has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.

B. The House – Republican Leadership has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.

C. The House – Republican Leadership has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

D. State revenues and receipts collected by the House – Republican Leadership are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.

Yours truly,

State of Illinois, General Assembly, Illinois House of Representatives-Republican Leadership

SIGNED ORIGINAL ON FILE

Avery Bourne, Chief of Staff

SIGNED ORIGINAL ON FILE

Melissa Thomas, Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Derek Persico, Chief Legal Counsel

ILLINOIS HOUSE OF REPRESENTATIVES

OFFICE OF THE CLERK

JOHN W. HOLLMAN
CLERK

BRAD BOLIN
ASSISTANT CLERK

EMANUEL "CHRIS" WELCH
SPEAKER

September 3, 2026

Adelfia LLC
400 E. Randolph Street, Suite 700
Chicago, Illinois 60601

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, General Assembly, Illinois House of Representatives – Office of the Clerk (House – Office of the Clerk). We are responsible for, and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the House – Office of the Clerk's compliance with the following specified requirements during the two-year period ended June 30, 2025. Based on this evaluation, we assert that during the years ended June 30, 2024, and June 30, 2025, the House – Office of the Clerk has materially complied with the specified requirements listed below.

A. The House – Office of the Clerk has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.

B. The House – Office of the Clerk has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.

C. The House – Office of the Clerk has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

D. State revenues and receipts collected by the House – Office of the Clerk are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.

Yours truly,

State of Illinois, General Assembly, Illinois House of Representatives – Office of the Clerk

SIGNED ORIGINAL ON FILE

John Hollman, Clerk of the House

SIGNED ORIGINAL ON FILE

Kirk Walker, Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Katherine Bray, Chief Legal Counsel

STATE OF ILLINOIS
GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2025

STATE COMPLIANCE REPORT

SUMMARY

The State compliance testing 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 State Compliance and on Internal Control Over Compliance does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	**Current Report**	**Prior Report**
Findings	5	4
Repeated Findings[1]	4	2
Prior Recommendation Implemented or Not Repeated	0	1

SCHEDULE OF FINDINGS

Item No.	Page	Last/First Reported	Description	Finding Type
			Current Findings	
2025-001	13	2023/2021	Inadequate Controls over Employee Trainings and Files[1]	Significant Deficiency and Noncompliance
2025-002	16	2023/2023	Inadequate Controls over Service Providers	Significant Deficiency and Noncompliance
2025-003	19	New	Inadequate Controls over Monthly Reconciliations	Significant Deficiency and Noncompliance
2025-004	21	New	Inadequate Controls over Employee Deductions	Significant Deficiency and Noncompliance
2025-005	23	2023/2021	Inadequate Controls over Cybersecurity Programs	Significant Deficiency and Noncompliance

[1]Note: Findings 2023-001 and 2023-002 were repeated and combined into Finding 2025-001.

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with House of Representatives (House) – Office of the Clerk of the House and House Democratic Leadership personnel at an exit conference on August 28, 2026; and with House Republican Leadership personnel on August 28, 2026.

Attending were:

Illinois General Assembly – House of Representatives: Office of the Clerk of the House and Democratic Leadership

John Hollman	Clerk of the House
Clayton Harris III	Chief of Staff, Office of the Speaker
Katherine Bray	Chief Legal Counsel, Office of the Speaker
Kirk Walker	Chief Fiscal Officer, Office of the Clerk of the House
Thomas Cory	Chief Fiscal Officer, Office of the Speaker

Illinois General Assembly – House of Representatives: Republican Leadership

Avery Bourne	Chief of Staff, Republican Leadership
Melissa Thomas	Chief Fiscal Officer, Republican Leadership
Derek Persico	Chief Legal Counsel, Republican Leadership
Ryan Steinacher	IT Administrator, Republican Leadership

Office of the Auditor General

Lisa Warden	OAG Senior Audit Manager

Adelfia LLC

Stella Marie Santos	Managing Partner
Ana Liza Ausan	Partner
Princess de Leon	Audit Supervisor
Gionelle Ceniza	IS Manager
Ferdinand Isla	IS Specialist

The responses to the recommendations were provided by Thomas Cory, Chief Fiscal Officer – Office of the Speaker; and Melissa Thomas, Chief Fiscal Officer – Republican Leadership in correspondences dated September 3, 2026.

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CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable Christopher B. Meister
Auditor General
State of Illinois

Report on State Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the State of Illinois, General Assembly – House of Representatives (House of Representatives) 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 the two years ended June 30, 2025. Management of the House of Representatives is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the House of Representatives' compliance with the specified requirements based on our examination.

The specified requirements are:

A. The House of Representatives has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.

B. The House of Representatives has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.

C. The House of Representatives has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

D. State revenues and receipts collected by the House of Representatives are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.

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 House of

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

In our opinion, the House of Representatives complied with the specified requirements during the two years ended June 30, 2025, in all material respects. However, the results of our procedures disclosed instances of noncompliance with the specified requirements, which are required to be reported in accordance with criteria established by the *Audit Guide* and are described in the accompanying Schedule of Findings as items 2025-001 through 2025-005.

The House of Representatives' responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The House of Representatives' responses were not subjected to the procedures applied in the examination and, accordingly, we express no opinion on the responses.

The purpose of this report is solely to describe the scope of our testing and the results of that testing in accordance with the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Report on Internal Control Over Compliance

Management of the House of Representatives 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 House of Representatives' internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the House of Representatives' compliance with the specified requirements and to test and report on the House of Representatives' internal control in accordance with the Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of the House of Representatives' internal control. Accordingly, we do not express an opinion on the effectiveness of the House of Representatives' 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. However, we did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2025-001 through 2025-005 that we consider to be significant deficiencies.

As required by the *Audit Guide*, immaterial findings excluded from this report have been reported in a separate letter.

The House of Representatives' responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The House of Representatives' responses were not subjected to the procedures applied in the examination and, accordingly, we express no opinion on the responses.

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

Chicago, Illinois
September 3, 2026

STATE OF ILLINOIS
GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025

2025-001. **FINDING** (Inadequate Controls over Employee Trainings and Files)

The Illinois General Assembly – House of Representatives (House) did not maintain adequate controls to ensure timely completion of employment records and mandatory training for employees.

We tested 25 personnel files, including those of 9 new hires, and we noted the following exceptions:

- For four (44%) new employees tested, the I-9 Form was not signed timely after the first day of employment. Signatures by two Office of the Clerk of the House (Office) employees and one House Democratic Leadership (Democratic) employee were 2 to 8 days late. The I-9 Form was not signed and dated by one Democratic employee.

- For three (33%) new employees tested, the I-9 Form was signed by the Office employer representative 5 to 265 days late.

- Personnel files for three of 9 (33%) Office employees tested were missing supporting documentation of completing initial and/or annual Ethics Training and/or Harassment and Discrimination Prevention Training.

The finding regarding timely completion of I-9 Forms was first noted during the House's State compliance examination for the two years ended June 30, 2021. House management had implemented some corrective actions but had not taken sufficient measures to fully resolve all deficiencies during the examination period. In addition, House management is responsible for implementing timely corrective action on all the findings identified during a State compliance examination.

The Immigration Reform and Control Act (IRCA) (8 USC § 1324a) requires the hiring entity to attest it has verified an individual employed is not an unauthorized alien. The IRCA and the Code of Federal Regulations (CFR) (8 C.F.R. § 274a.2), *Verification of Identity and Employment Authorization,* designates Form I-9 as the means of documenting this verification. In addition, the CFR requires a hiring entity to ensure the individual it hires properly completes Section 1 of the I-9 Form at the time of hire, defined as the first day an employee starts work for pay. The employer is required to complete the "Employer Review and Verification" on Section 2 of the I-9 Form within three business days of hire and sign the attestation with a handwritten or electronic signature.

2025-001. **FINDING** (Inadequate Controls over Employee Trainings and Files) (Continued)

The State Officials and Employees Ethics Act (Act) (5 ILCS 430/5-10(c)) and (5 ILCS 430/5-10.5) require a person who fills a vacancy in an elective or appointed position or is employed in a position requiring ethics training and harassment and discrimination prevention training to complete his or her initial training within 30 days after commencement of his or her office or employment and at least annually thereafter.

Management indicated the exceptions were believed to be due to oversight by the former employee handling I-9 Forms, as well as oversight in completing and monitoring training.

Failure to ensure timely completion and approval of employee I-9 Forms may result in untimely identification of any potential employment issues and could subject the State to unnecessary legal costs and penalties. Insufficient monitoring and maintenance of documentation to ensure employees have timely completed all required training courses could result in a workforce which is not adequately informed of their ethical and legal rights and responsibilities which could subject the State to legal liability and increase the risk that misconduct, harassment, or discrimination may not be prevented. (Finding Code No. 2025-001, 2023-001, 2023-002, 2021-001)

RECOMMENDATION

We recommend management:

- Strengthen internal controls over the onboarding process to ensure employment forms are timely completed and approved, and documentation thereof is maintained in personnel files.

- Monitor and maintain documentation of training attendance and follow up with staff to ensure mandatory employee training is completed timely.

AGENCY RESPONSE – OFFICE OF THE CLERK OF THE HOUSE and HOUSE DEMOCRATIC LEADERSHIP

Agree. The 4 new employee 1-9 Forms were not timely submitted by the employing Representative's district office to the Clerk's Fiscal Office. The Clerk's Office will continue to improve its maintenance of new employee forms and training certificates.

2025-001. **FINDING** (Inadequate Controls over Employee Trainings and Files) (Continued)

AGENCY RESPONSE – OFFICE OF THE CLERK OF THE HOUSE and HOUSE DEMOCRATIC LEADERSHIP (Continued)

The House Democratic Leadership will continue making all efforts over its onboarding processes to ensure timely signatures, training completion, and accurate record maintenance.

2025-002. **FINDING** (Inadequate Controls over Service Providers)

The Illinois General Assembly – House of Representatives (House) had not implemented adequate internal controls over its service providers.

We requested the House provide the population of services providers utilized to determine if it had reviewed the internal controls over its service providers.

The House Democratic Leadership (Democratic Leadership) identified 14 service providers. We requested the SOC reports and documentation of the Democratic Leadership's review and assessment for all 14 service providers. We noted the Democratic Leadership obtained System and Organization Control (SOC) reports from the 14 service providers. However, the Democratic Leadership did not perform review and assessment of SOC reports of the 14 service providers.

The House Republican Leadership (Republican Leadership) identified 10 service providers. We requested the SOC reports and documentation of the Republican Leadership's review and assessment for all 10 service providers and noted the following:

- For 2 of 10 (20%) Service Providers, the Republican Leadership did not obtain System and Organization Control (SOC) reports from its service providers or conduct independent internal control reviews of the service providers.
- Although the Republican Leadership provided its SOC report review for 8 SOC reports, 7 (88%) SOC reports were not provided for testing. As a result, we were unable to determine whether the reviews performed by the Republican Leadership were adequate.
- For the 1 SOC report which was provided for our review, we noted that the Republican Leadership had not performed an adequate review of control exceptions identified in the SOC report to determine their impact on data security and integrity and any necessary mitigating controls by the Republican Leadership's office.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and maintain accountability over the State's resources.

The *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Maintenance and System and Service Acquisition sections, requires entities outsourcing their IT environment or operations to obtain assurance over the entities' internal controls related to the

2025-002. **FINDING** (Inadequate Controls over Service Providers) (Continued)

services provided. Such assurance may be obtained via System and Organization Control reports or independent reviews.

The Democratic Leadership indicated that it obtained the SOC reports but did not realize the need to formally document its review. The Republican Leadership indicated that it thought its review documentation was sufficient to satisfy its responsibilities and it did not provide SOC reports due to confidentiality concerns with non-disclosure agreements which the Republican Leadership signed.

Obtaining and reviewing SOC reports or another form of independent internal control review is necessary to obtain assurance the service providers' internal controls and the user entity controls at the House are adequate to safeguard and ensure accuracy of the Leadership's data. SOC reports are also needed for the accountants to evaluate whether appropriate measures have been taken to ensure the integrity and protection of resources and significant operational and/or confidential data from unauthorized or accidental disclosure, modifications, or destruction. (Finding Code No. 2025-002, 2023-004)

RECOMMENDATION

We recommend the House implement internal controls over service providers to include the following:

- Review contracts with service providers to ensure applicable requirements over the independent review of internal controls are included.
- Obtain SOC reports or perform independent reviews of internal controls associated with service providers at least annually.
- Assess and document the operation of the CUECs relevant to the House's operations.
- Assess and document the evaluation of the impact on the House's internal control environment of the subservice providers.
- Analyze the SOC reports obtained to determine and document the impact of the report's opinion and noted deviations to the House's operations.
- Provide to the accountants all necessary support to document whether appropriate measures have been taken by the House to ensure integrity and safeguarding of data.

2025-002. **FINDING** (Inadequate Controls over Service Providers) (Continued)

AGENCY RESPONSE – HOUSE REPUBLICAN LEADERSHIP

The Office of the House Republican Leader accepts the finding. We will continue to work with vendors and our legal staff on procedures regarding the sharing and review of SOC reports.

AGENCY RESPONSE – HOUSE DEMOCRATIC LEADERSHIP

Agree. The House Democratic Leadership performed a review and assessment of each of the 14 service providers but failed to formally document that the review and assessment took place. House Democratic Leadership will ensure that formal documentation of the reviews is completed.

ACCOUNTANT'S COMMENT – HOUSE DEMOCRATIC LEADERSHIP

Given the lack of documentation, we were unable to obtain assurance that a review and assessment of the 14 service providers was performed during the examination period or to evaluate the sufficiency thereof.

STATE OF ILLINOIS
GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025

2025-003. **FINDING** (Inadequate Controls over Monthly Reconciliations)

The Illinois General Assembly – House of Representatives (House) did not exercise adequate controls over monthly reconciliations.

During our testing of monthly reconciliations, we noted the following exceptions:

- The Office of the Clerk of the House (Office) was unable to provide the supporting documentation for the reconciliation of monthly appropriations, cash receipts, contracts, expenditures, obligations and cash balances for the entire Fiscal Year 2024. As a result, we were unable to determine if reconciliations were accurate, timely, or performed.

- The House Democratic Leadership (Democratic) performed 2 of 29 (7%) reconciliations of the Monthly Appropriation Status (SB01) Report 6 and 7 days late.

The Statewide Accounting Management System (SAMS) (Procedure 07.30.20) requires State agencies to reconcile their accounting records to the SAMS system reports on a monthly basis. SAMS requires reconciliations to be completed within 60 days of month end.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the House to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that resources and funds applicable to operations are properly recorded, accounted for, and safeguarded against loss, unauthorized use and misappropriation to maintain accountability over the State's resources.

Office and Democratic management indicated that the issues noted were due to difficulty retrieving support from storage, competing priorities and holiday-related delays.

Maintenance of accounting records in an easily accessible manner provides a means for timely reference should the need arise, as well as accountability and a complete audit trail. Performing timely monthly reconciliations to SAMS reports is the primary tool for ensuring accuracy of agency internal records. Failure to timely perform the required reconciliations and to promptly report or resolve differences noted could result in undetected or untimely identified errors or irregularities, diminish the effectiveness of data, and undermine user confidence in the accuracy of financial information. (Finding Code No. 2025-003)

2025-003. **FINDING** (Inadequate Controls over Monthly Reconciliations) (Continued)

RECOMMENDATION

We recommend the House implement controls to ensure timely completion and maintenance of all monthly reconciliations including resolution of reconciling items in accordance with SAMS requirements, and proper documentation, including initials and dates, to evidence review and timeliness.

AGENCY RESPONSE – OFFICE OF THE CLERK OF THE HOUSE and HOUSE DEMOCRATIC LEADERSHIP

Agree. The Clerk's Fiscal Office and House Democratic Leadership will implement controls to ensure timely completion of monthly reconciliations.

STATE OF ILLINOIS
GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025

2025-004. **FINDING** (Inadequate Controls over Employee Deductions)

The Illinois General Assembly – House of Representatives did not maintain adequate controls to ensure employee payroll deductions were withheld in accordance with authorized withholding documentation.

We tested employee deductions for 25 House employees, including 9 Office of the Clerk of the House (Office) employees, and we noted the following:

- Five (55%) Office employees' federal withholding tax deductions did not agree with the employees' *W-4 Federal Withholding Certificate* within the employees' personnel file, resulting in payment discrepancies ranging from an underpayment of $32 to an overpayment of $86 from the employees' semi-monthly paycheck.

- Five (55%) Office employees' State withholding tax deductions did not agree with the employees' *IL-W-4 Illinois Withholding Allowance Certificate* within the employees' personnel file, resulting in differences ranging from an underpayment of $41 to an overpayment of $25 from the employees' semi-monthly paycheck.

- Three (33%) Office employee payroll files did not contain supporting documentation for authorization of retirement deductions; therefore, we were unable to test accuracy.

The Internal Revenue Service Publication 15 (Circular E), Employer's Tax Guide, requires employers to withhold federal income tax from each wage payment or supplemental unemployment compensation plan benefit payment according to the employee's Form W-4 and the correct withholding table.

The Statewide Accounting Management System (SAMS) Manual (Procedure 23.10.30) states the Office is responsible for completing the payroll voucher each pay period and attesting to the employee's rate of pay, gross earnings, deductions, net pay, and other required information on the voucher and file. Further, the State Salary & Annuity Withholding Act (5 ILCS 365/3) provides the Comptroller with the directive to withhold deductions from an employee's salary based upon the withholding authorization which the employee has completed.

Office management indicated that the differences were due to employee oversight and turnover.

2025-004. **FINDING** (Inadequate Controls over Employee Deductions) (Continued)

Failure to accurately withhold and review employee payroll withholding amounts may result in incorrect employee deductions and represents noncompliance with statutory requirements. (Finding Code No. 2025-004)

RECOMMENDATION

We recommend the Office implement internal controls to ensure payroll deductions align with the employee's most current withholding authorization before processing payroll. In addition, we recommend the Office strengthen controls to ensure payroll documentation is properly maintained. We further recommend the Office take measures to correct previous inaccurate withholding amounts.

AGENCY RESPONSE – OFFICE OF THE CLERK OF THE HOUSE

Agree. The Clerk's Fiscal Office will strengthen its controls to ensure data entry into the Central Payroll System is correct and that the deductions align with employees' most current withholding authorizations.

STATE OF ILLINOIS
GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025

2025-005. **FINDING** (Inadequate Controls over Cybersecurity Programs)

The Illinois General Assembly – House of Representatives (House) had not implemented adequate internal controls related to cybersecurity programs, practices, and control of confidential information.

The Illinois General Assembly's principal activities are enacting, amending, or repealing laws, passing resolutions, adopting appropriation bills, and conducting inquiries on proposed legislation. To assist in conducting and supporting its operations, the House maintains information to use in its operations which contains confidential and personal information.

The Illinois State Auditing Act (30 ILCS 5/3-2.4) requires the Auditor General to review State agencies and their cybersecurity programs and practices. During our examination of the House's cybersecurity program, practices and control of confidential information, we noted the House Democratic Leadership and House Republican Leadership had not:

- Developed a formal, comprehensive, adequate, and communicated security program (including policies, procedures, and processes as well as clearly defined responsibilities over the security of computer programs and data) to manage and monitor the regulatory, legal, environmental and operational requirements.

- Developed a risk management methodology or implemented risk reducing internal controls.

- Classified its data to identify and ensure adequate protection of information.

In addition, we noted the House Democratic Leadership had not:

- Maintained documentation of results of vulnerability scans to ensure timely corrective actions to remediate identified vulnerabilities.

- Required periodic, documented reviews of user access to its applications and data.

This finding was first noted during the House's State compliance examination for the two years ended June 30, 2021. House management had implemented some corrective actions but had not taken sufficient measures to fully resolve all deficiencies during the examination period. House management is responsible for implementing timely corrective action on all findings identified during a State compliance examination.

2025-005. **FINDING** (Inadequate Controls over Cybersecurity Programs) (Continued)

The *Framework for Improving Critical Infrastructure Cybersecurity* and the *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology requires entities to consider risk management practices, threat environments, legal and regulatory requirements, mission objectives and constraints in order to ensure the security of their applications, data, and continued business mission.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the House to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and to maintain accountability over the State's resources.

House management indicated the findings noted were due to resource constraints. House management also indicated their internal processes were focused on operational and technical tasks and execution rather than the administrative formalization of a written framework and methodology as well as maintaining documentation of the tasks performed. Lastly, House management indicated they tried to develop and implement comprehensive policies and procedures, but they were not aware their current cybersecurity practices did not sufficiently reduce risks noted.

The lack of adequate cybersecurity programs and practices could result in unidentified risk and vulnerabilities, which could ultimately lead to the House's confidential information being susceptible to cyber-attacks and unauthorized disclosure. In addition, without the implementation of adequate controls and procedures for annual reviews of system access for all applications and software, there is an increased risk that unauthorized individuals may gain access to these resources or changes made may be inappropriate or might not meet the House's needs. These deficiencies could result in unauthorized access, manipulation, or misuse of the House's computer systems. (Finding Code No. 2025-005, 2023-003, 2021-002)

2025-005. **FINDING** (Inadequate Controls over Cybersecurity Programs) (Continued)

RECOMMENDATION

We recommend the House implement internal controls related to cybersecurity programs, practices and control of confidential information. Specifically, we recommend the House:

- Develop a formal, comprehensive, adequate, and communicated security program to manage and monitor the regulatory, legal, environmental, and operational requirements.
- Develop a risk management methodology, conduct a comprehensive risk assessment, and implement risk reducing internal controls.
- Develop a data classification methodology.
- Maintain documentation of results of vulnerability scans to support and ensure timely corrective actions to remediate identified vulnerabilities.
- Perform and document periodic reviews of user access to its applications and data.

AGENCY RESPONSE – HOUSE REPUBLICAN LEADERSHIP

The Office of the House Republican Leader accepts the finding. We will continue to review current and future data classification and documentation procedures.

AGENCY RESPONSE – HOUSE DEMOCRATIC LEADERSHIP

Agree. House Democratic Leadership has begun developing a written risk management policy.