



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS GAMING BOARD

State Compliance Examination
For the Two Years Ended June 30, 2024

Release Date: July 29, 2025

FINDINGS THIS AUDIT: 12				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	1	2	2022	24-09	24-04, 24-06, 24-07, 24-08	
Category 2:	3	7	10	2020		24-03	
Category 3:	0	0	0	2014		24-05	
TOTAL	4	8	12	2012		24-02	
FINDINGS LAST AUDIT: 9							

INTRODUCTION

This digest covers the Illinois Gaming Board's (Board) State Compliance Examination for the two years ended June 30, 2024. A digest covering the Financial Audit of the Board's State Gaming Fund as of and for the year ended June 30, 2024, was previously released on January 28, 2025. In total, this report contains 12 findings, none of which were reported in the Financial Audit.

SYNOPSIS

- (24-02) The Board did not maintain adequate controls over personal services.
- (24-09) The Board did not timely and accurately submit its vouchers for payment to the Illinois Office of Comptroller (Comptroller) or timely submit out-of-state travel requests to the Governor's Office of Management and Budget (GOMB) during the examination period.
- (24-12) The Board had not implemented adequate internal controls related to access and internal control over its applications.

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 CONTROLS OVER PERSONAL SERVICES

The Illinois Gaming Board (Board) did not maintain adequate controls over personal services.

During testing of personnel records for 37 employees, we noted the following:

Employee performance evaluations not completed

- Four (11%) employees were not evaluated during Fiscal Year 2023.
- Nine (24%) employees were not evaluated during Fiscal Year 2024.

Performance evaluation completed late

- One (3%) employee's Fiscal Year 2023 evaluation was not completed in a timely manner. The evaluation was completed 170 days late.

Form I-9 completed late

- One (3%) employee did not complete the U.S. Citizenship and Immigration Services (USCIS) I-9 Employment Eligibility Verification (I-9) form, before the end of their first day. The employee signed Section 1 of the Form I-9 6 days late.

Required annual training not completed

- One (3%) employee did not complete the required annual harassment and discrimination prevention training program. (Finding 2, pages 13-14). **This finding has been reported since 2012.**

We recommended the Board timely conduct annual performance evaluations in accordance with the Code and Handbook, ensure compliance with annual harassment and discrimination prevention training, and revise procedures over the preparation and review of Form I-9s to ensure compliance with the USCIS requirements.

Board agreed with the recommendation

The Board agreed with our recommendation and stated the Board will continue to work with its supervisors to meet performance evaluation deadlines, implement steps to identify and correct errors regarding Form I-9s, and improve controls over monitoring compliance with employee training requirements.

VOUCHER PROCESSING WEAKNESS

The Illinois Gaming Board (Board) did not timely and accurately submit its vouchers for payment to the Illinois Office of Comptroller (Comptroller) or timely submit out-of-state travel requests to the Governor's Office of Management and Budget (GOMB) during the examination period.

Due to our ability to rely upon the processing integrity of the Enterprise Resource Planning (ERP) System operated by the Board of Innovation and Technology (DoIT), we were able to limit our voucher testing at the Board to determine whether certain key attributes were properly entered by the Board's staff into the ERP System. In order to determine the operating effectiveness of the Board's internal controls related to voucher processing and subsequent payment of interest, we selected a sample of key attributes (attributes) to determine if the attributes were properly entered into the State's ERP System based on supporting documentation. The attributes tested were (1) vendor information, (2) expenditure amount, (3) object(s) of expenditure, and (4) the later of the receipt date of the proper bill or the receipt date of the goods and/or services.

We then conducted an analysis of the Board's expenditures data for Fiscal Years 2023 and 2024 and noted the following:

The Board did not timely approve 102 of 2,661 (4%) vouchers processed during the examination period, totaling \$514,032.

Untimely approval of vouchers

- Of these vouchers, we noted 39 (38%), totaling \$173,869, were approved between 31 and 85 days after receipt of a proper bill or other obligating document.

Key attributes not entered properly entered into the ERP System

- Of the remaining 63 (62%) vouchers noted as being untimely approved, we noted the Board did not properly enter information into the ERP System. Therefore, the Board's internal controls over voucher processing **were not operating effectively**. Specifically, we noted:

Improper appropriation or obligation data entered

- the Board did not properly enter the appropriation or obligation data for 53 (52%) vouchers, totaling \$225,531. As a result, the Board updated the ERP information 10 to 345 days after the voucher was originally entered.

Incorrect proper bill date entered

- the Board did not properly enter the later of the receipt date of the proper bill or the receipt date of the goods and/or services for 10 (10%) vouchers, totaling \$114,632.

Due to this condition, we qualified our opinion because we determined the Board had not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

Even given the limitations noted above, we performed tests of details on a sample of the Board's vouchers for other compliance matters and noted the following noncompliance:

Untimely submission of travel vouchers by employees

- 2 of 30 (7%) travel vouchers tested, totaling \$1,508, were submitted by the traveler 62 and 70 days after the last day travel occurred without providing a reasonable cause for the delay.

Untimely request for out-of-State travel

- For 1 of 30 (3%) travel vouchers tested, totaling \$4,161, the Board submitted the out-of-State travel request to the GOMB for approval 25 days prior to the date of travel. (Finding 9, pages 27-29).

We recommended the Board design and maintain internal controls to provide assurance its data entry of key information into the ERP System is complete and accurate. In addition, we recommended the Board approve proper bills or other obligating documents within 30 days of receipt. Further, we recommended the Board ensure all travel vouchers are promptly submitted by its travelers in strict adherence with Publication 463 or allocate income to the traveler under a nonaccountable plan. Finally, we recommended the Board ensure travel requests for travel outside of the State are submitted to the GOMB at least 30 days prior to travel for approval.

Board agreed with the recommendation

The Board agreed with our recommendations and indicated the Board will endeavor to continue to improve its processes for voucher processing.

INADEQUATE CONTROLS OVER APPLICATION USER ACCESS REVIEW

The Illinois Gaming Board (Board) had not implemented adequate internal controls related to access and control over its applications.

Failure to review user access for four Board applications

During our testing, we noted the Board did not formally document user access reviews performed for the Video Gaming Licensing System (VLS), Central Time and Attendance System (CTAS), eTime, and Central Payroll System (CPS) applications during the examination period.

Additionally, we noted the following when reviewing the user access reports:

User access not revoked for separated employees

- The user accounts associated with three separated employees were not disabled from eTime as of June 30, 2024. The employees separated from the Board between September 30, 2023 and May 24, 2024.
- The user accounts associated with three separated employees were not disabled from CTAS as of June 30, 2024. The employees separated from the Board between October 1, 2023 and January 1, 2024.
- The user account associated with one separated employee was not disabled from CPS as of June 30, 2024. The employee separated from the Board on October 1, 2023. (Finding 12, pages 33-34)

We recommended the Board perform reviews of users' access rights to its application at least annually to ensure access is appropriate. We also recommended the Board retain documentation of its reviews and implement controls to ensure user access is terminated timely following employee separation.

Board agreed with the recommendation

The Board agreed with our recommendations and acknowledged the importance for annual reviews. The Board indicated the Board will reassess its process and procedures and will train relevant staff to complete necessary reviews of and terminate user access in a timely manner.

OTHER FINDINGS

The remaining findings pertain to receipts processing, failure to file annual reports, noncompliance with the Sports Wagering Act, disaster recovery, cybersecurity, service providers, utilization of ERP, census data reconciliations, and information technology strategic planning. We will review the Board's progress towards the implementation of our recommendations in our State compliance examination.

ACCOUNTANT'S OPINION

The accountants conducted a State compliance examination of the Board for the two years ended June 30, 2024, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Findings 2024-001 and 2024-009. Except for the noncompliance described in these findings, the accountants stated the Board complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by CliftonLarsonAllen LLP.

SIGNED ORIGINAL ON FILE

COURTNEY DZIERWA
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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