



**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR**

**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
OFFICE OF THE GOVERNOR
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2025**

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**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2025**

AGENCY OFFICIALS

Governor	Honorable J.B. Pritzker	
Chief of Staff	Ms. Anne Caprara	
Deputy Governors	Ms. Grace Hou-Ovnik	(10/09/23 – Present)
	Ms. Sol Flores	(07/01/23 – 10/08/23)
	Mr. Andrew Manar	
	Ms. Bria Scudder	
	Mr. Martin Torres	
Deputy Chief of Staff - Chief Operating Officer	Mr. Kenneth Steele	
General Counsel	Ms. Ann Spillane	
Director of Operations	Vacant	(04/02/24 – Present)
	Ms. Sydney Ellison	(07/01/23 – 04/01/24)
Director of Fiscal Operations	Ms. Aubrey Hopkins	(10/01/24 – Present)
	Vacant	(09/16/24 – 09/30/24)
	Mr. William J. House	(07/01/23 – 09/15/24)

AGENCY OFFICES

The Office of the Governor's primary administrative offices are located at:

State of Illinois Building
555 W. Monroe Street, 16th Floor
Chicago, Illinois 60661

William G. Stratton Building
401 S. Spring Street, Room 719-C
Springfield, Illinois 62706



OFFICE OF THE GOVERNOR

207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

JB PRITZKER
GOVERNOR

MANAGEMENT ASSERTION LETTER

September 22, 2026

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

Adelfia LLC:

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, Office of the Governor (Office). 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 Office'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 Office has materially complied with the specified requirements listed below.

- A. The Office 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 Office 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. Other than what has been previously disclosed and reported in the Schedule of Findings, the Office has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.



OFFICE OF THE GOVERNOR

207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

JB PRITZKER
GOVERNOR

D. State revenues and receipts collected by the Office are in accordance with applicable laws and regulations and the accounting and record-keeping of such revenues and receipts is fair, accurate, and in accordance with law.

Yours truly,

State of Illinois, Office of the Governor

SIGNED ORIGINAL ON FILE

Honorable JB Pritzker, Governor

SIGNED ORIGINAL ON FILE

Ann Spillane, General Counsel

SIGNED ORIGINAL ON FILE

Aubrey Hopkins, Director of Fiscal Operations

**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
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 or disclaimers, but does contain a modified opinion on compliance and identifies material weaknesses over internal control over compliance.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report</u>
Findings	7	12
Repeated Findings	5	10
Prior Recommendations Implemented or Not Repeated	7	1

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings				
2025-001	10	2023/2007	Appointments of Members to Boards, Commissions, Councils, and Committees	Material Weakness and Material Noncompliance
2025-002	18	2023/2019	Failure to Make Appointments to Entities Considered Non-operational	Material Weakness and Material Noncompliance
2025-003	23	New	Receipt Processing Internal Controls Not Operating Effectively	Material Weakness and Material Noncompliance
2025-004	25	2023/2019	Inadequate Controls Over Personal Services	Significant Deficiency and Noncompliance
2025-005	29	2023/2011	Inadequate Controls Over State Property	Significant Deficiency and Noncompliance

**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2025**

Current Findings (Continued)

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
2025-006	31	2023/2021	Weakness in Cybersecurity Programs and Functions	Significant Deficiency and Noncompliance
2025-007	33	New	Inadequate Controls Over the Review of Internal Control Over Service Providers	Significant Deficiency and Noncompliance

Prior Findings Not Repeated

A	35	2023/2019	Inadequate Controls Over the Illinois Mansion Property and Receipts
B	35	2023/2007	Noncompliance with Statutorily Mandated Responsibilities
C	35	2023/2017	Inadequate Controls Over Receipts Processing
D	35	2023/2019	Inadequate Controls Over Monthly Reconciliations
E	36	2023/2017	Voucher Processing Weaknesses
F	36	2023/2023	Failure to Fully Utilize the State's Enterprise Resources Planning System
G	36	2023/2023	Inadequate Control Over Travel

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Office personnel at an exit conference on September 9, 2026.

Attending were:

Office of the Governor

Mr. Kenneth Steele, Deputy Chief of Staff - Chief Operating Officer

Ms. Lee LoBue, Senior Deputy Chief of Staff for Executive Appointments, Agency Personnel, and Constituent Affairs

Ms. Lynn Patton, Deputy General Counsel

Ms. Aubrey Hopkins, Director of Fiscal Operations

**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2025**

Office of the Auditor General

Ms. Lisa Warden, Senior Audit Manager

Mr. Paul Skonberg, Audit Manager

Adelfia LLC

Ms. Stella Marie Santos, Managing Partner

Ms. Jennfier Roan, Partner

Mr. John Tipsay, Manager

Mr. Ferdinand Isla III, IS Specialist

The responses to these recommendations were provided by Ms. Aubrey Hopkins, Director of Fiscal Operations, in a correspondence dated September 17, 2026.



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, Office of the Governor (Office) 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 Office is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. The Office 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 Office 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 Office 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 Office 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 Office complied with the specified requirements in all material

respects. An examination involves performing procedures to obtain evidence about whether the Office 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 modified 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 Office's compliance with the specified requirements.

Our examination disclosed material noncompliance with the following specified requirement applicable to the Office during the two years ended June 30, 2025. As described in the accompanying Schedule of Findings as items 2025-001 through 2025-003, the Office had not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

In our opinion, except for the material noncompliance with the specified requirement described in the preceding paragraph, the Office 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 2025-004 through 2025-007.

The Office's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The Office's 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 Office 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 Office's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Office's compliance with the specified requirements and to test and report on the Office's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying Schedule of Findings, we did identify certain deficiencies in internal control that we consider to be a material weakness and significant deficiencies.

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. We consider the deficiencies described in the accompanying Schedule of Findings as items 2025-001 through 2025-003 to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Findings as items 2025-004 to 2025-007 to be significant deficiencies.

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

The Office's responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The Office's 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 22, 2026

**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-001 **FINDING** (Appointments of Members to Boards, Commissions, Councils, and Committees)

The Office of the Governor (Office) did not make all required appointments to various boards, commissions, councils, committees, and other entities to fill vacancies.

We tested a sample of 49 current laws which required the Governor to appoint members to boards, commissions, councils, and committees which were considered operational by the Office. Based on documentation provided by the Office, we noted 36 of 49 (73%) such entities lacked the required number of Governor-appointed members as of June 30, 2025.

Members of boards, commissions, councils, and committees are generally allowed or required to continue to serve until a successor has been appointed. However, we noted reappointments or new appointments had not been made as of June 30, 2025 for 11 of 49 (22%) entities tested for 6 months to over 13 years after expiration of members' terms.

Specifically, we noted the following as of June 30, 2025:

- Council on Aging – 3 vacancies; 4 other members with expired terms continued to serve without formal reappointment 6 months to over 6 years after expiration.

The Illinois Act on the Aging (20 ILCS 105/7.03 and 7.05) requires the Governor to appoint 23 members to the Council on Aging to 2 to 3 year terms.

- African American Employment Plan Advisory Council – 3 vacancies

The African American Employment Plan Act (20 ILCS 30/25) requires the Governor to appoint 11 members to the African American Employment Plan Advisory Council.

- Access and Functional Needs Advisory Committee – 6 vacancies; 2 additional members had not been reappointed 15 months after term expiration

The Illinois Emergency Management Agency Act (20 ILCS 3305/23) requires the Governor to appoint 15 members to the Access and Functional Needs Advisory Committee for terms of 4 years.

**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-001 **FINDING** (Appointments of Members to Boards, Commissions, Councils, and Committees) (Continued)

- Commission on Discrimination and Hate Crimes – 1 vacancy

The Commission on Discrimination and Hate Crimes Act (20 ILCS 4070/10(a)) requires the Governor to appoint a chairperson and 20 additional members to the Commission on Discrimination and Hate Crimes with the advice and consent of the Senate.

- High-Speed Railway Commission – 1 vacancy

The High-Speed Railway Commission Act (20 ILCS 4102/5) requires the Governor to either serve as a member or appoint a designee and appoint 11 other members to the High-Speed Railway Commission.

- Illinois America 250 Commission – 2 vacancies

The Illinois America 250 Commission Act (20 ILCS 4114/25) requires the Governor to appoint 12 members to the Illinois America 250 Commission and appoint a member to serve as the Chair.

- Illinois South Asian American Advisory Council – 5 vacancies

The Illinois South Asian American Advisory Council Act (20 ILCS 4120/15) requires the Governor to appoint 5 members, including the Chairperson, to the Illinois South Asian American Advisory Council.

- State Board of Health – 4 vacancies

The Departments of State Government Law (20 ILCS 5/5-565(a)) requires the Governor to appoint 20 members to the State Board of Health with the advice and consent of the Senate.

- Women's Business Ownership Council – 1 vacancy

The Women's Business Ownership Act of 2015 (20 ILCS 5060/5) requires the Governor to appoint 5 members to the Women's Business Ownership Council.

- Native American Employment Plan Council – 3 vacancies

The Native American Employment Plan Act (20 ILCS 60/20) requires the Governor to appoint 11 members to the Native American Employment Plan Advisory Council.

**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-001 **FINDING** (Appointments of Members to Boards, Commissions, Councils, and Committees) (Continued)

- South Suburban Brownfields Advisory Council – 1 vacancy

The Brownfields Redevelopment and Intermodal Promotion Act (20 ILCS 607/3-30(a)) requires the Governor to appoint 2 members to the South Suburban Brownfields Advisory Council.

- Illinois Law Enforcement Certification Review Panel – 1 vacancy

The Illinois Police Training Act (50 ILCS 705/3.1) requires the Governor to appoint 4 members to the Illinois Law Enforcement Certification Review Panel.

- Southwestern Illinois Metropolitan and Regional Planning Commission – 8 vacancies

The Southwestern Illinois Metropolitan and Regional Planning Act (70 ILCS 1710/5) requires the Governor to appoint 8 members to the Southwestern Illinois Metropolitan and Regional Planning Commission.

- Mid-America Intermodal Authority Port District Board – 1 vacancy

The Mid-America Intermodal Authority Port District Act (70 ILCS 1832/105) requires the Governor, by and with the advice and consent of the Senate, to appoint 3 members to the Mid-America Intermodal Authority Port District Board.

- Eastern Illinois Economic Development Authority – 3 vacancies

The Eastern Illinois Economic Development Authority Act (70 ILCS 506/15(b)(2)) requires the Governor to appoint 3 members to the Eastern Illinois Economic Development Authority.

- Advisory Council on the Education of Children with Disabilities – 1 vacancy; 7 additional members with terms expired 1 to 7 years previous terms continued to serve without formal reappointment.

The School Code (105 ILCS 5/14-3.01) requires the Governor to appoint 23 members to the Advisory Council on the Education of Children with Disabilities.

**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-001 **FINDING** (Appointments of Members to Boards, Commissions, Councils, and Committees) (Continued)

- Illinois Committee for Agricultural Education – 4 vacancies; 5 other members had not been reappointed or replaced 1 to 4 years after terms had expired.

The School Code (105 ILCS 5/2-3.80(d)) requires the Governor to appoint 13 members to 3 year terms on the Illinois Committee for Agricultural Education with the advice and consent of the Senate.

- Illinois DREAM Fund Commission – 8 vacancies; 1 additional member had not been reappointed over 13 years after term expiration although the member continued to serve.

The Higher Education Student Assistance Act (110 ILCS 947/67(a)) requires the Governor to appoint 9 members to the Illinois DREAM Fund Commission with the advice and consent of the Senate.

- State Trauma Advisory Council – 6 vacancies; 1 additional member had not been reappointed over 4 years after term expiration although he continued to serve.

The Emergency Medical Services Systems Act (210 ILCS 50/3.205(b)) requires the Governor to appoint 8 members to the State Trauma Advisory Council for 3 year terms and requires members serve until their successors are appointed and qualified.

- Illinois State Medical Board – 2 vacancies

The Medical Practice Act of 1987 (225 ILCS 60/7.1(A)) requires the Governor to appoint 17 members to the Illinois State Medical Board with the advice and consent of the Senate.

- Medicaid Business Opportunity Commission – 5 vacancies

The Illinois Public Aid Code (305 ILCS 5/5-30.16) requires the Governor to appoint 8 members to the Medicaid Business Opportunity Commission.

- Illinois Affordable Housing Advisory Commission – 2 vacancies; 5 other members continued to serve without formal reappointment 21 months to nearly 12 years after their terms expired.

**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-001 **FINDING** (Appointments of Members to Boards, Commissions, Councils, and Committees) (Continued)

The Illinois Affordable Housing Act (310 ILCS 65/6(a)) requires the Governor to appoint 11 members with the advice and consent of the Senate to 3 year terms on the Illinois Affordable Housing Advisory Commission.

- Medical Cannabis Advisory Board – 1 vacancy

The Compassionate Use of Medical Cannabis Program Act (410 ILCS 130/45(g)) requires the Governor to appoint 16 members to the Medical Cannabis Advisory Board.

- Rare Disease Commission – 1 vacancy; 4 other members had not been reappointed over 2 years after expiration of their terms.

The Rare Disease Commission Act (410 ILCS 445/10(b)(1)) requires the Governor to appoint 11 members to the Rare Disease Commission.

- Adult Use Cannabis Health Advisory Committee – 8 vacancies

The Cannabis Regulation and Tax Act (410 ILCS 705/5-25) requires the Governor to appoint 28 members to the Adult Use Cannabis Health Advisory Committee.

- Mahomet Aquifer Council – 9 vacancies

The Illinois Groundwater Protection Act (415 ILCS 55/5-5) requires the Governor to appoint 20 members to the Mahomet Aquifer Council for 3 year terms.

- Illinois Forestry Development Council – 6 vacancies; 1 additional member had not been reappointed over 7 years after his term had expired.

The Illinois Forestry Development Act (525 ILCS 15/6b) requires the Governor to appoint 7 members to up to two 2-year terms on the Illinois Forestry Development Council.

- Department of Corrections Advisory Board – 1 vacancy

The Unified Code of Corrections (730 ILCS 5/3-2-6(a)) requires the Governor to appoint 11 members to the Department of Corrections Advisory Board.

**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-001 **FINDING** (Appointments of Members to Boards, Commissions, Councils, and Committees) (Continued)

- Public Administrator and Public Guardians – 30 vacancies

The Probate Act of 1975 (755 ILCS 5/13-1) requires the Governor to appoint in each county a suitable person to serve as either or both public administrator and public guardian of the county.

- Upper Illinois River Valley Development Authority – 4 vacancies; 6 other members continued to serve but without formal reappointment 3 to 4 years after terms expired.

The Upper Illinois River Valley Development Authority Act (70 ILCS 530/4(b)) requires the Governor to appoint 10 members to the Upper Illinois River Valley Development Authority with the advice and consent of the Senate.

- Western Illinois Economic Development Authority – 6 vacancies

The Western Illinois Economic Development Authority Act (70 ILCS 532/20(b)) requires the Governor to appoint 6 members to the Western Illinois Economic Development Authority for 6-year terms with the advice and consent of the Senate.

- Task Force to Review Eligibility to Hold Public Office – 2 vacancies

The Election Code (10 ILCS 5/1-20.1(b)) requires the Governor to appoint 5 members to the Task Force to Review Eligibility to Hold Public Office.

- Illinois Early Learning Council – 1 vacancy; 2 additional members with terms expired 18 months previous continued to serve without formal reappointment.

The Illinois Early Learning Council Act (20 ILCS 3933/10) requires the Governor to appoint 11 members to 2-year terms on the Illinois Early Learning Council.

- Statewide 9-1-1 Advisory Board – 3 vacancies

The Emergency Telephone System Act (50 ILCS 750/19(a)) requires the Governor to appoint 17 members to the Statewide 9-1-1 Advisory Board for terms of 3 years and until a successor is appointed.

**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-001 **FINDING** (Appointments of Members to Boards, Commissions, Councils, and Committees) (Continued)

- Teacher Retirement Insurance Program Committee – 10 vacancies

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5(g-5)) requires the Governor to appoint 10 members to the Teacher Retirement Insurance Program Committee.

- Health Care Worker Task Force – 4 vacancies

The Health Care Worker Background Check Act (225 ILCS 46/65(d)) requires the Governor to appoint 7 members to the Health Care Task Force.

The finding was first reported in Fiscal Year 2007. The Office has taken some corrective actions, but has been unsuccessful in implementing an adequate corrective action plan to fully resolve this finding.

The Office's management team is responsible for implementing timely corrective action on all of the findings identified during a State compliance examination.

Other matters relating to the Office's tracking and reporting of boards and commissions with Governor appointments, as well as actions taken related to inactive entities, have been reported in the Performance Audit Follow-Up Report: Management Audit of Boards and Commissions.

Office management indicated the majority of the vacancies were due to the lack of resources needed to identify appointees meeting very specific statutory qualifications for the substantial number of required appointments and ongoing turnover and expirations in appointed positions.

Failure to timely appoint members to boards, commissions, councils, committees, and other entities may prevent those entities from carrying out their mandated duties or limit participation in those entities' operations by all parties intended by statute. Reliance on holdover appointments to continue serving for excessive periods of time due to delayed appointments after term expirations may result in periods of service beyond the mandated term lengths or limits, may reduce opportunities for other potential appointees to contribute new perspectives and could increase the risk of burnout of holdover appointments. (Finding Code No. 2025-001, 2023-002, 2021-003, 2019-004, 2017-002, 2015-002, 2013-002, 11-2, 09-3, 07-2)

**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-001 **FINDING** (Appointments of Members to Boards, Commissions, Councils, and Committees) (Continued)

RECOMMENDATION

We recommend the Office take necessary measures to ensure timely appointment of qualified members to the boards, commissions, councils, committees, and other entities as required by statute or seek legislative remedy.

OFFICE RESPONSE

The Office accepts the recommendation. The appointment of persons to boards, commissions, councils, and committees is among the Office's primary duties. However, the challenges presented in the work of gubernatorial appointments require a nuanced level of attention to find candidates who satisfy the specific statutory requirements of the position for the particular board, commission, council, or committee. There are nearly 400 boards, commissions, councils, and committees for which the Governor is the responsible appointing authority, and in turn, over 4,500 individual seats to which the Governor must make an appointment. Accordingly, the Governor's Office prioritizes the appointment of members to regulatory boards and those boards that have insufficient numbers of sitting members to transact business because they do not have a quorum.

We would note that those individuals serving in expired terms on non-senate confirmed boards, commissions, councils, and committees are almost always able to holdover after their statutory terms have ended and until additional appointment action can be taken. In such circumstances, while a vacancy may exist as to the term of office, the holdover officers remain authorized to exercise the duties of the position and may continue to transact business on behalf of the state as *de facto* officers. *See Ill. Att'y Gen. Op. No. I-07-031, issued May 25, 2007.*

Finally, while outside of the examination period, the Office would note that it did pursue a legislative remedy to address some of the boards and commissions that are no longer necessary because, among other things, their statutory purpose has been satisfied, their function has been subsumed into other governmental bodies or agencies, or the necessary expertise has been developed by a State agency such that the inclusion of an advisory body with subject matter expertise is now redundant. In addition, the Office sought and obtained legislative approval of the inclusion of a process for reviewing boards and commissions considered to be inactive. Contained in Public Act 104-435, effective, in part, November 21, 2025, it is anticipated that the foregoing legislative changes will assist the Office moving forward in addressing several board and commission issues that have been the subject of previous audit findings.

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025

2025-002 **FINDING** (Failure to Make Appointments to Entities Considered
Non-operational)

The Office of the Governor (Office) did not make the required appointments to fill vacancies for certain boards, commissions, councils, committees, and task forces it considered non-operational.

During our testing of statutory mandates, we noted 37 of 86 (43%) mandated boards, commissions, councils, and committees tested were considered non-operational by the Office. Statutory requirements for 12 of the non-operational entities were subsequently repealed and the remaining 25 (68%) such entities lacked current appointments by the Office as of June 30, 2025:

- The Office did not make appointments to fill vacancies or expired terms to the following 20 of 25 (80%) boards, commissions, councils, and committees tested, which the Office stated were non-operational during the examination period:
 - Illinois African-American Family Commission
 - Smart Grid Advisory Council
 - Domestic Violence Task Force
 - Violence Prevention Task Force
 - Asian American Family Commission
 - Minority Males Task Force
 - Social Security Number Protection Task Force
 - Hospital Basic Services Review Board
 - Illinois Plain Language Task Force
 - Weatherization Initiative Board
 - Advisory Commission on Pension Benefits
 - McCormick Place Advisory Board
 - Downstate Illinois Sports Facilities Authority Board
 - Physician Assistant Advisory Committee
 - Family Support Center Council
 - African-American HIV/AIDS Response Officer and HIV/AIDS Response Review Panel
 - Illinois Muslim American Advisory Council
 - Illinois Youth Development Council
 - Advisory Council on Youth HIV/AIDS Prevention Messages
 - Springfield High Speed Railroad Community Advisory Commission

**STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-002 **FINDING** (Failure to Make Appointments to Entities Considered
Non-operational) (Continued)

The Illinois African-American Family Commission Act (20 ILCS 3903/20) requires the Governor to appoint 7 members, including the chairperson(s), to the Illinois African-American Family Commission in 2015 through 2017. The Office is also mandated to provide administrative support to the Commission.

The Electric Service Customer Choice and Rate Relief Law of 1997 (220 ILCS 5/16-108.6(b)) requires the Governor to appoint 5 members to the Smart Grid Advisory Council.

The Domestic Violence Task Force Act (20 ILCS 4106/15) requires the Governor to appoint 8 members to the Domestic Violence Task Force.

The Violence Prevention Task Force Act (20 ILCS 4028/5) requires the Governor to appoint 2 members to the Violence Prevention Task Force.

The Asian American Family Commission Act (20 ILCS 3916/10(b)) requires the Governor to appoint 3 members to the Asian American Family Commission and requires the Governor to appoint the chairperson or chairpersons.

The Minority Males Act (20 ILCS 4000/3) requires the Governor to appoint 5 members to the Minority Males Task Force.

The Social Security Number Protection Task Force Act (20 ILCS 4040/10) requires the Governor to appoint 1 member to the Social Security Number Protection Task Force.

The Hospital Basic Services Preservation Act (20 ILCS 4050/7(b)) requires the Governor to appoint 1 member to the Hospital Basic Services Review Board.

The Illinois Plain Language Task Force Act (20 ILCS 4090/15(a)) requires the Governor to appoint 3 members to the Illinois Plain Language Task Force.

The Urban Weatherization Initiative Act (30 ILCS 738/40-40(b)) requires the Governor to appoint 5 members to the Weatherization Initiative Board.

The Illinois Pension Code (40 ILCS 5/1A-201) requires the Governor to appoint 8 persons to the Advisory Commission on Pension Benefits.

The Metropolitan Pier and Exposition Authority Act (70 ILCS 210/23.1(f)) requires the Governor to appoint 2 members to the McCormick Place Advisory Board.

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2025-002 **FINDING** (Failure to Make Appointments to Entities Considered
Non-operational) (Continued)

The Downstate Illinois Sports Facilities Authority Act (70 ILCS 3210/15) requires the Governor to appoint 8 members to the Downstate Illinois Sports Facilities Authority Board.

The Physician Assistant Practice Act of 1987 (225 ILCS 95/11) requires the Governor to appoint 4 members and approve 1 member to the Physician Assistant Advisory Committee.

The Family Support Demonstration Project (325 ILCS 30/6) requires the Governor to appoint members to the Family Support Center Council.

The African-American HIV/AIDS Response Act (410 ILCS 303/25) requires the Governor to appoint 6 members to the HIV/AIDS Response Review Panel.

The Illinois Muslim American Advisory Council Act (20 ILCS 5110/20) requires the Governor to appoint 1 member as a representative of the Office and 4 public members to the Illinois Muslim American Advisory Council and to select the chairperson of the Council from among members.

The Afterschool Youth Development Project Act (325 ILCS 27/15(b)(1)) requires the Governor to appoint at least 16 members to the Illinois Youth Development Council.

The Department of Public Health Powers and Duties Law (20 ILCS 2310/2310-323) requires the Governor to appoint 5 members to the Advisory Council on Youth HIV/AIDS Prevention Messages.

The Springfield High Speed Railroad Community Advisory Act (610 ILCS 135/10) requires the Governor to appoint 1 member to the Springfield High Speed Railroad Community Advisory Commission.

- The Office did not make the required number of appointments to fill all positions on 1 of 37 (3%) boards, commissions, councils, and committees tested. The committee involved was:
 - Regulations and Site Remediation Advisory Committee – 4 vacancies

The Environmental Protection Act (415 ILCS 5/58.11)(a) requires the Governor to appoint 10 members to the Regulations and Site Remediation Advisory Committee.

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2025-002 **FINDING** (Failure to Make Appointments to Entities Considered
Non-operational) (Continued)

- Four of 37 (11%) boards, commissions, councils, and committees tested were not created, thus no members were appointed. These were the following:
 - Metro East Solid Waste Disposal and Energy Producing Service
 - Advisory Board on Necropsy Service to Coroners,
 - Dixon Railroad Relocation Authority
 - Health Care Worker Registry Working Group

The Metro East Solid Waste Disposal and Energy Producing Service Act (70 ILCS 3110/5) requires the Governor to appoint 1 member from each of the participating municipalities to the Metro East Solid Waste Disposal and Energy Producing Service.

The Departments of State Government Law (20 ILCS 5/5-565(c)) requires the Governor to appoint 11 members to the Advisory Board on Necropsy Service to Coroners.

The Dixon Railroad Relocation Authority Law (70 ILCS 1925/5-45) requires the Governor to appoint 5 members to the Dixon Railroad Relocation Authority.

The Health Care Worker Background Check Act (225 ILCS 46/40.1) requires the Office to establish a working group regarding health care waivers.

The finding was first reported in Fiscal Year 2019. In subsequent years, the Office has been unsuccessful in implementing an adequate corrective action plan.

The Office's management team is responsible for implementing timely corrective action on all of the findings identified during a State compliance examination.

Other matters relating to the Office's tracking and reporting of boards and commissions with Governor appointments, as well as actions taken related to inactive entities, have been reported in the Performance Audit Follow-Up Report: Management Audit of Boards and Commissions.

Office management stated because these boards are currently deemed non-operational, they have not been prioritized over boards that are deemed operational with vacancies.

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2025-002 **FINDING** (Failure to Make Appointments to Entities Considered
Non-operational) (Continued)

Timely appointment of members, including chairpersons when mandated, assists the establishment and/or maintenance of boards, commissions, councils and committees to perform mandated responsibilities and most effectively serve the people of the State. Regular monitoring of vacancies and changes in operational status allow the Office to more timely fill openings and to reduce risk of entities becoming inactive due to lack of Board members. Documentation of monitoring, conclusions reached regarding non-operational status, and actions taken to initiate legislative remedies helps to support internal controls over mandated appointments. (Finding Code No. 2025-002, 2023-008, 2021-010, 2019-012)

RECOMMENDATION

We recommend the Office strengthen internal controls over required appointments to boards, commissions, councils and committees. We specifically recommend the Office monitor vacancies and changes in operational status of entities, document conclusions reached and actions taken, and either comply with statutory requirements or seek a legislative remedy.

OFFICE RESPONSE

The Office accepts this recommendation. The Office would also note that, while outside the examination period, it has sought and obtained legislative approval of the inclusion in Illinois law of a process for reviewing boards and commissions considered to be inactive. *See* Public Act 104-435, effective, in part, November 21, 2025. It is anticipated that this legislative change will assist the Office moving forward in addressing several board and commission issues that have been the subject of previous audit findings.

STATE OF ILLINOIS
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2025-003 **FINDING** (Receipt Processing Internal Controls Not Operating Effectively)

The Office of the Governor's (Office) internal controls over its receipt processing function were not operating effectively during the examination period.

Due to our ability to rely upon the processing integrity of the Enterprise Resource Planning System (ERP) operated by the Department of Innovation and Technology (DoIT), we were able to limit our receipt testing at the Office to determine whether certain key attributes were properly entered by the Office's staff into the ERP. In order to determine the operating effectiveness of the Office's internal controls related to receipt processing, we selected a sample of key attributes (attributes) to determine if the attributes were properly entered into the ERP System based on supporting documentation. The attributes tested were (1) amount, (2) fund being deposited into, (3) date of receipt, (4) date deposited, and (5) SAMS Source Code.

Our testing noted 4 of 20 (20%) attributes were not properly entered into the ERP System. Therefore, the Office's internal controls over receipt processing **were not operating effectively.**

The State Officers and Employees Money Disposition Act (Act) (30 ILCS 230/2(a)) requires the Office to maintain a detailed record of all moneys received, which is to include date of receipt, the payor, purpose and amount, and the date and manner of disbursement. Additionally, the Statewide Accounting Management System Manual (Procedure 25.10.10) requires the Office to segregate the moneys into funds and document the source of the moneys. Further, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Office to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

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

Office management indicated:

- Incorrect receipt dates were caused by data entry error into ERP.
- The error in processing of a refund was due to the Office's interpretation that the approach staff used met the requirements.

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OFFICE OF THE GOVERNOR
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2025-003 **FINDING** (Receipt Processing Internal Controls Not Operating Effectively)
(Continued)

Failure to properly enter the key attributes into the State's ERP when processing a receipt hinders the reliability and usefulness of data extracted from the ERP, which can result in improper recording of revenues and accounts receivable. (Finding Code No. 2025-003)

RECOMMENDATION

We recommend the Office design and maintain internal controls to provide assurance its data entry of key attributes into ERP is complete and accurate.

OFFICE RESPONSE

The Office accepts this finding. Controls have been implemented and confirmation of date fields on the ERP system and reports have been reviewed. Since implementation of ERP PSCD module was established during the last audit cycle, staff has established standard operating procedures to aid in better control and support the Office and to ensure that data entered is complete and accurate.

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OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
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2025-004 **FINDING** (Inadequate Controls Over Personal Services)

The Office of the Governor (Office) did not maintain adequate controls over personal services.

Personnel Files

- During our testing of employee personnel files, we noted the Employment Eligibility Verification Form (I-9 Form) for 4 of 36 (11%) employees tested was either not accurate, completed, or timely signed prior to our testing.

The Code of Federal Regulations (CFR) (8 CFR § 274a.2) requires the Office to ensure each new employee properly completes and signs Section 1 of the I-9 Form at the time of hire and for the Office to sign Section 2 within three business days of the hire.

- For 3 of 36 (8%) employees tested, performance evaluations during Fiscal Year 2025 were not timely performed. The performance evaluations were prepared 46 to 53 days past the Office's deadline for completion at the end of the fiscal year.

According to the Office's Employee Handbook, evaluations are not required to be performed annually but participation in the evaluation process is a requirement. The Human Resources team sent out an all-staff email requiring supervisors to evaluate their employees before the end of June 2025.

Employee Attendance Records

During our testing of employee attendance records, we noted for 2 of 36 (6%) employees tested, the recalculated fiscal year-end leave balance did not agree with the Office's records. Sick time accrual was overstated by 3 to 17 hours. Employee earned time was overstated by 26 hours for one employee.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Office to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation. Additionally, good internal controls over time and attendance include ensuring accrued benefit time is properly calculated.

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OFFICE OF THE GOVERNOR
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For the Two Years Ended June 30, 2025**

2025-004 **FINDING** (Inadequate Controls Over Personal Services) (Continued)

Payroll Withholding

During our testing of employee payroll withholdings, we noted for 4 of 36 (11%) employees tested, the recalculated federal and state income taxes withheld did not agree with Office records. We noted a net difference of \$117 between the employees' payroll withholdings and the recalculated withholdings for the pay periods tested.

The Internal Revenue Service Publication 15 (Circular E), Employer's Tax Guide, requires employers to withhold federal income tax from each wage payment according to the employee's Form W-4 and correct withholding table. The State Salary and Annuity Withholding Act (5 ILCS 365/3) requires withholding of deductions from an employee's salary based upon the withholding authorization which the employee has completed.

Employee Training

During our testing of employee training records, we noted the following:

- For 1 of 12 (8%) new hires, the required ethics training was not completed within 30 days from hire date. The employee completed the training 3 days late.
- For 2 of 12 (17%) new hires, the required sexual harassment and discrimination prevention training was not completed within 30 days from hire date. The employees completed the training 3 to 183 days late.

The State Officials and Employees Ethics Act (5 ILCS 430/5-10 and 5 ILCS 430/5-10.5) requires a person employed in a position that requires training to complete initial ethics training and initial sexual harassment and discrimination prevention training within 30 days after commencement of employment.

Reporting

During our testing of the Agency Workforce Reports (AWR) for fiscal years 2023 and 2024, we noted the following:

- For the Fiscal Year 2023 AWR, in eight of 16 (50%) employee category groups, the reported data did not agree with the supporting documentation.
- For the Fiscal Year 2023 AWR, the reported data did not agree with the supporting documentation for totals of position openings and openings filled by promotions.
- For the Fiscal Year 2024 AWR, in 10 of 16 (63%) employee category groups, the reported data did not agree with the supporting documentation.

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For the Two Years Ended June 30, 2025**

2025-004 **FINDING** (Inadequate Controls Over Personal Services) (Continued)

- For the Fiscal Year 2024 AWR, the total number of reported Position Openings was left blank.

The State Employment Records Act (Act) (5 ILCS 410/20) requires each State agency to collect, classify, maintain, and report specific workforce information on a fiscal year basis. The Office is responsible for establishing and maintaining an effective system of internal controls over compliance. Good internal controls require the AWR to be filed with correct information.

The finding was first reported in Fiscal Year 2019. In subsequent years, the Office has been unsuccessful in implementing sufficient corrective actions to remedy all deficiencies reported in this finding.

The Office's management team is responsible for implementing timely corrective action on all of the findings identified during a State compliance examination.

Office management indicated the exceptions noted were due to oversight, administrative and data entry errors, competing State business priorities, staff transitions, and uncertainty regarding requirements.

Failure to establish and maintain adequate fiscal and administrative controls over personal services can result in noncompliance with laws, rules, and regulations. Performance evaluations are essential for employee development, communicating performance expectations, and supporting decisions regarding salary increases, promotions, transfers, demotions, and terminations. Untimely evaluations prevent the Office from providing timely feedback and identifying areas for improvement. Incorrect leave balances increase the likelihood of employees either being deprived of earned leave time or using more leave time than earned and inaccurate payroll expenditures. Incorrect tax withholdings could result in unnecessary legal risks. Untimely completion of required trainings hinders timely employee awareness of State mandates and Office policies which impact employee rights and obligations. (Finding Code No. 2025-004, 2023-006, 2021-008, 2019-003)

RECOMMENDATION

We recommend the Office strengthen its internal controls to:

- Ensure personnel files are properly maintained;
- Follow up on outstanding employee performance evaluations to ensure they are performed on a timely basis;
- Implement accuracy checks to ensure leave data is accurately recorded and accruals are correctly calculated and reviewed;

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2025-004 **FINDING** (Inadequate Controls Over Personal Services) (Continued)

- Strengthen payroll withholding controls to ensure federal and state tax withholdings are accurately calculated and recorded;
- Ensure employees timely complete initially required trainings;
- Accurately complete information reported on the AWRs; and
- Promptly file corrected AWRs with the appropriate parties.

OFFICE RESPONSE

The Office accepts this finding and has implemented new standards and processes to eliminate late I-9 Form submissions. Additionally, the Office has revised and implemented processes within Human Resources to address the proper maintenance of personnel files, timeliness of evaluations, and completion of required training. Further, the Office has taken steps to ensure the accuracy of federal and state tax withholding calculations, as well as data contained in Agency Workforce Reports.

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SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-005 **FINDING** (Inadequate Controls Over State Property)

The Office of the Governor (Office) did not maintain adequate controls over State property and equipment.

- During our testing of property deletions, we noted 1 of 9 (11%) deletions tested, amounting to \$2,750, was removed from the Office’s property records 606 days late.

The Illinois Administrative Code (Code) (44 Ill. Admin. Code 5010.400) requires agencies to adjust property records within 90 days of acquisition, change or deletion of equipment items. The State Records Act (5 ILCS 160/8) requires the Office to preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the Office designed to furnish information to protect the legal and financial rights of the State and of persons directly affected by the Office’s activities.

- We noted 2 of 17 (12%) equipment items tested, with a combined cost of \$11,000, were reported at the wrong location in the Office’s property records.

The Statewide Accounting Management System (SAMS) (Procedure 29.10.10) requires the Office to maintain detailed records of all property which includes the correct description of each asset and its location.

- During our testing of equipment vouchers, we noted one of 3 (33%) vouchers tested amounting to \$1,099 was for a laptop which may be deemed high-theft equipment by Office policy, but was not reported in the Annual Agency Inventory Report submitted to the Department of Central Management Services (CMS).

The Code (44 Ill. Admin. Code 5010.460(c)) requires the Office to provide an annual listing of all equipment items with an acquisition value of \$2,500 or more and equipment subject to theft with an acquisition value of less than \$2,500 to CMS’ Property Control Division. The Code (44 Ill. Admin. 5010.210(c) also states the Office is responsible for adopting policies clearly delineating categories of equipment considered to be subject to theft.

The Office’s high-theft inventory policy adopted pursuant to the Code classified laptops owned by the Office as high-theft assets depending on usage and purchase amount but did not delineate how to make that determination.

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2025-005 **FINDING** (Inadequate Controls Over State Property) (Continued)

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

Office management indicated:

- The delay in removing equipment from the property records was due to unsuccessful deactivation attempts in the accounting system, requiring additional guidance and support.
- Property control records were not consistently updated to reflect the frequent movement of property between locations for operational needs, such as events and seasonal use, due to management oversight and communication gaps.
- The laptop was not recorded in the property records due to the Office's conclusion that other factors limited risk of theft.

Failure to implement and maintain adequate controls over property and equipment reduces accountability and increases the risk of theft, loss or waste. (Finding Code No. 2025-005, 2023-007, 2021-002, 2019-002, 2017-001, 2015-001, 2013-001, 11-1)

RECOMMENDATION

We recommend the Office strengthen its controls over recording and reporting its State property and equipment, including clarification of its high theft equipment policy, to ensure timely compliance with State laws and regulations, as well as accurate and timely recording on the Office's property records.

OFFICE RESPONSE

The Office accepts this finding. After having received additional accounting system direction and data entry clarification, deletion of equipment and other property are being completed in a timely manner. The Office will review, strengthen, and clarify the high theft equipment policy to ensure compliance and consistency with office standards.

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OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-006 **FINDING** (Weakness in Cybersecurity Programs and Functions)

The Office of the Governor (Office) had not implemented adequate internal controls related to cybersecurity programs, practices and control of confidential information.

As part of its mission to govern the State of Illinois, the Office maintains confidential information, such as names, addresses, and Social Security numbers.

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 Office's cybersecurity program, practices and control of confidential information, we noted the Office had not:

- Formally developed policies and procedures to ensure adequate protection of information for each data classification level.
- Performed a documented, periodic review of the appropriateness of user access for one system during the examination period.

We also noted the Office successfully took a number of corrective actions to address other weaknesses in cybersecurity programs and functions reported in the prior compliance examination.

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 Office 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.

Office management indicated they lacked sufficient resources to develop formal policies and procedures to ensure adequate protection of information for each data classification level. The Office also indicated the lack of user access review over one application was an oversight.

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2025-006 **FINDING** (Weakness in Cybersecurity Programs and Functions) (Continued)

The lack of adequate cybersecurity programs and practices over classified data and periodic user access reviews for all applications and software could result in unidentified risk and vulnerabilities, which could ultimately lead to the Office's confidential and personal information being susceptible to cyber-attacks and unauthorized disclosure. (Finding Code No. 2025-006, 2023-009, 2021-009)

RECOMMENDATION

We recommend the Office:

- Allocate resources to document policies over classified data, including scope, roles and responsibilities, handling requirements, and protection controls to be implemented, to ensure adequate protection of information for each data classification level.
- Implement internal controls to periodically remind staff to perform and formally document review of the appropriateness of user access for all its application systems and software.

OFFICE RESPONSE

The Office accepts this finding and is currently revising the data classification policy as well as strengthening the policy to review application user access on an ongoing basis.

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OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2025**

2025-007 **FINDING** (Inadequate Controls Over the Review of Internal Control Over Service Providers)

The Office of the Governor (Office) did not adequately review or timely conduct independent internal control reviews over its service providers.

The Office utilized service providers for infrastructure, shared services, and hosting the Office's applications. We requested the Office to provide the population of service providers utilized to determine if the Office had reviewed the internal controls over its service providers. The Office identified three third-party service providers and provided their System and Organization Control (SOC) reports.

We tested the Office's review of the SOC reports for the three service providers used and noted the following:

- For one (33%) of three service providers, the Office did not perform a review of the SOC report.
- For three of three (100%) service providers for Fiscal Year 2024, the Office did not assess and document the operation of Complementary User Entity Controls (CUECs) relevant to the Office's operations, review SOC reports for the subservice providers, or perform alternative procedures to determine the impact on the Office's internal control environment. Additionally, the Office did not conduct an analysis to determine the impact of control deviations on the Office's operations.
- The Office did not review the SOC reports or equivalent reports timely for the other two (67%) service providers, with reviews conducted between 103 to 253 days after report issuance for Fiscal Year 2024.
- The Office did not include documentation of its analysis to determine the impact of control deviations on a service provider's SOC report reviewed with noted deviations.
- The Office did not obtain, review, and document its assessment and response to SOC reports for Fiscal Year 2025.

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

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2025-007 **FINDING** (Inadequate Controls Over the Review of Internal Control Over Service Providers) (Continued)

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Office to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance the resources and funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Office management indicated the exceptions noted were due to insufficient resources and technical expertise required to adequately review and analyze required SOC reports.

Without having adequate controls over service providers, including proper documentation and timely request, review, and consideration of SOC reports, CUEC's, and reported control deviations, or another form of independent internal control review, the Office does not have assurance the service providers' internal controls are adequate to support the Office's processes and ensure its data is secured. (Finding Code No. 2025-007)

RECOMMENDATION

We recommend the Office implement controls to:

- Timely request and obtain a System and Organization Controls (SOC) report for each identified third-party service provider annually.
- Perform and document timely review of SOC reports of the service providers.
- Monitor and document the operation of the CUECs related to the Office's operations.
- Obtain and review SOC reports for subservice organizations or perform alternative procedures to determine the impact of complementary subservice organization controls on its internal control environment and to determine whether adequate controls are in place.
- Conduct and document an analysis to determine the impact of noted deviations in the SOC reports on the Office's internal control environment.

OFFICE RESPONSE

The Office accepts this finding and has implemented a policy of reviewing SOC reports using a document designed by DoIT and the GOMB ACFR team. Going forward, SOC reports and corresponding CUEC reports will be reviewed and assessed using this template that adheres to NIST standards.

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OFFICE OF THE GOVERNOR
SCHEDULE OF FINDINGS – PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2025**

A. **FINDING** (Inadequate Controls Over the Illinois Mansion Property and Receipts)

During the prior examination, the Office lacked adequate controls over the Illinois Governor's Mansion (Mansion) property and receipts.

During the current examination, we noted additions tested were recorded in the Office's State property records and were reported on the Office's quarterly Agency Report of State Property. Further, no rental fees were charged for events held at the Mansion during the examination period as the Office's Mansion Event Policy and rental fee schedule only applied to events hosted by third parties. The Office stated the Mansion was only being utilized for events that directly involved the First Family. (Finding Code No. 2023-001, 2021-001, 2019-001)

B. **FINDING** (Noncompliance with Statutorily Mandated Responsibilities)

During the prior examination, the Office did not comply with certain provisions of statutory mandates.

During the current examination, we did not identify significant noncompliance with tested mandates during the examination period other than exceptions already reported in Findings 2025-001 and 2025-002. (Finding Code No. 2023-003, 2021-004, 2019-005, 2017-003, 2015-003, 2013-003, 11-4, 09-5, 07-5)

C. **FINDING** (Inadequate Controls Over Receipts Processing)

During the prior examination, the Office failed to maintain adequate segregation of duties over cash receipts.

During the current examination, we noted multiple levels of cash receipt processing were performed by different fiscal staff. (Finding Code No. 2023-004, 2021-005, 2019-006, 2017-007)

D. **FINDING** (Inadequate Controls Over Monthly Reconciliations)

During the prior examination, the Office did not have adequate controls over reconciliations of monthly appropriations, cash receipts, contracts, expenditures, obligations and cash balances.

During the current examination, our testing indicated reconciliations of these monthly Comptroller reports were prepared and reviewed timely by the Office. (Finding Code No. 2023-005, 2021-006, 2019-009)

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For the Two Years Ended June 30, 2025**

E. **FINDING** (Voucher Processing Weaknesses)

During the prior examination, the Office did not timely submit its vouchers for payment to the Comptroller's Office.

During the current examination, our testing indicated the Office made significant improvements over voucher processing. (Finding Code No. 2023-010, 2021-007, 2019-007, 2017-005)

F. **FINDING** (Failure to Fully Utilize the State's Enterprise Resources Planning System)

During the prior examination, the Office did not utilize all capabilities of the State's Enterprise Resource Planning (ERP) System which resulted in unnecessary inefficiency.

During the current examination, our testing indicated the Office had implemented and utilized all applicable ERP System modules. (Finding Code No. 2023-011)

G. **FINDING** (Inadequate Control Over Travel)

During the prior examination, the Office did not exercise adequate controls over travel.

During the current examination, our testing indicated the Office made significant improvements over travel voucher submissions. (Finding Code No. 2023-012)