



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS COMMUNITY COLLEGE BOARD

Compliance Examination
 For the Two Years Ended June 30, 2020

Release Date: April 8, 2021

FINDINGS THIS AUDIT: 7	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	1	1	2012	20-001		
Category 2:	4	2	6	2006		20-006	
Category 3:	0	0	0	1996		20-002	
TOTAL	4	3	7				
FINDINGS LAST AUDIT: 7							

SYNOPSIS

- **(20-001)** The Board did not exercise adequate controls over initiating and monitoring grant agreements.
- **(20-002)** The Board failed to enforce compliance with its rules and regulations over the timely submission of required informational reports and schedules.

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.

**ILLINOIS COMMUNITY COLLEGE BOARD
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2020**

EXPENDITURE STATISTICS	2020	2019	2018
Total Expenditures.....	\$ 393,142,638	\$ 352,638,234	\$ 343,556,488
OPERATIONS TOTAL.....	\$ 4,581,518	\$ 4,487,666	\$ 4,955,790
% of Total Expenditures.....	1.2%	1.3%	1.4%
Personal Services.....	2,600,349	2,591,814	2,684,411
Other Payroll Costs (FICA, Retirement).....	324,267	311,099	370,536
All Other Operating Expenditures.....	1,656,902	1,584,753	1,900,843
AWARDS AND GRANTS.....	\$ 388,561,120	\$ 348,150,568	\$ 338,600,698
% of Total Expenditures.....	98.8%	98.7%	98.6%
Total Receipts.....	\$ 36,077,367	\$ 38,635,207	\$ 40,053,679
Average Number of Employees.....	42	44	45

AGENCY DIRECTOR
During Examination Period: Dr. Karen Hunter Anderson (through 11/30/18), Dr. Brian Durham (effective 12/01/18) Currently: Dr. Brian Durham

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**INADEQUATE CONTROLS OVER INITIATING AND
MONITORING GRANTS**

The Board did not exercise adequate controls over initiating and monitoring grant agreements.

We selected a sample of 15 of the Board's grant programs active during Fiscal Year 2019 and Fiscal Year 2020 to test. These 15 grant programs resulted in 60 grant agreements between the Board and various entities. During our testing, we noted the following weaknesses:

- For 60 of 60 (100%) grant agreements tested, the agreements were not signed prior to the start of the grant period. The grants were signed between 7 and 358 days late. In addition, we noted the Board did not date one (2%) agreements.

- For 11 of 15 (73%) grant programs tested, the grantees either did not provide required documentation to the Board, required documentation did not meet the timeframes and/or specifications outlined in the grant agreement, or documentation was not retained by the Board to demonstrate the required documentation was received and met all related requirements. It is the Board's responsibility to enforce the submission of all required documentation and maintain adequate record-keeping over its grant programs. (Finding 1, pages 9-13)
This finding has been repeated since 2012.

Agreements not signed prior to the start of the grant period

Submission of required documentation not enforced, adequate record-keeping not maintained

We recommended the Board ensure all reporting requirements are adhered to and ensure grant agreements are approved prior to the effective date of the agreement.

Board agreed with finding

The Board concurs with the finding and stated staff have drafted a Grants Management procedural manual and provided additional training to new staff.

**FAILURE TO ENFORCE REPORTING
REQUIREMENTS**

The Board failed to enforce compliance with its rules and regulations over the timely submission of required informational reports and schedules.

Informational reports and schedules are required to be prepared by the community colleges and community college districts and submitted to the Board to provide data necessary to determine funding and to provide assurance funds are being properly utilized. During testing, we noted the following:

Information reports submitted to the Board untimely

- 41 of 468 (9%) informational reports tested due in Fiscal Year 2019 (23 reports) and Fiscal Year 2020 (18 reports) were submitted to the Board between one and 667 days late.

Information reports not submitted to the Board

- Four of 468 (1%) informational reports tested due in Fiscal Year 2019 (two reports) and Fiscal Year 2020 (two reports) were not submitted to the Board. (Finding 2, pages 14-15) **This finding has been repeated since 1996.**

We recommend the Board continue to work with each community college and community college district to ensure required reports are submitted timely.

Board agreed with finding

The Board concurs with the finding and stated staff utilize a tracking system to enter report submission dates and will explore technology solutions for automated communication of reminders.

OTHER FINDINGS

The remaining findings pertain to inadequate controls over contractual and interagency agreements, reporting requirements, Board vacancies, and personal services and inadequate review of user access rights. We will review the Board's progress towards the implementation of our recommendations in our next compliance examination.

ACCOUNTANT'S OPINION

The accountants conducted a compliance examination of the Board for the two years ended June 30, 2020, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Finding 2020-001. Except for the noncompliance described in this finding, the accountants stated the Board complied, in all material respects, with the requirements described in the report.

This compliance examination was conducted by Adelfia LLC.

SIGNED ORIGINAL ON FILE

JANE CLARK
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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