



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**ILLINOIS STATE UNIVERSITY**

State Compliance Examination  
 For the Year Ended June 30, 2025

Release Date: March 26, 2026

FINDINGS THIS AUDIT: 14				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
<b>Category 1:</b>	<b>0</b>	<b>3</b>	<b>3</b>	2024		25-12, 25-14	
				2023	25-02, 25-03	25-11	
Category 2:	2	9	11	2021		25-07	
Category 3:	0	0	0	2019		25-05, 25-06, 25-08	
<b>TOTAL</b>	<b>2</b>	<b>12</b>	<b>14</b>	2018	25-01		
				2012		25-09	
				2005		25-10	
<b>FINDINGS LAST AUDIT: 13</b>							

**INTRODUCTION**

This digest covers the Compliance Examination of Illinois State University for the year ended June 30, 2025. A separate digest covering the University’s financial audit as of and for the year ended June 30, 2025 was previously released on December 16, 2025. In addition, a separate digest covering the University’s Single Audit for the year ended June 30, 2025, was previously released on March 5, 2026. In total, this report contains 14 findings, three of which were reported within the University’s financial audit and single audit.

**SYNOPSIS**

- (25-09) The University did not always ensure compliance with the University Faculty Research and Consulting Act and University policies regarding outside employment.
- (25-10) The University did not require positive time reporting for all employees in compliance with the State Officials and Employees Ethics Act.
- (25-14) The University was not in compliance with the Credit Card Marketing Act.

**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**

**NONCOMPLIANCE WITH THE UNIVERSITY  
FACULTY RESEARCH AND CONSULTING ACT**

The Illinois State University (University) did not always ensure compliance with the University Faculty Research and Consulting Act (Act) and University policies regarding outside employment.

During Fiscal Year 2025, faculty members reported 93 instances of outside employment to the University Provost.

During testing, the auditors noted the following:

**Requests for outside employment submitted late**

- 31 (33%) instances had the Request for Approval of Secondary/Outside Employment Form (Form PERS 927) submitted by the faculty member for approval by the University’s Provost between 3 to 399 days late.

**Approvals by the Provost were late**

- 37 (40%) instances had Form PERS 927 approved by the University’s Provost between 1 to 422 days late.

**Faculty with outside employment did not submit a request for approval**

- 10 (11%) instances did not have the Annual Report of Secondary/Outside Employment (PERS 928) submitted by the faculty member.

- 30 (32%) instances had the Form 928 submitted by the faculty member to the University’s Provost approved between 2 to 30 days late.

- 12 (13%) instances where the employee did not complete a PERS 927 Form. (Finding 9, pages 23-24)

**This finding has been reported since 2012.**

We recommended the University’s Provost take appropriate corrective action and implement internal controls to ensure faculty members with outside research, consulting services, or employment receive written pre-approval to conduct the requested activity and annually disclose the time spent on these activities in accordance with State law and University policy.

**University officials agreed**

University officials accepted the finding and stated they have made process improvements to the faculty reporting process, as well as the review and approval process to improve compliance.

**NONCOMPLIANCE WITH THE STATE OFFICIALS  
AND EMPLOYEES ETHICS ACT**

The University did not require positive time reporting for all employees in compliance with the State Officials and Employees Ethics Act (Act).

**The faculty and graduate students not required positive time reporting**

During testing, we noted University Policy 1.12 only requires positive time reporting for the University’s non-faculty employees. The faculty and graduate students within academic positions, academic/professional employees, and some civil

service employees do not report actual hours worked and are only required to report benefit usage time (vacation, sick, etc.) used to the nearest quarter hour. (Finding 10, page 25) **This finding has been reported since 2005.**

We recommended the University revise its policy and require all employees to submit time sheets in compliance with State law.

**University officials agreed**

University officials accepted the finding and stated they continue to work towards a feasible solution to incorporate compliance.

### **NONCOMPLIANCE WITH THE CREDIT CARD MARKETING ACT**

The University is not in compliance with the Credit Card Marketing Act.

**Did not have a policy prohibiting student information for marketing credit cards**

The University did not have a policy prohibiting the University and the University's agents, employees, student groups, alumni organizations, or any affiliates from providing certain student information to a business organization or financial institution for purposes of marketing credit cards. (Finding 14, Page 32)

We recommended the University develop a policy that will prohibit providing certain student information to a business organization or financial institution in accordance with the Credit Card Marketing Act.

**University officials agreed**

University officials accepted the finding and stated they approved and published the Credit Card Marketing and Student Information Policy on their website in October 2025.

### **OTHER FINDINGS**

The remaining findings are reportedly being given attention by the University. We will review the University's progress towards the implementation of our recommendations in our next State compliance examination.

### **AUDITOR'S OPINIONS**

The financial audit report was previously released. The auditors stated the financial statements as of and for the year ended June 30, 2025 are fairly stated in all material respects.

The single audit report was previously released. The auditors conducted a single audit of the University as required by the Uniform Guidance. The auditors stated the University complied, in all material respects, with the types of compliance

requirements that could have a direct and material effect on the University's major federal programs for the year ended June 30, 2025.

**ACCOUNTANT'S OPINION**

The accountants conducted a State compliance examination of the University for the year ended June 30, 2025, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Findings 2025-001 thru 2025-003. Except for the noncompliance described in these findings, the accountants stated the University complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by FORVIS MAZARS.

**SIGNED ORIGINAL ON FILE**

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COURTNEY DZIERWA  
Division Director

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

**SIGNED ORIGINAL ON FILE**

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FRANK J. MAUTINO  
Auditor General

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