STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL
Christopher B. Meister, Auditor General

SUMMARY REPORT DIGEST

PRISONER REVIEW BOARD

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

Release Date: August 13, 2026

FINDINGS THIS AUDIT: 14

	New	Repeat	Total
Category 1:	**0**	**5**	**5**
Category 2:	2	7	9
Category 3:	0	0	0
TOTAL	**2**	**12**	**14**

FINDINGS LAST AUDIT: 14

AGING SCHEDULE OF REPEATED FINDINGS

Repeated Since	Category 1	Category 2	Category 3
2022	**24-04, 24-05**	**24-13**	
2020	**24-03**	**24-08, 24-11, 24-14**	
2018		**24-06, 24-07**	
2016		**24-09**	
2014	**24-01, 24-02**		

SYNOPSIS

- (**24-01**) The Board did not exercise adequate controls over voucher processing.
- (**24-02**) The Board did not exercise adequate controls over the recording and reporting of State property.
- (**24-03**) The Board's internal controls over its receipt processing function were not operating effectively during the examination period.

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

VOUCHER PROCESSING WEAKNESSES

The Prisoner Review Board (Board) did not exercise adequate controls over voucher processing.

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 voucher testing at the Board to determine whether certain key attributes were properly entered by the Board's staff into the ERP. 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.

Key attributes were not properly entered into ERP System

Our testing noted 11 of 140 (8%) attributes were not properly entered into the ERP System. Therefore, the Board's internal controls over voucher processing **were not operating effectively.**

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

Vouchers were not timely approved

- The Board did not timely approve 554 of 963 (58%) vouchers processed during the examination period, totaling $759,601. We noted these vouchers were approved between 31 and 283 days after receipt of a proper bill or other obligating document.

- For 1 of 35 (3%) vouchers selected for testing, totaling $26,723, auditors noted that the Board did not pay the invoice amount. The underpayment totaled $6,723. (Finding 1, pages 11-13). **This finding was first reported in 2014**.

We recommended the Board strengthen its controls to ensure attributes are entered correctly into the ERP System. We recommended the Board approve proper bills and obligations due within 30 days of receipt. Additionally, we recommended the Board ensure that proper amounts are paid.

Board accepted the recommendation

The Board accepted the recommendation. The Board will work to strengthen its controls to ensure attributes are entered correctly into the ERP system, approve proper bills and obligations within thirty days of receipt, and ensure proper amounts are paid.

PROPERTY CONTROL WEAKNESSES

The Board did not exercise adequate controls over the recording and reporting of State property. Some of the more significant exceptions reported are noted below.

Property Records

Board's property records were overstated

- The Board's Fiscal Year 2022 Inventory Certification contained four items, totaling $2,559, that were listed as discrepancies, but were still included on the Board's property listing submitted with the Fiscal Year 2024 Inventory Certification. In addition, the status of the items was not marked as missing or "M" on the property listings submitted with the Inventory Certifications. Further, the items were also recorded on the Board's property listings as of June 30, 2023, and June 30, 2024. As a result, the Board's property records were overstated by $2,559.

Equipment Additions and Deletions Testing

Untimely removal from property listings

- Seven of 60 (12%) equipment deletions tested, totaling $104,023, were vehicles that were sent to surplus, but were not removed from the Board's property listing within 30 days of the disposal dates. The equipment items were removed from the Board's property listing between 640 and 1,357 days late.

- Eight of 60 (13%) deletions tested, totaling $28,893, were not removed from the Board's property listing within 90 days of deletion. The equipment items were removed from the Board's property listing between 248 and 1,090 days late.

Untimely addition to property listing

- One of 3 (33%) additions tested, totaling $3,388, was recorded 394 days after the 90-day requirement.

Forwards Testing

Items were unable to be located

- Two of 18 (11%) items selected for testing, totaling $16,257, listed on the Board's property listing could not be located at the time of testing.

Inventory Certifications did not contain all high theft items

- Seven of 18 (39%) items selected for testing, totaling $2,034, were identified as high theft items in the Board's property listing, but were not included in the Fiscal Year 2022 or Fiscal Year 2023 Inventory Certifications submitted by the Board to DCMS.

Items found in different locations than the property listing reflected

- Three of 18 (17%) items selected for testing, totaling $20,507, were found in a different location than indicated on the Board's property listing.

Backwards Testing

Items found in different locations than the property listing reflected

- Five of 18 (28%) items selected for testing, totaling $4,460, were not found at the location indicated on the Board's property listing.

Inventory Certifications did not contain all high theft items

- One of 18 (6%) items selected for testing, totaling $157, was considered high theft, but was not included in the Fiscal Year 2022 and Fiscal Year 2023 Annual Certifications of Inventory sent to DCMS. (Finding 2, pages 14-18). **This finding was first reported in 2014.**

We recommended the Board take action to strengthen its internal controls over recording and reporting its State property and equipment transactions. We also recommended the Board complete a full inventory to identify and correct any discrepancies.

Board accepted the recommendation

The Board accepted the recommendation and stated that during the period covered by this audit, the Board moved from one office location to another. The Board stated it has been and will continue to take action to strengthen its internal controls over recording and reporting its State property and required transactions.

RECEIPT PROCESSING INTERNAL CONTROLS NOT OPERATING EFFECTIVELY

The Board's 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 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 receipt processing, 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 during receipts testing were (1) amount, (2) fund being deposited into, (3) date of receipt, (4) date deposited, and (5) SAMS Source Code. The attributes tested during refund receipts testing were (1) amount, (2) date of receipt, (3) date deposited, and (4) offset against the correct appropriation code.

Key attributes were not properly entered into ERP System

Our testing of receipts noted 4 of 10 (40%) attributes were not properly entered into the ERP System. In addition, our testing of refund receipts noted 3 of 8 (38%) attributes were not properly entered into the ERP System.

Therefore, the Board's internal controls over receipt processing **were not operating effectively**.

Even given the limitations noted above, we conducted an analysis of the Board's receipts data for Fiscal Years 2023 and 2024 to determine compliance with the Act. We noted the following noncompliance:

Board failed to document the date when receipts were received

- For 2 of 2 (100%) of receipts tested, totaling $1,438, and 2 of 2 (100%) refund receipts tested, totaling $2,194, the Board failed to document the date when receipts were received at the Board's office, which are then forwarded to the Public Safety Shared Services Center for processing and deposit. As such, auditors were unable to determine when the checks were received by the Board or if the checks were timely deposited. (Finding 3, pages 19-21). **This finding was first reported in 2020.**

We recommended the Board properly enter key attributes into the State's ERP. Additionally, we recommend the Board timely deposit receipts and maintain adequate supporting documentation.

Board accepted the recommendation

The Board accepted the recommendation and stated it will strive to properly enter key attributes into the State's ERP and deposit receipts timely with adequate supporting documentation. The Board stated it has and will continue to expand its fiscal department to achieve these recommendations.

OTHER FINDINGS

The remaining findings are reportedly being given attention by the Board. 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 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 through 2024-005. 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 the Office of the Auditor General's staff.

SIGNED ORIGINAL ON FILE

COURTNEY DZIERWA
Deputy Auditor General

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

SIGNED ORIGINAL ON FILE

CHRISTOPHER B. MEISTER
Auditor General

CBM:AXG