



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**OFFICE OF THE TREASURER**  
**NONFISCAL OFFICER RESPONSIBILITIES**

State Compliance Examination  
For the Two Years Ended June 30, 2023

Release Date: July 22, 2025

FINDINGS THIS AUDIT: 5				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	2021		3	
Category 2:	2	3	5	2017		5	
Category 3:	0	0	0	2003		4	
TOTAL	2	3	5				
FINDINGS LAST AUDIT: 6							

**SYNOPSIS**

- (24-03) The Office of the Treasurer (Office) did not properly calculate and review the depreciation of the Office's building resulting in inaccurate property reporting.
- (24-04) The Office did not consistently conduct employee performance evaluations as required by Office policies.

**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**

### **LACK OF CONTROLS OVER STATE PROPERTY REPORTING**

The Office of the Treasurer (Office) did not properly calculate and review the depreciation of the Office's building resulting in inaccurate property reporting.

The following deficiencies were noted on the Form SCO-538 – Capital Asset Summary (SCO-538):

**Accumulated depreciation as overstated by \$14,000 as of June 30, 2022**

- Accumulated depreciation was overstated by \$14 thousand as of June 30, 2022 on the SCO-538. The overstatement relates to corrections the Office made in accounting for Capital Development Board (CDB) transfers.

**Accumulated depreciation as overstated by \$270,000 as of June 30, 2023**

- Accumulated depreciation was understated by \$270 thousand as of June 30, 2023 on the SCO-538. Depreciation recorded on the SCO-538 did not agree to the Office's underlying support. (Finding 3, pages 14-15)

We recommended the Office implement adequate controls over depreciation of capital assets.

**Office accepted**

The Office accepted the recommendation and stated it will work to implement additional internal controls to ensure proper recording of depreciation of capital assets.

### **NONCOMPLIANCE WITH OFFICE PERSONNEL POLICIES AND PROCEDURES**

The Office of the Treasurer (Office) did not consistently conduct employee performance evaluations as required by Office policies.

Based on review of employee personnel files, we noted the following:

**Employees did not receive a three-month performance evaluation upon employment at the Office**

- Four of five (80%) employees eligible to receive a three-month performance evaluation upon employment at the Office did not receive an evaluation. Two employees were in fiscal year 2022 and three employees were in fiscal year 2023.

**Employees did not receive a three-month performance evaluation upon promotion**

- Three of three (100%) employees eligible to receive a six-month performance evaluation did not receive an evaluation. Two employees were in fiscal year 2022, and one employee was in fiscal year 2023.
- Four of four (100%) employees eligible to receive a three-month performance evaluation upon promotion did not received an evaluation. One employee was in

**Three of 21 (14%) performance evaluations tested were not available for review**

fiscal year 2022, and three related to promotions during fiscal year 2023.

- Three of twenty-one (14%) annual performance evaluations were not available for review. All three evaluations occurred in fiscal year 2023. (Finding 4, pages 16-17). **This finding has been reported since 2003.**

We recommended the Office ensure performance evaluations are conducted in a timely manner and in accordance with the Treasurer's Office rules and policies.

**Office accepted**

The Office stated it has amended the timeframe in which the online electronic performance appraisal system releases the reviews to supervisors to be a consistent date across the Office. Further, the Office stated that this has significantly improved compliance in excess of 90%.

## **OTHER FINDINGS**

The remaining findings pertain to inadequate controls over census data, external service providers, and monthly reconciliations. We will review the Office's progress towards the implementation of our recommendations in our next State compliance examination.

## **ACCOUNTANT'S OPINION**

The accountants conducted a State compliance examination of the Office for the two years ended June 30, 2023, as required by the Illinois State Auditing Act. The accountants stated the Office complied, in all material respects, with the requirements describe in the report.

This State compliance examination was conducted by Crowe LLP.

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COURTNEY DZIERWA  
Division Director

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

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FRANK J. MAUTINO  
Auditor General

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