



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF INNOVATION AND TECHNOLOGY
STATE OF ILLINOIS, ENTERPRISE RESOURCE PLANNING SYSTEM

System and Organization Control Report and Report
 Required Under *Government Auditing Standards*
 For the Year Ended June 30, 2022

Release Date: August 11, 2022

FINDINGS THIS AUDIT: 3	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	2	1	3	2020	22-3		
Category 2:	0	0	0				
Category 3:	0	0	0				
TOTAL	2	1	3				
FINDINGS LAST AUDIT: 1							

INTRODUCTION

This digest covers the System and Organization Control Report and the Report Required under *Governmental Auditing Standards* of the Department of Innovation and Technology (Department) for the period of July 1, 2021 to June 30, 2022.

The System and Organization Control Report contained a qualified opinion due to weaknesses associated with the Department’s description of system, suitability of the control design and the operating effectiveness of controls. In addition, the Report Required under *Government Auditing Standards* (GAS) contains 3 findings.

SYNOPSIS

- (22-1) The “Description of the State of Illinois, Enterprise Resource Planning System for the IT General Controls and Application Controls” contained inaccuracies.
- (22-2) The controls related to the control objectives stated in the “Description of the State of Illinois, Enterprise Resource Planning System for the IT General Controls and Application Controls” were not suitably designed to provide reasonable assurance the control objectives would be achieved.
- (22-3) The Department of Innovation and Technology did not ensure its controls over the State’s Enterprise Resource Planning System operated effectively.

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

INACCURATE DESCRIPTION OF SYSTEM

Inaccurate description of system

The “Description of the State of Illinois, Enterprise Resource Planning System for the IT General Controls and Application Controls” (description of system), as provided by the Department of Innovation and Technology (Department), contained inaccuracies.

During our examination of the Department’s description of system, we noted it contained inaccuracies. Specifically, we noted:

Inaccurate statements

Control stated in the description of system	Actual control in place
The Department conducts risk assessments for customer agencies.	The Department was to conduct risk assessments for all agencies, boards, and commissions under the Governor.
The Department’s Division of Information Security is responsible for ensuring Department’s compliance with enterprise information security policies.	The Department did not ensure the Department’s compliance with all of the enterprise information security policies.

(Finding 1, pages 8-9 of GAS Report)

We recommended the Department review the description of system to ensure it accurately depicts all internal controls over the services provided to user agencies.

Department officials stated they agreed and would review the description of system and make any necessary changes as needed.

Department agreed

CONTROLS WERE NOT SUITABLY DESIGNED

The controls related to the control objectives stated in the “Description of the State of Illinois, Enterprise Resource Planning System for the IT General Controls and Application Controls” (description of system), provided by the Department, were not suitably designed to provide reasonable assurance the control objectives would be achieved.

Controls not suitably designed

As part of our testing to determine if the controls were suitably designed, we requested the Department provide populations related to:

- New administrator logical access requests; and
- Active Directory access modifications.

Populations not provided

However, the Department was unable to provide the populations. As a result of the Department’s inability to provide the populations, we were unable to conduct testing to determine if the controls related to logical access to applications, data, and the environment were restricted to authorized and appropriate users.

As a result, we were unable to determine if the controls were suitably designed. (Finding 2, pages 10-11 of GAS Report)

We recommended the Department ensure the controls are suitably designed over the services provided to user agencies.

Testing could not be performed

Department officials stated they agreed and would review the controls in place to ensure they are effectively designed.

CONTROLS DID NOT OPERATE EFFECTIVELY

Department agreed

The Department did not ensure its controls over the State's Enterprise Resource Planning System operated effectively.

During our testing of the controls related to the control objectives stated in the description of system, we noted specific controls which did not operate effectively. Specifically, we noted:

Controls did not operate effectively

- New employees and contractors did not have a completed service request to request logical access.
- Separated employees and contractors did not have a completed service request in order to remove their logical access, or the service request was completed late.
- Documentation was not provided demonstrating separated employees and contractors' logical access had been revoked.
- Logical access was not revoked on separated employees and contractors last working day.

Logical access requests not completed

This finding was first reported in the Fiscal Year 2020 *Government Auditing Standards* report. The Department has been unsuccessful in implementing a corrective action plan to remediate the deficiencies. (Finding 3, pages 12-13 of GAS Report)

Logical access not timely revoked

We recommended the Department ensure its controls operate effectively over the services provided to user agencies.

Department officials stated they agreed and would review the controls in place to ensure they are operating effectively.

DEPARTMENT'S SECRETARY

During the examination period:
Jennifer Ricker (4/9/22 – present)
Jennifer Ricker, Acting (7/1/21 – 4/8/22)

Department agreed

SERVICE AUDITOR'S OPINION

The System and Organization Control Report contained a qualified opinion. Specifically, the Service Auditors determined, except for the matters described in the System and Organization Control Report, in all material respects, based on the criteria described in the State of Illinois, Department of Innovation and Technology's assertion:

- a. the description fairly presents the State of Illinois, Enterprise Resource Planning System that was designed and implemented throughout the period from July 1, 2021 to June 30, 2022.
- b. the controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the control operated effectively throughout the period July 1, 2021 to June 30, 2022; and subservice organizations and users entities applied complementary controls assumed in the design of the State of Illinois, Department of Innovation and Technology's control throughout the period July 1, 2021 to June 30, 2022.
- c. the controls operated effectively to provide reasonable assurance that the control objectives stated in the description were achieved throughout the period from July 1, 2021 to June 30, 2022 if complementary subservice organizations and user entity controls assumed in the design of the State of Illinois, Department of Innovation and Technology's controls operated effectively throughout the period July 1, 2021 to June 30, 2022.

The System and Organization Control Examination was conducted by the Office of the Auditor General's staff.

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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