

# Illinois Audit Advisory

Frank J. Mautino, Auditor General

## Auditor General's Message

The purpose of the Illinois Audit Advisory is to share information that may aid state agency operations' efficiency, effectiveness, and compliance with state laws.

As agency managers and public officials, we have the responsibility to efficiently and effectively use agency

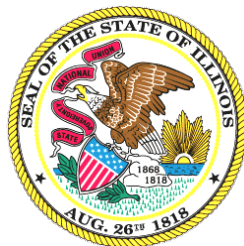


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resources. To ensure proper use of such resources, a sound system of management controls is of primary importance. Agency management has always been, and continues to be, responsible for ensuring that an adequate system of internal controls has been established within the agency and that the system is properly functioning.

However, the Office of the Auditor General is committed to aiding agencies to the extent allowed by auditing standards and independence requirements.

Timeliness of reporting responses and proper internal controls can help to ensure efficiencies in a new technological age. To that end, we have included cyber security audits in compliance audits since 2019. Today's Audit Advisory will look at and review cyber security findings and opportunities for improvements. We will also review timelines and important dates for agency managers to keep in mind.



I hope you find this issue of the Illinois Audit Advisory helpful.

## Cybersecurity Reviews

Public Act 100-914 amended the Illinois State Auditing Act (30 ILCS 5/3-2.4 new) to specifically include Cybersecurity as part of our Compliance Examination program with an effective date of January 1, 2019.

As outlined in the past several Audit Advisories, we incorporated a review of Cybersecurity into the standard compliance examination program and also performed detailed testing at selected agencies in the June 30, 2021 examinations.

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## Holland Inducted Into NASACT Hall of Fame

Former Illinois Auditor General William G. Holland was recently inducted into the National Association of State Auditors, Comptrollers and Treasurers (NASACT) Hall of Fame. Holland was the State's longest serving Auditor General holding the position for more than 23 years from August 1, 1992 to December 31, 2015.

Holland began his government career in 1974 as a legislative intern. In 1980, he was appointed the first director of the Illinois General Assembly's Washington Office. From 1983 to 1992, Holland served as chief of staff for the Illinois Senate President.



Mr. William G. Holland

During his tenure as Auditor General, Holland's audits won several national awards and the Office was known for its objectivity and high ethical standards. While Holland was always quick to credit his staff, his leadership made the Office one of the most respected agencies in the State of Illinois.

Holland served as president of both the National State Auditors Association (NSAA) and NASACT. He has also been recognized by his peers for numerous awards including two NASACT President's Awards and the NSAA William R. Snodgrass Distinguished Leadership Award.

## Cybersecurity Reviews (continued)

We used the following general criteria in our examinations to determine if agencies had:

1. Established and documented cybersecurity roles and responsibilities.
2. Established and communicated policies, procedures, and processes to manage and monitor the regulatory, legal, environmental, and operational requirements.
3. Performed a comprehensive risk assessment to identify and ensure adequate protection of confidential or personal information most susceptible to attack.
4. Classified data to establish the types of information most susceptible to attack to ensure adequate protection.
5. Ensured all employees annually complete cybersecurity training as outlined in the Data Security on State Computers Act.
6. Evaluated and implemented appropriate controls to reduce the risk of attack.

**We identified significant weaknesses at 35 agencies** (from reports released through August 18, 2022) and the table below summarizes our findings.

Agency	Finding	Deficiencies in Categories as Listed Above					
		1	2	3	4	5	6
Abraham Lincoln Presidential Library and Museum	2021-012	✓	✓	✓	✓	✓	
Chicago State University	2021-009	✓			✓		
Commission on Government Forecasting & Accountability	2021-002	✓	✓	✓	✓		
Criminal Justice Information Authority	2021-013		✓	✓	✓	✓	✓
Department of Agriculture	2021-004	✓	✓	✓		✓	
Department of Central Management Services	2021-011			✓		✓	
Department of Healthcare and Family Services	2021-019		✓	✓	✓	✓	
Department of Human Rights	2021-002		✓	✓	✓		✓
Department of Labor	2021-008		✓	✓	✓	✓	✓
Department of Lottery	2021-011		✓	✓	✓		✓
Department of Public Health	2021-029			✓		✓	
Eastern Illinois University	2021-008		✓	✓	✓	✓	✓
Governors State University	2021-010		✓	✓	✓	✓	✓
Illinois Arts Council	2021-005	✓		✓	✓		
Illinois Emergency Management Agency	2021-008	✓	✓	✓	✓		✓
Illinois Finance Authority	2021-002		✓	✓	✓	✓	✓
Illinois Housing Development Authority	2021-015			✓	✓	✓	
Illinois Mathematics and Science Academy	2021-001		✓	✓	✓	✓	✓
Illinois State University	2021-003		✓			✓	
Illinois Workers' Compensation Commission	2021-012		✓	✓	✓	✓	✓
Legislative Reference Bureau	2021-003	✓		✓	✓	✓	
Liquor Control Commission	2021-009	✓	✓	✓	✓	✓	
Northeastern Illinois University	2021-012		✓	✓		✓	✓
Office of Executive Inspector General	2021-001	✓	✓	✓	✓		✓
Office of Governor	2021-009	✓	✓	✓	✓		✓
Office of Lieutenant Governor	2021-002	✓	✓	✓	✓		✓
Office of Secretary of State	2021-014		✓	✓	✓	✓	✓
Southern Illinois University	2021-012		✓	✓			
State Board of Elections	2021-001		✓	✓	✓		✓
State Universities Retirement System	2021-001		✓	✓	✓	✓	✓
Supreme Court	2021-001		✓	✓	✓	✓	✓
Supreme Court Historic Preservation Commission	2021-002	✓	✓	✓	✓		✓
Teachers' Retirement System	2021-002		✓	✓	✓		
University of Illinois	2021-021					✓	✓
Western Illinois University	2021-009		✓	✓	✓	✓	✓

To promote agencies' responsibility to ensure that confidential information is protected from accidental or unauthorized disclosure, we generally recommended they ensure that the six areas identified above are adequately addressed. On small agencies, our primary focus is on the completion of a comprehensive risk assessment to

help determine if all of the six areas need to be implemented.

We will continue to emphasize the review of cybersecurity programs and practices in future compliance examinations.

## Important Reporting Dates

Our audit findings reveal that many agencies routinely miss recurring reporting deadlines. While some of these reports are ministerial in nature, failure to comply not only subjects an agency to an audit finding but also suggests a lack of management controls over legal requirements. Additionally, as more agencies struggle to get by with less staff, anticipating and making plans in advance to meet upcoming deadlines becomes more critical.

State agencies are required to fulfill some requirements on an annual basis but the date for completion is not set in statute. Agencies should establish tickler files to ensure these requirements are met each year:

Annual Requirement	Source of Requirement
DoIT cybersecurity training	Data Security on State Computers Act (20 ILCS 450/25)
Ethics training	State Officials and Employees Ethics Act (5 ILCS 430/5-10 (a))
Evaluation of each employee	Illinois Administrative Code (80 Ill. Adm. Code 302.270 (d))
Harassment and discrimination prevention training	State Officials and Employees Ethics Act (5 ILCS 430/5-10.5 (a-5))
Physical inventory of State equipment to CMS	Illinois Administrative Code (44 Ill. Adm. Code 5010.460)

Other deadlines are not fixed dates but instead are triggered by an event or occurrence. A sampling of those requirements that our audit experience shows are often missed by agencies follows:

Timeframe	Triggering Event	Action	Source of Requirement
Prior to authorizing travel	Use of private vehicle on State business	Obtain statement from State employee certifying he/she is duly licensed and has statutory minimum insurance coverage	Illinois Vehicle Code (625 ILCS 5/10-101(b)) and Illinois Administrative Code (80 Ill. Adm. Code 3000.300 (f) (1))
Day of receipt	Any single item of receipt exceeding \$10,000	Deposit into the State treasury	State Officers and Employees Money Disposition Act (30 ILCS 230/2)
Within 24 hours	An accumulation of receipts totaling \$10,000 or more	Deposit into the State treasury	State Officers and Employees Money Disposition Act (30 ILCS 230/2)
Within 48 hours	An accumulation of receipts exceeding \$500 but less than \$10,000	Deposit into the State treasury	State Officers and Employees Money Disposition Act (30 ILCS 230/2)
Within 3 days	Accident in State vehicle	File report (Form SR-1) with law enforcement and CMS	Illinois Administrative Code (44 Ill. Adm. Code 5040.520)
No later than 5 calendar days	Award of contract through emergency purchase	Post notice in the online electronic Procurement Bulletin	Illinois Procurement Code (30 ILCS 500/15-25 (c))
Within 5 business days (21 working days if for a commercial purpose)	Receipt of request for public records	Grant or deny unless timeframe is extended	Freedom of Information Act (5 ILCS 140/3 (d) and 3.1)
Within 10 days	Award of contract through emergency purchase	File statements with Procurement Policy Board, Commission on Equity and Inclusion, and Auditor General	Illinois Procurement Code (30 ILCS 500/20-30 (c))
Within 15 days	Execution of a real property lease	File a copy with the Secretary of State	State Finance Act (30 ILCS 105/9)
Within 30 days	Grant or contract liability greater than \$20,000 incurred	File copy with State Comptroller	Illinois Procurement Code (30 ILCS 500/20-80 (b))
Within 30 days	Receipt of vendor bill	Review and approve or deny	State Prompt Payment Act (30 ILCS 540) and Illinois Administrative Code (74 Ill. Adm. Code 900.70)
Within 30 days	New employee hired	Take ethics training	State Officials and Employees Ethics Act (5 ILCS 430/5-10 (c))
Within 30 days	New employee hired	Take harassment and discrimination prevention training	State Officials and Employees Ethics Act (5 ILCS 430/5-10.5 (a-5))
Within 45 days	End of grant period	Receive unused grant funds back from grantee	Grant Funds Recovery Act (30 ILCS 705/)
Within 60 days	Travel expense incurred by State employee	Submit request for reimbursement	Internal Revenue Service Publication 535 and Accounting Bulletins numbers 134, 135 and 137
Within 60 days of month end	Fiscal activity	Perform monthly reconciliation of various reports to the SAMS system	SAMS Procedure 07.30.20
Within 90 days	Acquisition, change, or deletion of equipment	Adjust property records	Illinois Administrative Code (44 Ill. Adm. Code 5010.400)

## Important Reporting Dates (continued)

From a sampling of recent audits, below are a list of due dates for reports that most State agencies are required to submit:

Due Date	Report	Report Recipient	Source of Requirement
Jan. 1	Agency Workforce	Secretary of State & Governor	State Employment Records Act (5 ILCS 410/20)
Jan. 7	Annual Report	Governor	State Finance Act (30 ILCS 105/3)
Jan. 15	Travel Headquarters (TA-2) (Period from July 1 through December 31)	Legislative Audit Commission	State Finance Act (30 ILCS 105/12-3)
May 1	Evaluation of internal fiscal and administrative controls (FCIAA Certification)	Auditor General	Fiscal Control and Internal Auditing Act (30 ILCS 10/3003)
May 1	Statements of Economic Interests	Secretary of State	Governmental Ethics Act (5 ILCS 420/4A-105)
July 1 – July 31	Proof of driver's license and liability insurance for employees assigned a State vehicle	Agency Director	Illinois Vehicle Code (625 ILCS 5/7-601(c))
July 15	Travel Headquarters (TA-2) (Period from January 1 through June 30)	Legislative Audit Commission	State Finance Act (30 ILCS 105/12-3)
July 15	Identification of State agency employee responsible for distribution of agency publications	Illinois State Library Government Documents Section	Illinois Administrative Code (23 Ill. Adm. Code 3020.150)
July 31	Annual Real Property Utilization	Central Management Services	State Property Control Act (30 ILCS 605/7.1(b))
Aug. 1	Agency Fee Imposition	State Comptroller	State Comptroller Act (15 ILCS 405/16.2) and SAMS Procedure 33.16.20
Aug. 10 – Aug. 31	General deadline for GAAP reporting packages	State Comptroller	SAMS Procedure 27.10.10
Oct. 15	GAAP basis financial statements (including footnote disclosures)	State Comptroller	SAMS Procedure 27.10.10
Dec. 15	Public Accountability Report	State Comptroller	SAMS Procedure 33.20.20

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