



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS COMMERCE COMMISSION

State Compliance Examination
 For the Two Years Ended June 30, 2025

Release Date: April 9, 2026

| FINDINGS THIS AUDIT: 10 | | | | AGING SCHEDULE OF REPEATED FINDINGS | | | |
|--------------------------------|------------|---------------|--------------|-------------------------------------|-------------------|------------------------|-------------------|
| | <u>New</u> | <u>Repeat</u> | <u>Total</u> | <u>Repeated Since</u> | <u>Category 1</u> | <u>Category 2</u> | <u>Category 3</u> |
| Category 1: | 0 | 0 | 0 | 2023 | | 25-08 | |
| Category 2: | 3 | 7 | 10 | 2021 | | 25-06 | |
| Category 3: | <u>0</u> | <u>0</u> | <u>0</u> | 2019 | | 25-01, 25-02, 25-04 | |
| TOTAL | 3 | 7 | 10 | 2015 | | 25-05 | |
| | | | | 2013 | | 25-03 | |
| FINDINGS LAST AUDIT: 10 | | | | | | | |

SYNOPSIS

- (25-01) The Commission did not maintain adequate controls over personal services.
- (25-02) The Commission did not exercise adequate controls over receipts.

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**

INADEQUATE CONTROLS OVER PERSONAL SERVICES

The Illinois Commerce Commission (Commission) did not maintain adequate controls over personal services.

During testing of employee performance evaluations, we noted the following:

Performance evaluations not performed timely

- For seven of 25 (28%) employee tested, 11 performance evaluations were not completed timely. The employee evaluations were completed between 10 to 563 days late.

Performance evaluations not performed.

- For two of 25 (8%) employees tested, two performance evaluations were not performed.

I-9 not timely signed

During our review of employee personnel files, we noted for two of seven (29%) new hire employees tested, Section 2 of the I-9 was not signed timely by the Commission. The forms were signed two and eight days late.

Initial trainings not completed by new hires

During testing of trainings completed, we noted for one of 11 (9%) new hire employees tested, the initial ethics training and initial harassment and discrimination prevention training were not completed.

During our review of 25 employees' attendance records, we noted the following:

Vacation leave requests not approved in advance

- Seven of 10 (70%) vacation leave requests tested for three employees were not approved in advance. The documented approvals were made one to four days after.

Overtime request not approved in advance

- Two overtime requests tested for one employee were not approved in advance. The documented approvals were made the day after.

Timesheet not properly completed and approved

- One of 70 (1%) timesheets tested was not properly completed and approved by the immediate supervisor.

Timesheet approved despite errors

- One of 70 (1%) timesheets tested was approved by the immediate supervisor despite presenting errors on the timesheet.

Employee Manual not properly updated

- The Commission's Employee Manual is not properly updated with time reporting procedures which are performed through eTime.

Federal and State withholding taxes not properly calculated

During our review of 25 employees' payroll deductions, we noted the Commission incorrectly calculated the federal withholding taxes for four (16%) employees tested and the State withholding taxes for two (8%) employees tested.

SERS Census reconciliation not submitted timely

During our review of the State Employees Retirement System (SERS) reconciliations, we noted the Fiscal Year 2024 SERS Census reconciliations was performed and submitted 66 days late (Finding 1, pages 11-15). **This finding has been reported since 2019.**

We recommended the Commission timely complete performance evaluations, ensure employees complete all required trainings, timesheets are properly completed and approved timely by the immediate supervisor, and vacation leave and overtime requests are pre-approved in accordance with the Commission's Policy, and update the Employee Manual to properly reflect time reporting procedures performed through eTime. We also recommend the Commission ensure the Form I-9 is properly completed and maintained for all newly hired employees and ensure payroll deductions are properly calculated. Finally, we recommend the Commission ensure the SERS Census reconciliations are performed timely.

Commission officials partially agreed

The Commission agreed with the finding regarding employee performance evaluations, mandatory trainings, Form I-9, federal and State tax payroll deductions, SERS reconciliation, and the Commission's Employee Manual. The Commission disagreed with the portion of this finding regarding untimely approvals for overtime and leave requests.

INADEQUATE CONTROLS OVER RECEIPTS

The Illinois Commerce Commission (Commission) did not exercise adequate controls over receipts.

According to Commission records, the Commission collected total revenues of \$42.0 million and \$37.2 million which were deposited into six funds during Fiscal Years 2024 and 2025, respectively.

Issues noted with the Commission's Agency Fee Imposition Report

During our review of the Commission's Agency Fee Imposition Report (Report) for Fiscal Year 2024 and Fiscal Year 2025, we noted the following:

- For four of 27 (15%) fees tested, the Report did not contain the funds into which the fees are deposited and the information on the use of the funds, if earmarked.

- The total receipts reported on the Report for Fiscal Year 2025 did not agree with the Commission's receipt ledgers. The Fiscal Year 2025 Report was understated by \$50,612.
- The Commission did not properly include subpoena and miscellaneous fees in the Fiscal Years 2024 and 2025 Reports which resulted in an understatement of \$64,476 and \$24,712, respectively.

For 40 receipts tested during the examination period, we noted the following:

Receipt not properly supported

- For one (3%) receipt tested, in the amount of \$16,832, the receipt information (check number) from the Commission's records did not agree with the supporting documentation.

Receipts Deposit Transmittal form not filed timely

- For one (3%) receipt tested, in the amount of \$2,265, the Commission did not timely prepare the Receipts Deposit Transmittal (RDT) Form after depositing the receipts into the Treasurer's clearing account. The RDT was prepared four days late.

License not properly canceled or revoked until valid payment received

For one of 10 (10%) non-sufficient fund (NSF) checks tested, the related license was not properly canceled or revoked until a valid payment was received. (Finding 2 pages 16-19) **This finding has been reported since 2019.**

We recommended the Commission establish adequate controls over the receipts process to ensure RDT forms are prepared timely, and accurate and adequate records of receipts are maintained. We also recommended the Commission ensure Fee Imposition Reports accurately report all pertinent activity. Finally, we recommend the Commission ensure proper handling of NSF checks and ascertain the related effects to license validity.

Commission officials agreed

The Commission agreed with the finding.

OTHER FINDINGS

The remaining findings pertain to inadequate controls over accounts receivable, monthly reconciliations, state vehicles, monitoring of grant agreements, failure to ensure reports filed as required, weaknesses in Cybersecurity programs and practices, inadequate controls over service providers, and weaknesses in contingency planning and testing. We will review the Commission'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 Commission for the two years ended June 30, 2025, as required by the Illinois State Auditing Act. The accountants stated the Commission complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by Adelfia LLC.

SIGNED ORIGINAL ON FILE

COURTNEY DZIERWA
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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