



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

UNIVERSITY OF ILLINOIS

**Financial Audit
 For the Year Ended June 30, 2024**

Release Date: January 28, 2025

FINDINGS THIS AUDIT: 1				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	1	1	2022	24-1		
Category 2:	0	0	0				
Category 3:	0	0	0				
TOTAL	0	1	1				
FINDINGS LAST AUDIT: 3							

INTRODUCTION

The University’s financial audit report consists of three sets of financial statements as follows – the financial statements of the University, the revenue bond financial statements of the Auxiliary Facilities System, and the revenue bond financial statements of the Health Services Facilities System.

This digest covers the University of Illinois’s Financial Audit as of and for the year ended June 30, 2024. The University’s Compliance Examination and Single Audit will be issued in separate reports at a later date.

SYNOPSIS

- **(24-1)** The University had not implemented adequate access termination controls over their Electronic Health Record System and Enterprise Resource Planning System.

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.

UNIVERSITY OF ILLINOIS
FINANCIAL AUDIT
For the Year Ended June 30, 2024

FINANCIAL OPERATIONS (In Thousands)	2024	2023
Operating Revenues		
Tuition and fees, net.....	\$ 1,391,247	\$ 1,357,470
Federal grants, contracts and appropriations.....	934,211	876,294
State, private and other government agency grants and contracts.....	314,596	277,505
Hospital medical service plans, and other medical activities, net.....	1,599,113	1,455,595
Auxiliary enterprises, net.....	423,094	445,349
Educational and other activities.....	507,158	534,241
Other.....	12,665	12,241
Total Operating Revenues.....	<u>5,182,084</u>	<u>4,958,695</u>
Operating Expenses		
Instruction.....	1,626,972	1,418,559
Research.....	1,071,030	933,228
Public service.....	560,959	521,456
Academic support.....	662,883	581,380
Student services.....	282,930	254,153
Hospital and medical activities.....	1,286,689	1,138,172
Auxiliary enterprises.....	438,725	372,638
Operation and maintenance of plant.....	385,556	370,918
Institutional support.....	302,397	260,267
Depreciation and amortization.....	353,202	337,381
Scholarships and fellowships.....	64,775	84,381
Other.....	11,292	6,563
Total Operating Expenses.....	<u>7,047,410</u>	<u>6,279,096</u>
Operating Loss.....	(1,865,326)	(1,320,401)
NONOPERATING REVENUES (EXPENSES)		
State appropriations.....	668,179	634,774
Capital appropriations, gifts and grants.....	59,339	58,352
Private gifts and endowments.....	259,361	250,739
On behalf/Special funding for fringe benefits.....	748,004	552,363
Other, net.....	574,683	430,963
INCREASE IN NET POSITION.....	<u>444,240</u>	<u>606,790</u>
Net Position, beginning of year.....	5,902,989	5,292,364
Restatement	-	3,835
Net Position, beginning of year, as restated.....	5,902,989	5,296,199
Net Position, end of year.....	<u>\$ 6,347,229</u>	<u>\$ 5,902,989</u>
SUMMARY - STATEMENT OF NET POSITION (In Thousands)		
Current Assets.....	\$ 2,398,216	\$ 2,449,056
Noncurrent Assets and Deferred outflows.....	8,354,115	8,035,060
Total Assets and Deferred outflows.....	10,752,331	10,484,116
Current Liabilities.....	1,203,253	1,165,853
Noncurrent Liabilities and Deferred inflows.....	3,201,849	3,415,274
Total Liabilities and Deferred Inflows.....	4,405,102	4,581,127
Total Net Position.....	<u>\$ 6,347,229</u>	<u>\$ 5,902,989</u>

PRESIDENT

During Audit Period and Current: Timothy L. Killeen

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**WEAKNESSES IN CONTROLS OVER ACCESS
TERMINATION**

Access Controls need to be implemented

The University of Illinois (University) had not implemented adequate access termination controls over their Electronic Health Record System (EHR) and Enterprise Resource Planning System (ERP).

The University maintains an EHR that contains patient medical records and data. The EHR supports billing and transaction workflows which feed into the financial statements. Additionally, the University maintains an ERP that contains student, faculty, financial, and personal data. The University relies on the ERP for financial reporting.

User access not timely removed

During our testing of separated users' access to the ERP and EHR, we noted the University's departments were not timely notifying Human Resources, which in turn did not timely notify the Information Technology security team. As a result, users' access to the ERP and EHR was not timely disabled. Specifically, our testing noted 2 of 40 (5%) ERP users' and 25 of 60 (42%) EHR users' access had not been timely removed after separation. Access was disabled 24 to 73 days for ERP and 9 to 191 days for EHR after the user had separated from the University. (Finding 1, Pages 5-6)

We recommended the University terminate separated users' access within 7 business days and 20 business days of the last day of employment for EHR and ERP, respectively.

University agreed

University officials accepted the recommendation.

AUDITOR'S OPINIONS

Our auditors stated the financial statements of the University, the Auxiliary Facilities System and the Health Services Facilities System as of June 30, 2024, and for the year then ended, are fairly stated in all material respects.

This financial audit was conducted by RSM US LLP.

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

FJM:TLK