

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

**COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2020**

**PERFORMED AS SPECIAL ASSISTANT AUDITORS
FOR THE AUDITOR GENERAL, STATE OF ILLINOIS**



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**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2020**

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OTHER REPORTS ISSUED UNDER A SEPARATE COVER:

THE DEPARTMENT'S FINANCIAL STATEMENT REPORT AS OF AND FOR THE YEAR ENDED JUNE 30, 2020, HAS BEEN ISSUED UNDER A SEPARATE COVER. ADDITIONALLY, IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*, WE HAVE ISSUED THE REPORT REQUIRED UNDER *GOVERNMENT AUDITING STANDARDS* FOR THE YEAR ENDED JUNE 30, 2020, ON OUR CONSIDERATION OF THE DEPARTMENT'S INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON OUR TESTS OF ITS COMPLIANCE WITH CERTAIN PROVISIONS OF LAWS, REGULATIONS, CONTRACTS, GRANT AGREEMENTS, AND OTHER MATTERS, UNDER A SEPARATE COVER. THE PURPOSE OF THIS REPORT IS SOLELY TO DESCRIBE THE SCOPE OF OUR TESTING OF INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE AND THE RESULTS OF THAT TESTING, AND NOT TO PROVIDE AN OPINION ON THE EFFECTIVENESS OF THE DEPARTMENT'S INTERNAL CONTROL OVER FINANCIAL REPORTING OR ON COMPLIANCE. THAT REPORT IS AN INTEGRAL PART OF AN AUDIT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* AND SHOULD BE CONSIDERED IN ASSESSING THE RESULTS OF THE AUDIT.

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2020**

AGENCY OFFICIALS

Director	Marc D. Smith (June 15, 2021 – present)
Acting Director	Marc D. Smith (April 15, 2019 – June 14, 2021) Debra Dyer-Webster (February 16, 2019 – April 14, 2019) Beverly J. Walker (June 26, 2017 – February 15, 2019)
Chief Deputy Director	Derek Hobson (April 1, 2020 – present) Derek Hobson (Acting) (January 7, 2020 – March 31, 2020) Vacant (January 1, 2020 – January 6, 2020) Debra Dyer-Webster (September 16, 2017 – December 31, 2019)
Chief of Staff	Jassen Strokosch (July 16, 2020 – present) Vacant (July 1, 2020 – July 15, 2020) Denise Murray (May 6, 2019 – June 30, 2020) Steve Minter (February 26, 2019 – May 5, 2019) Emily Monk (April 16, 2018 – February 25, 2019)
Chief Fiscal Officer	Royce Kirkpatrick (May 16, 2019 – present) Royce Kirkpatrick (Acting) (September 1, 2018 – May 15, 2019) Matt Grady (February 18, 2014 – August 31, 2018)
General Counsel	Amanda Wolfman (June 18, 2019 – present) Vacant (June 15, 2019 – June 17, 2019) LaShawn Eddings (October 23, 2018 – June 14, 2019) Vacant (October 19, 2018 – October 22, 2018) Lise Spacapan (through October 18, 2018)
Chief Internal Auditor	Phillip Dasso (January 4, 2021 – present) Vacant (March 16, 2020 – January 3, 2021) Kenneth Hovey (April 1, 2018 – March 15, 2020)

Administrative Offices are located at:

406 E Monroe
Springfield, Illinois 62701

100 W Randolph, Suite 6-100
Chicago, Illinois 60601

JB Pritzker
Governor



Marc D. Smith
Director

MANAGEMENT ASSERTION LETTER

September 14, 2021

CliftonLarsonAllen LLP
301 S.W. Adams Street, Suite 1000
Peoria, Illinois 61602

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, Department of Children and Family Services. We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the State of Illinois, Department of Children and Family Services' compliance with the following specified requirements during the two-year period ended June 30, 2020. Based on this evaluation, we assert that during the years ended June 30, 2019, and June 30, 2020, the State of Illinois, Department of Children and Family Services has materially complied with the specified requirements listed below.

- A. The State of Illinois, Illinois Department of Children and Family Services has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois, Illinois Department of Children and Family Services has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. Other than what has been previously disclosed, the State of Illinois, Illinois Department of Children and Family Services has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

- D. State revenues and receipts collected by the State of Illinois, Illinois Department of Children and Family Services are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the State of Illinois, Illinois Department of Children and Family Services on behalf of the State or held in trust by the State of Illinois, Illinois Department of Children and Family Services have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Yours truly,

Illinois Department of Children and Family Services

SIGNED ORIGINAL ON FILE

Marc D. Smith
Director

SIGNED ORIGINAL ON FILE

Royce Kirkpatrick
Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Amanda Wolfman
General Counsel

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2020**

COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

Accountants' Reports

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes does not contain scope limitations or disclaimers, but does contain a modified opinion on compliance and identifies material weaknesses over internal control over compliance.

Summary of Findings

Number of:	<u>Current Report</u>	<u>Prior Report</u>
Findings	30	23
Repeated findings	18	12
Prior recommendations implemented or not repeated	5	4

Schedule of Findings

Findings (*Government Auditing Standards*)

<u>Item No.</u>	<u>Page</u>	<u>Last/First Report</u>	<u>Description</u>	<u>Finding Type</u>
2020-001	16	New	Financial Statement Preparation	Material weakness
2020-002	17	New	Inadequate Controls over Cash	Material weakness
2020-003	19	New	Inadequate Internal Controls over Census Data	Material weakness
2020-004	22	2018/2018	Inadequate General Information Technology Controls Over IMPACT	Material weakness
2020-005	26	2018/2018	Insufficient Review and Documentation of Provider Enrollment Determinations and Failure to Execute Interagency Agreements	Material weakness and noncompliance

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2020**

Findings (State Compliance) (Continued)

Item No.	Page	Last/First Reported	Description	Finding Type
2020-006	29	2018/1998	Incomplete Child Welfare Files	Significant deficiency and noncompliance
2020-007	32	2018/1998	Child Abuse and Neglect Determinations	Significant deficiency and noncompliance
2020-008	34	2018/1998	Initiation of Investigations of Child Abuse and Neglect	Significant deficiency and noncompliance
2020-009	36	New	Inadequate Controls Over Applications and Data Accuracy	Significant deficiency and noncompliance
2020-010	38	New	Inadequate Access Controls	Significant deficiency and noncompliance
2020-011	40	2018/2018	Noncompliance with the Child Death Review Team Act	Significant deficiency and noncompliance
2020-012	41	2018/2002	Untimely Approval of Contracts	Significant deficiency and noncompliance
2020-013	42	2018/2012	Lack of Documentation of Monitoring Contracts	Significant deficiency and noncompliance
2020-014	44	2018/2010	Noncompliance with the State Services Assurance for FY2008	Significant deficiency and noncompliance
2020-015	45	2018/2008	Employee Performance Evaluations Not Performed or Not Performed Timely	Significant deficiency and noncompliance
2020-016	46	2018/2018	Failure to Maintain Accurate Property Records	Significant deficiency and noncompliance
2020-017	48	2018/2012	Accident Reports Not Filed Timely	Significant deficiency and noncompliance
2020-018	49	2018/2012	Federal Reimbursements Not Requested Timely	Significant deficiency and noncompliance

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2020**

Findings (State Compliance) (Continued)

Item No.	Page	Last/First Reported	Description	Finding Type
2020-019	51	2018/2012	Noncompliance with Abused and Neglected Child Reporting Act	Significant deficiency and noncompliance
2020-020	56	2018/2016	Noncompliance with the Children and Family Services Act	Significant deficiency and noncompliance
2020-021	59	2018/2018	Noncompliance with the Adoption Act	Significant deficiency and noncompliance
2020-022	61	2018/2018	Noncompliance with the Child Welfare Act of 1969	Significant deficiency and noncompliance
2020-023	64	2018/2018	Noncompliance with Statutory Mandates	Significant deficiency and noncompliance
2020-024	66	New	Monthly Reconciliations Not Performed Timely	Significant deficiency and noncompliance
2020-025	68	New	Equipment Leases Not Properly Reported	Significant deficiency and noncompliance
2020-026	69	New	Noncompliance with the Juvenile Court Act of 1987	Significant deficiency and noncompliance
2020-027	70	New	Inadequate Controls Over Employee Training Programs	Significant deficiency and noncompliance
2020-028	71	New	Lack of Adequate Controls Over the Review of Internal Controls for Service Providers	Significant deficiency and noncompliance
2020-029	73	New	Lack of Cybersecurity Programs and Practices	Significant deficiency and noncompliance
2020-030	75	New	Inadequate Disaster Recovery Planning and Testing	Significant deficiency and noncompliance

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In addition, the following findings which are reported as current findings relating to *Government Auditing Standards* also meet the reporting requirements for State Compliance.

2020-001	16	Financial Statement Preparation	Material weakness and material noncompliance
2020-002	17	Inadequate Controls over Cash	Material weakness and material noncompliance
2020-003	19	Inadequate Internal Controls over Census Data	Material weakness and material noncompliance
2020-004	22	Inadequate General Information Technology Controls Over IMPACT	Material weakness and material noncompliance
2020-005	26	Insufficient Review and Documentation of Provider Enrollment Determinations and Failure to Execute Interagency Agreements	Material weakness and material noncompliance

Prior Year Findings Not Repeated

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
A	76	Statewide Failure to Execute Interagency Agreements and Perform Essential Project Management Functions Over Provider Enrollment in the Medicaid Program
B	76	Failure to File Travel Headquarter Reports
C	76	Equipment Leases Not Reported to Comptroller
D	77	Noncompliance with the State Prompt Payment Act
E	77	Deficiencies in Management of Returned Checks

**STATE OF ILLINOIS
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FOR THE TWO YEARS ENDED JUNE 30, 2020**

Exit Conference

The Department waived the exit conference for the compliance examination in an email dated September 1, 2021, from Joe McDonald, Associate Deputy Director, Fiscal Accounting. Responses to findings 2020-001 through 2020-005 were provided by Joe McDonald in an email dated June 1, 2021. Responses to findings 2020-006 through 2020-029 were provided by Joe McDonald in an email dated September 2, 2021. Response to finding 2020-030 was provided by Joe McDonald in an email dated September 7, 2021. The Department of Healthcare and Family Services' responses to Findings 2020-004 and 2020-005 were provided by Jamie Nardulli, Chief Internal Auditor, in an email dated May 24, 2021. The Department of Human Services' response to Finding 2020-004 was provided by Amy Macklin, Chief Internal Auditor, in an email dated May 25, 2021.



**INDEPENDENT ACCOUNTANTS' REPORT ON STATE COMPLIANCE,
INTERNAL CONTROL OVER COMPLIANCE, AND ON
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

Honorable Frank J. Mautino
Auditor General
State of Illinois

Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the State of Illinois, Department of Children and Family Services (the "Department") with the specified requirements listed below, as more fully described in *the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide)* as adopted by the Auditor General, during the two years ended June 30, 2020. Management of the Department is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Department's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. The Department has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Department has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The Department has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the Department are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the Department on behalf of the State or held in trust by the Department have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Honorable Frank J. Mautino
Auditor General
State of Illinois

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide*. Those standards, the Act, and the *Audit Guide* require that we plan and perform the examination to obtain reasonable assurance about whether the Department complied, in all material respects, with the specified requirements. An examination involves performing procedures to obtain evidence about whether the Department complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance with the specified requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our modified opinion.

Our examination does not provide a legal determination on the Department's compliance with the specified requirements.

Our examination disclosed material noncompliance with the following specified requirement applicable to the Department during the two years ended June 30, 2020.

Specified Requirement C

As described in the accompanying Schedule of Findings as items 2020-002, 2020-003, 2020-004, and 2020-005, the Department had not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

Specified Requirement D

As described in the accompanying Schedule of Findings as items 2020-001 and 2020-002, the Department had not ensured the State revenues and receipts collected by the Department were in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts was fair, accurate, and in accordance with law.

Specified Requirement E

As described in the accompanying Schedule of Findings as item 2020-002, money or negotiable securities or similar assets handled by the Department on behalf of the State or held in trust by the Department had not been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

In our opinion, except for the material deviations from the specified requirements described in the preceding paragraph, the Department complied with the specified requirements during the two years ended June 30, 2020, in all material respects. However, the results of our procedures disclosed other instances of noncompliance with the specified requirements, which are required to be reported in accordance with criteria established by the *Audit Guide* and are described in the accompanying Schedule of Findings as items 2020-006 through 2020-030.

State of Illinois, Department of Children and Family Services' Response to Findings

The Department's response to the findings identified in our audit is described in the accompanying Schedule of Findings. The Department's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Honorable Frank J. Mautino
Auditor General
State of Illinois

State of Illinois, Department of Healthcare and Family Services' Response to Findings

The State of Illinois, Department of Healthcare and Family Services' response to items 2020-004 and 2020-005 is described in the accompanying Schedule of Findings. The State of Illinois, Department of Healthcare and Family Services' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

State of Illinois, Department of Human Services' Response to Findings

The State of Illinois, Department of Human Services' response to item 2020-004 is described in the accompanying Schedule of Findings. The State of Illinois, Department of Human Services' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

The purpose of this report is solely to describe the scope of our testing and the results of that testing in accordance with the requirements of the Audit Guide. Accordingly, this report is not suitable for any other purpose.

Internal Control

Management of the Department is responsible for establishing and maintaining effective internal control over compliance with the specified requirements (internal control). In planning and performing our examination, we considered the Department's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Department's compliance with the specified requirements and to test and report on the Department's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings, we did identify certain deficiencies in internal control that we consider to be a material weakness and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the specified requirements on a timely basis. *A material weakness in internal control* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings as items 2020-001, 2020-002, 2020-003, 2020-004, and 2020-005 to be a material weaknesses.

A significant deficiency in internal control is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings as items 2020-006 through 2020-030 to be significant deficiencies.

Honorable Frank J. Mautino
Auditor General
State of Illinois

As required by the *Audit Guide*, immaterial findings excluded from this report have been reported in a separate letter.

State of Illinois, Department of Children and Family Services' Response to Findings

The Department's response to the findings identified in our audit is described in the accompanying Schedule of Findings. The Department's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

State of Illinois, Department of Healthcare and Family Services' Response to Findings

The State of Illinois, Department of Healthcare and Family Services' response to items 2020-004 and 2020-005 is described in the accompanying Schedule of Findings. The State of Illinois, Department of Healthcare and Family Services' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

State of Illinois, Department of Human Services' Response to Findings

The State of Illinois, Department of Human Services' response to item 2020-004 is described in the accompanying Schedule of Findings. The State of Illinois, Department of Human Services' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing based on the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Supplementary Information for State Compliance Purposes

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Department as of and for the year ended June 30, 2020, and have issued our report thereon dated June 2, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Department's basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to June 2, 2021. The accompanying supplementary information for the year ended June 30, 2020 in Schedules 1 and 3 through 7 is presented for the purposes of additional analysis and is not a required part of the basic financial statements of Department. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

Honorable Frank J. Mautino
Auditor General
State of Illinois

The Department's basic financial statements as of and for the year ended June 30, 2018 not presented herein, were audited by other auditors whose report thereon dated May 17, 2019, expressed unmodified opinions on the respective financial statements. The report of the other auditors dated May 17, 2019, stated that the accompanying supplementary information for the year ended June 30, 2018, in Schedules 3 through 6 was subjected to the auditing procedures applied in the audit of the June 30, 2018, basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to those basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In their opinion, the accompanying supplementary information for the year ended June 30, 2018, in Schedules 3 through 6 were fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2018.

The accompanying supplementary information for the year ended June 30, 2020 in Schedules 1 and 3 through 7 has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information for the year ended June 30, 2020 in Schedules 1 and 3 through 7 is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2020.

The accompanying supplementary information in the Analysis of Operations Section, Schedule 2, and Schedule 8, and information for the year ended June 30, 2019 and prior in Schedules 3 through 7, is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

SIGNED ORIGINAL ON FILE

Peoria, Illinois
September 14, 2021



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Financial Statements

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the State of Illinois, Department of Children and Family Services (the "Department"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements, and have issued our report thereon dated June 2, 2021.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings as item 2020-005.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Department's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Honorable Frank J. Mautino
Auditor General
State of Illinois

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2020-001, 2020-002, 2020-003, 2020-004, and 2020-005 that we consider to be material weaknesses.

State of Illinois, Department of Children and Family Services' Response to Findings

The Department's response to the findings identified in our audit is described in the accompanying Schedule of Findings. The Department's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

State of Illinois, Department of Healthcare and Family Services' Response to Findings

The State of Illinois, Department of Healthcare and Family Services' response to items 2020-004 and 2020-005 is described in the accompanying Schedule of Findings. The State of Illinois, Department of Healthcare and Family Services' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

State of Illinois, Department of Human Services' Response to Findings

The State of Illinois, Department of Human Services' response to item 2020-004 is described in the accompanying Schedule of Findings. The State of Illinois, Department of Human Services' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Peoria, Illinois
June 2, 2021

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SCHEDULE OF FINDINGS
FOR THE TWO YEARS ENDED JUNE 30, 2020**

CURRENT FINDINGS – GOVERNMENT AUDITING STANDARDS

Finding 2020-001 Financial Statement Preparation

The Department of Children and Family Services (Department) year-end financial reporting in accordance with generally accepted accounting principles (GAAP) submitted to the Illinois Office of Comptroller (Comptroller) contained a material error.

A material error was identified during the audit of the Department's draft financial statements. The effect of this misstatement in the Department's governmental funds financial statements was an overstatement of revenue and an understatement of beginning fund balance in the amount of \$24.005 million. The Department posted an audit adjustment to correct this error in its financial statements as of and for the year ended June 30, 2020.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, states that revenues and other governmental fund financial resources should be recognized in the accounting period in which they become both measurable and available. The Department considers revenue to be available if received within 60 days of fiscal year end.

Additionally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that revenues, expenditures, and transfers of assets, resources or funds applicable to operations are properly recorded and accounted for to permit preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources. Effective internal controls should include procedures to ensure adherence to accounting principles generally accepted in the United State of America and the appropriate presentation of amounts reported in the Department's financial statements.

Officials of the Department indicated they used estimated cash receipts for July and August 2019 for calculating the June 30, 2019 deferred inflow of resources, as opposed to identifying the actual unavailable revenues.

Insufficient and/or ineffective controls over financial reporting can lead to significant reporting inaccuracies in the financial statements. (Finding Code No. 2020-001)

RECOMMENDATION

We recommend the Department implement internal control procedures to ensure GAAP Reporting Packages are prepared in an accurate manner.

DEPARTMENT RESPONSE

The Department agrees with and has implemented this recommendation. The Department has filled a vacant CPA position and continues to employ a contractor with expertise in completion and review of governmental financial statements.

**STATE OF ILLINOIS
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Finding 2020-002 Inadequate Controls Over Cash

The Department of Children and Family Services (Department) did not exercise adequate control over its cash receipts and monthly reconciliations.

During testing, we noted the following internal control deficiencies occurred during both Fiscal Year 2019 and Fiscal Year 2020:

- While the Department was generally timely in depositing cash receipts into cash clearing accounts established by the State Treasurer, the Department was not timely preparing Receipts Deposit Transmittal (RDT) to order receipts on deposit within the cash clearing accounts into the proper fund with the State Treasury. At June 30, 2020, we identified the average in-transit receipt had been outstanding in the clearing account and not deposited into the Treasury by over 300 days. As such, the Office of Comptroller (Comptroller) **cannot process any expenditures using this money on deposit in the clearing accounts until the Department actually completes the RDT process.**

The Statewide Accounting Management System (SAMS) (Procedure 25.20.10) requires the Department prepare a RDT (Form C-64) with a State Treasurer's Draft for receipts in the clearing account to order moneys deposited into the State Treasury. Good internal controls over cash management include expediting the deposit of cash receipts into the State Treasury to speed the payment of State obligations.

- The Department was not timely recording cash receipts within its accounting records.

The State Officers and Employees Money Disposition Act (30 ILCS 230/2(a)) requires the Department to keep proper books with a detailed itemized accounting of all moneys showing the date of receipt, the payor, purpose and amount, and the date and manner of disbursement. Further, a good system of internal control includes establishing a process to timely record transactions and monitor the deposit of receipts into the State Treasury.

- The Department was not timely performing reconciliations of its cash receipts recorded within its accounting records to the Comptroller's records of deposits of cash receipts within the State Treasury's funds.

(SAMS) (Procedure 25.40.20) requires the Department to reconcile the Monthly Revenue Status Report (SB04) generated monthly by the Comptroller to its internal accounting records within 60 days of month end, so unreconcilable differences can be identified and corrected within the State's accounting records.

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Due to these problems, we noted the following growth in reconciling differences:

General Fund	FY18	FY20	Difference
In-Transit Cash Receipts at June 30	\$1,058,000	\$11,397,432	\$10,339,432
Number of In-Transit Cash Receipts at June 30	1	653	652

Children’s Services Fund	FY18	FY20	Difference
In-Transit Cash Receipts at June 30	\$336,000	\$8,172,550	\$7,836,550
Number of In-Transit Cash Receipts at June 30	7	771	764

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance revenues and funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial reports and to maintain accountability over the State’s resources.

Department officials indicated a struggle to timely fill vacancies within the Department’s General Accounting Division and staff assigned to complete receipt processing not being properly trained contributed to these problems.

Failure to record receipt transactions and timely submit RDTs to the Comptroller represents noncompliance with the State Officers and Employees Money Disposition Act and reduces the amount of cash available to pay current obligations. Further, failure to timely and properly document reconciliations of the Department’s records to the Comptroller’s reports hindered the ability of staff to identify and correct errors in the normal course of performing their duties and represents noncompliance with SAMS. Finally, the lack of adequate internal control over receipts creates a significant risk for a potential material misstatement in financial reporting. (Finding Code No. 2020-002)

RECOMMENDATION

We recommend the Department implement controls to record all cash receipt transactions, timely submit RDTs to the Comptroller, and timely and accurately complete reconciliations of receipts in accordance with SAMS.

DEPARTMENT RESPONSE

The Department agrees with and has implemented the auditor recommendations. DCFS has hired a CPA to manage the general accounting division and oversee the receipts processes, reporting and reconciliation processes. Receipts are being entered into SAP and RDTs are being completed timely. Cash receipts reconciliations are caught up and reconciling items are minimal and being corrected in a timely manner.

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Finding 2020-003 Inadequate Internal Controls Over Census Data

The Department of Children and Family Services (Department) did not develop or retain adequate supporting documentation for its personnel transactions and did not have a reconciliation process to provide assurance census data submitted to its pension and other postemployment benefits (OPEB) plans was complete and accurate.

Census data is demographic data (date of birth, gender, years of service, etc.) of the active, inactive, or retired members of a pension or OPEB plan. The accumulation of inactive or retired members' census data occurs before the current accumulation period of census data used in the plan's actuarial valuation (which eventually flows into each employer's financial statements), meaning the plan is solely responsible for establishing internal controls over these records and transmitting this data to the plan's actuary. In contrast, responsibility for active members' census data during the current accumulation period is split among the plan and each member's current employer(s). Initially, employers must accurately transmit census data elements of their employees to the plan. Then, the plan must record and retain these records for active employees and then transmit this census data to the plan's actuary.

We noted the Department's employees are members of both the State Employees' Retirement System of Illinois (SERS) for their pensions and the State Employees Group Insurance Program sponsored by the State of Illinois, Department of Central Management Services (CMS) for their OPEB. In addition, we noted these plans have characteristics of different types of pension and OPEB plans, including single employer plans and cost-sharing multiple-employer plans.

During testing, we noted the following:

- 1) The Department had not performed an initial complete reconciliation of its census data recorded by SERS and CMS to its internal records to establish a base year of complete and accurate census data.
- 2) After establishing a base year, the Department had not developed a process to annually obtain from SERS and CMS the incremental changes recorded by SERS and CMS in their census data records and reconcile these changes back to the Department's internal supporting records.
- 3) Two of 80 (3%) employees tested did not have documentation supporting the employee's total compensation as determined under the Illinois Pension Code (40 ILCS 5/14-133(a)), as adjustments were posted for bilingual pay and longevity pay which the Department could not substantiate from its own records. We considered the impact of the portion of these employees' total compensation that was unsupported and determined these amounts did not materially impact the Department's financial statements.

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For employers where their employees participate in plans with multiple-employer and cost-sharing features, the American Institute of Certified Public Accountants' *Audit and Accounting Guide: State and Local Governments* (AAG-SLG) (§ 13.177 for pensions and § 14.184 for OPEB) notes the determination of net pension/OPEB liability, pension/OPEB expense, and the associated deferred inflows and deferred outflows of resources depends on employer-provided census data reported to the plan being complete and accurate along with the accumulation and maintenance of this data by the plan being complete and accurate. To help mitigate against the risk of a plan's actuary using incomplete or inaccurate census data within similar agent multiple-employer plans, the AAG-SLG (§ 13.181 (A-27) for pensions and § 14.141 for OPEB) recommends an employer annually reconcile its active members' census data to a report from the plan of census data submitted to the plan's actuary, by comparing the current year's census data file to both the prior year's census data file and its underlying records for changes occurring during the current year.

Further, the State Records Act (5 ILCS 160/8) requires the Department make and preserve records containing adequate and proper documentation of its essential transactions to protect the legal and financial rights of the State and of persons directly affected by the Department's activities.

Finally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds applicable to operations are properly recorded and accounted for to permit the preparation of reliable financial and statistical reports.

The Department indicated they were unaware of the requirement to reconcile its information to the information reported by SERS and CMS.

Failure to ensure census data reported to SERS was complete and accurate could have resulted in a material misstatement of the Department's financial statements and reduced the overall accuracy of SERS-related pension liabilities, deferred inflows and outflows of resources, and expense recorded by the State and its agencies. In addition, failure to reconcile active members' census data reported to and held by SERS and CMS to the Department's records could result in each plan's actuary relying on incomplete or inaccurate census data in the calculation of the Department's pension and OPEB balances, which may result in a misstatement of these amounts. (Finding Code No. 2020-003)

RECOMMENDATION

We recommend the Department implement controls to ensure total compensation paid to each employee is fully documented and supported within the Department's records.

Further, we recommend the Department work with SERS and CMS to develop an annual reconciliation process of its active members' census data from its underlying records to a report from each plan of census data submitted to the plan's actuary. After completing an initial full reconciliation, the Department may limit the annual reconciliations to focus on the incremental changes to the census data file from the prior actuarial valuation, provided no risks are identified that incomplete or inaccurate reporting of census data may have occurred during prior periods.

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DEPARTMENT RESPONSE

The Department agrees with this finding. The Department will review its procedures regarding maintenance of employee pay records and make any changes necessary to ensure compensation figures are fully supported. The Department will also work with the IOC, SERS and CMS to develop a process to reconcile pension and OPEB census data as recommended.

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CURRENT FINDINGS – GOVERNMENT AUDITING STANDARDS

Finding 2020-004 Inadequate General Information Technology Controls Over IMPACT

The Department of Healthcare and Family Services (HFS), the Department of Human Services (DHS), and the Department of Children and Family Services (DCFS) (collectively, the “Departments”) failed to establish and maintain adequate general information technology internal controls (general IT controls) over the operation of the State of Illinois’ Illinois Medicaid Program Advanced Cloud Technology system (IMPACT).

In calendar year 2012, HFS and the State of Michigan’s Department of Community Health entered into an intergovernmental agreement (IGA) for the State of Illinois (State) to utilize Michigan’s existing Medicaid Management Information System (MMIS) and its related infrastructure with the goal of replacing the State’s MMIS to accommodate the processing of the State’s Medicaid provider enrollment determinations and all Medicaid claim payments to such providers. Since 2012, the State has implemented two phases of IMPACT; Electronic Health Record Medicaid Incentive Payment Program (eMIPP) and Provider Enrollment (PE).

An IGA was entered into in 2015 which formally established the Illinois-Michigan Program Alliance for Core Technology. Additionally, the parties agreed to pursue expansion of the Michigan MMIS environment to accommodate the processing of Illinois’ Medicaid claims. The IGA required Michigan to extend its current system to utilize cloud architecture that would result in converged infrastructure, maximizing the effectiveness of shared resources, and allowing the shared services to be offered to HFS.

As a result of the Departments not having access to or control over IMPACT and its infrastructure, we requested HFS provide a System and Organization Control (SOC) report which would provide the State and auditors information on the design and effectiveness of internal controls over IMPACT. In response, HFS provided a Security Assessment Report (Report), however, this report did not evaluate the design and implementation of Michigan’s internal controls.

Specifically, the Report did not document:

- Timeframe/period in which the Security Assessment Report covers,
- Independent service auditor’s report,
- Details of the testing conducted, and
- Details of Michigan’s internal controls as they relate to:
 - o Control environment,
 - o Risk assessment processes,
 - o Information and communication,
 - o Control activities, and
 - o Monitoring activities.

As a result, we were unable to perform adequate procedures to satisfy ourselves that certain general IT controls (changes and access controls (administrators and programmers)) to IMPACT were operating effectively during the audit period.

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Change Management

As a result of the Departments' failure to obtain a SOC report, as noted above, or conduct their own timely independent internal control review over changes to IMPACT, data, or the infrastructure, we were unable to determine if changes made during the audit period were proper and approved.

Departments' management stated they believe the Security Assessment Report adequately assessed the internal controls over IMPACT, data and the infrastructure.

User Access Control

HFS implemented a formalized review process for IMPACT Provider Enrollment Access and Employee Status Report Review during the year ended June 30, 2020. The Department performed and documented the annual IMPACT Provider Enrollment Access Review in accordance with their formalized process. However, the HFS did not timely perform the formalized Employee Status Report Review. Furthermore, the IMPACT Provider Enrollment Access Review did not include a requirement for DHS and DCFS to conduct periodic user access reviews.

During our testing, we obtained a population of all Departments' staff who had access to IMPACT, noting five of five (100%) terminated State staff continued to have access. The access rights were terminated 204 to 250 days after termination of employment.

According to Department management, IMPACT automatically locks accounts after 60 days of non-use. While we do not disagree, the accounts lock after 60 days of inactivity, during the 60 days individuals continue to have access. Further, the 60 day automatic lock is only for non-use. If the individual continues to utilize their account, it remains active.

Further, HFS' management stated the late removal of terminated employees' access to IMPACT was due to a lack of communication between supervisors and the security staff and the Employee Status Report was not always received by the security staff in a timely fashion.

The Code of Federal Regulations (Code) (42 C.F.R §95.621(f)(1)), *ADP System Security Requirement*, requires the Departments to be responsible for the security of all automated data processing (ADP) projects under development, and operational systems involved in the administration of the U.S. Department of Health & Human Services programs. The Departments are required to determine the appropriate security requirements based on recognized industry standards or standards governing security of federal ADP systems and information processing.

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The internal control requirements of the *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) within the Code (2 C.F.R. § 200.303) requires the Departments to: (1) establish and maintain effective internal control over the Medicaid Program to provide reasonable assurance the Departments are managing the Medicaid Program in compliance with federal statutes, regulations, and the terms and conditions; and (2) comply with federal statutes, regulations and terms and conditions of the Medicaid Program. These internal controls should be in compliance with guidance in Standards for Internal Control in the Federal Government (otherwise commonly referred to as the Green Book) issued by the Comptroller General of the United States or the *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organization of the Treadway Commission (COSO).

The National Institute of Standards and Technology (NIST), Security and Privacy Controls for Information Systems and Organizations, Access Control, Configuration Management, and System and Service Acquisition sections sanctions the development, implementation, and monitoring of internal controls over changes, access, and service providers.

HFS' Employee Status Report review procedure states "Twice a month the Identity Management Unit (IMU) receives an Employee Status Report from the HFS' Division of Personnel. This report lists changes in employee job assignments. The report is reviewed by the IMU to identify accounts that need to be disabled."

Without having obtained and reviewed a SOC report, the Departments do not have assurance the service provider's internal controls over IMPACT, data and the infrastructure are adequate to protect from unauthorized changes and accidental and intentional destruction or alteration. Furthermore, the untimely termination of access rights and periodic review of access leave the Departments exposed to risk of unauthorized access. (Finding Code No. 2020-004, 2018-002)

RECOMMENDATION

We recommend the Departments work with the service provider to obtain assurance the internal controls over IMPACT, data, and the infrastructure, including change control and user access, are adequate.

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES' RESPONSE

The Department of Healthcare and Family Services accepts the recommendation.

DEPARTMENT OF HUMAN SERVICES' RESPONSE

The Illinois Department of Human Services (IDHS) accepts the recommendation. IDHS will work with HFS and the service provider to ensure controls over IMPACT data and the infrastructure are adequate.

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DEPARTMENT OF CHILDREN AND FAMILY SERVICES' RESPONSE

DCFS's role in the IMPACT system is limited to one system user who has very limited access to the system in order to assist providers who work with DCFS youth in care with their enrollment into IMPACT and to identify that the provider has an association with DCFS within the system. DCFS will work with HFS and DHS to implement any controls that are established to maintain adequate general information technology controls over the operation of the IMPACT system.

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Finding 2020-005 Insufficient Review and Documentation of Provider Enrollment Determinations and Failure to Execute Interagency Agreements

The Department of Children and Family Services (DCFS) failed to execute an interagency agreement (IA) with the Department of Healthcare and Family Services (HFS) establishing adequate internal controls over the operation of the State of Illinois' Illinois Medicaid Program Advanced Cloud Technology system (IMPACT), and failed to sufficiently review and document eligibility requirements either prior to the approval of eligibility, and/or during the required monthly screenings for enrolled providers.

In July 2015, HFS implemented IMPACT's Provider Enrollment module, which was designed by HFS to be the State of Illinois' official book of record for the enrollment of providers offering services for and on behalf of State of Illinois Medicaid recipients.

As set forth in the State of Illinois' State Plan under Title XIX of the *Social Security Act* (State Plan) (Section 1.1), the State's designated agency responsible for administering and supervising the administration of the Medicaid Program is HFS. However, Section 1.1 of the State Plan also allows for HFS to delegate specific functions to other State agencies to assist with the administration of the Medicaid Program, pursuant to a written IA defining each agency's roles and responsibilities.

DCFS provides Medicaid services which utilize IMPACT for enrollment of their providers. DCFS administers the State's child welfare program which includes cooperating in the establishment of Medicaid eligibility for children who are wards of the State.

Interagency Agreement

The auditors noted DCFS did not enter into or have an existing IA with HFS defining each agencies' roles and responsibilities as they related to IMPACT during fiscal years 2019 and 2020.

DCFS management stated they were unable to complete the negotiation of an IGA during the examination period due to the rollout of the new Medicaid managed care plan and the complexities involved in ensuring a smooth transition and defining the roles of both HFS and DCFS, which includes the definition of roles within IMPACT.

Detail Sample Testing of DCFS Providers

During testing, the auditors determined DCFS did not utilize IMPACT as its official book of record or rely on it to verify if their providers met certain Medicaid requirements prior to approving them to provide services to Medicaid recipients. Specifically, in fiscal years 2019 and 2020, DCFS management stated they do not utilize IMPACT as the official book of record for DCFS providers because DCFS contracted directly with those providers for services specific to the needs of its youth in care that were eligible for Medicaid reimbursement. DCFS management further stated it believes its role was to assist DCFS providers, after contracting with them, with enrolling in IMPACT as DCFS management believes HFS is ultimately responsible for determining if the payments were eligible to be claimed for reimbursement from the federal government.

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In order to determine if DCFS provider applications were approved in accordance with DCFS program specific federal and State laws/rules/regulations, the auditors requested DCFS to provide them with a population of its approved providers, identified in IMPACT as DCFS providers as of June 30, 2020. In response to the auditors' request, DCFS management stated it was not required to maintain records of enrolled providers, this was the responsibility of HFS. DCFS did not request HFS to provide a population to the auditors.

Due to the conditions noted above, the auditors were unable to conclude DCFS records were sufficiently precise, complete, and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AU-C § 330, AU-C § 530, AT-C § 205). As a result, auditors were unable to conduct detailed testing.

The internal control requirements of the *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) within the Code of Federal Regulations (Code) (2 C.F.R § 200.303) requires HFS and DCFS to: (1) establish and maintain effective internal control over the Medicaid Program to provide reasonable assurance the State of Illinois is managing the Medicaid Program in compliance with federal statutes, regulations, and the terms and conditions of the Federal award; and (2) comply with federal statutes, regulations and terms and conditions of the Medicaid Program. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" (otherwise commonly referred to as the Green Book) issued by the Comptroller General of the United States or the "Internal Control Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Further, the Fiscal Control and Internal Auditing Act (FCIAA) (30 ILCS 10/3001) requires HFS and DCFS to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that: (1) resources are utilized efficiently, effectively, and in compliance with applicable laws; (2) obligations and costs are in compliance with applicable laws; and (3) funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation and funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Failure to execute an IA could expose the State to unnecessary and avoidable litigation. Further, as a result of DCFS' failure to provide or obtain a population of DCFS program specific providers, the auditors were unable to rely on IMPACT with respect to the testing of provider eligibility and related federal compliance requirements over the enrollment of providers and subsequent payments made to approved providers who provide services to recipients of the State's Medicaid Program. (Finding Code No. 2020-005, 2018-003)

RECOMMENDATION

We recommend DCFS management work with HFS to ensure all provider applications are properly reviewed, approved, and documented within IMPACT. In addition, we recommend DCFS work with HFS to execute a detailed interagency agreement which documents specific roles and responsibilities as they relate to IMPACT.

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DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES' RESPONSE

The Department of Healthcare and Family Services (HFS) accepts the recommendation. The IGA with DCFS is complete and awaiting signature.

DEPARTMENT OF CHILDREN AND FAMILY SERVICES' RESPONSE

DCFS partially agrees with the recommendation. DCFS will continue to work with HFS to execute an interagency agreement which documents the specific roles and responsibilities of DCFS as they relate to IMPACT. If those roles include review and approval of provider applications, DCFS will establish procedures to ensure they are documented within IMPACT.

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Finding 2020-006 Incomplete Child Welfare Files

The Illinois Department of Children and Family Services' (Department) Child Welfare and Foster Care and Intact Family Case files lacked required documentation and not all case procedures were performed timely.

In our sample of 30 child welfare case files managed by Department staff (CFS), and 30 child welfare case files managed by point of service (POS) contractors, we noted the following:

Case File Deficiency	Case File Requirement	Authority
<p>36 of 60 (60%) Statewide Automated Child Welfare Information System (SACWIS) Risk Assessments could not be found in the files. (24 POS & 12 CFS cases)</p> <p>13 of 60 (22%) Statewide Automated Child Welfare Information System (SACWIS) Risk Assessments were not completed timely. (10 POS – 40 to 269 days late) (3 CFS – 131 to 165 days late)</p>	<p>When child welfare staff are engaged in preliminary activities the SACWIS Risk Assessment is to be completed within 30 days of the case opening.</p>	<p>DCFS Administrative Procedure #5 (Section 5.2 (C))</p>
<p>5 of 60 (8%) Integrated Assessments could not be found in the files. (3 POS & 2 CFS cases)</p> <p>44 of 60 (73%) Integrated Assessments were not completed timely. (30 POS – 3 to 319 days late) (14 CFS – 4 to 128 days late)</p>	<p>Integrated Assessment forms are to be completed within 40 calendar days of the case opening or placement.</p>	<p>DCFS Administrative Procedure #5 – Update November 22, 2016 and DCFS Administrative Procedure #5 (Section 5.3)</p>
<p>19 of 60 (32%) Initial Service Plans were not completed timely. (12 POS – 1 to 113 days late) (7 CFS – 3 to 114 days late)</p>	<p>Initial service plans are to be completed within 45 calendar days of the case opening or placement.</p>	<p>DCFS Administrative Procedure #5 – Update November 22, 2016 and DCFS Administrative Procedure #5 (Section 5.4)</p>

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Case File Deficiency	Case File Requirement	Authority
5 of 60 (8%) children's photos were not indicated as being taken and maintained in SACWIS or in case files. (4 POS & 1 CFS cases)	The date the photo is obtained must be included in SACWIS or related documentation should be in case files.	DCFS Procedure 301.150, PT 2013.123
18 of 60 (30%) children's fingerprints were not indicated as being taken and maintained in SACWIS or in case files. (11 POS & 7 CFS cases)	The date the fingerprint is obtained must be included in SACWIS or related documentation should be in case files.	DCFS Procedure 301.150, PT 2013.123
14 of 60 (23%) Medical & Dental Consent forms (CFS 431 and CFS 415) were not found in the case file. (8 POS & 6 CFS cases)	Forms CFS 431 and CFS 415 must be maintained to provide consent for ordinary and routine medical and dental or surgical treatment.	DCFS Administrative Procedure #5, (Appendix C, Section VI)
24 of 60 (40%) Initial Placement Checklists (CFS 418- J) were not found in files. (13 POS & 11 CFS cases)	Form CFS 418-J must be maintained for all children placed in substitute care to document any special needs of the child.	DCFS Procedure 315.85(b)
15 of 60 (25%) Placement & Payment Authorization Forms (CFS 906) were not maintained in the case files. (9 POS & 6 CFS cases)	Form CFS 906 must be completed and maintained in the case file and should include information concerning the child's placement status and other information critical to payment and approvals.	DCFS Administrative Procedure #5 (Section 5.1)
9 of 60 (15%) Child Identification Forms (CFS 680) were not maintained in the case files. (5 POS & 4 CFS cases)	Form CFS 680 is one of three required components to child identification information along with photos and fingerprints.	DCFS Procedure 301.150, PT 2013.123
18 of 60 (30%) Registration Case Opening Forms (CFS 1410) could not be provided for our review, thus, we were not able to determine timeliness. (11 POS & 7 CFS)	The CFS 1410, Registration Case Opening Forms are to be completed within 24 hours of the case opening decision unless received from child protection, in which case it should be completed immediately by data entry staff.	DCFS Administrative Procedure #5 (Section 5.3)
19 of 60 (32%) Registration Case Opening Forms (CFS 1410) were not completed timely. (11 POS – 1 to 13 days late) (8 CFS – 1 to 9 days late)		

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Additionally, we utilized the administrative case reviews (ACR) for the same sample to test compliance with the Illinois Administrative Code's (Code) (89 Ill. Adm. Code 316.60) 21-day notification requirement. Our sample of 60 cases resulted in 106 ACRs, which generated 416 notifications to all parties involved. We noted the following:

- 31 notifications (7%) were sent with less than 21 days' notice
- 16 notifications (4%) were not sent for various reasons.

The Code (89 Ill. Adm. Code 316.60) and DCFS Administrative Procedure #5 require written notification of the date, time, place, and purpose of the ACR be mailed to all parties involved 21 days in advance of the ACR meeting.

This finding was first noted during the examination of the two years ended June 30, 1998. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management stated exceptions were a result of competing priorities and a lack of resources.

Failure to follow established Department procedures, regulation and State law concerning welfare of children could result in inadequate care, unauthorized services or misuse of State funds. (Finding Code No. 2020-006, 2018-004, 2016-001, 2014-002, 12-2, 10-2, 08-2, 07-1, 06-1, 05-3, 04-2, 03-1, 02-2, 00-10, 99-5, 98-6)

Recommendation

We recommend the Department continue in its efforts to develop ways to automate various recordkeeping functions and that the Department follows the procedures established concerning the welfare of children. The fulfillment of those procedures should be adequately documented.

Department Response

The Department of Children and Family Services (DCFS) agrees with the recommendation and continues to stress the importance that case files contain adequate and timely documentation for all youth in care and their families. DCFS makes all efforts to update procedure as changes in practices are adopted. A review of procedures and policies is on-going, and systems are being upgraded. Communication to workers and supervisors is completed through the Departments intra net announcements and emails. The Department releases all policy, procedural changes, and trainings through the announcements and emails. All policies, procedures and administrative procedures are available through the Department's intranet and web site. DCFS worked diligently through the pandemic and learned different ways to continue providing services to our families. DCFS, as well as the Purchase of Service providers have had staff shortages. Recruitment efforts by Employee Services is underway to fill staff positions.

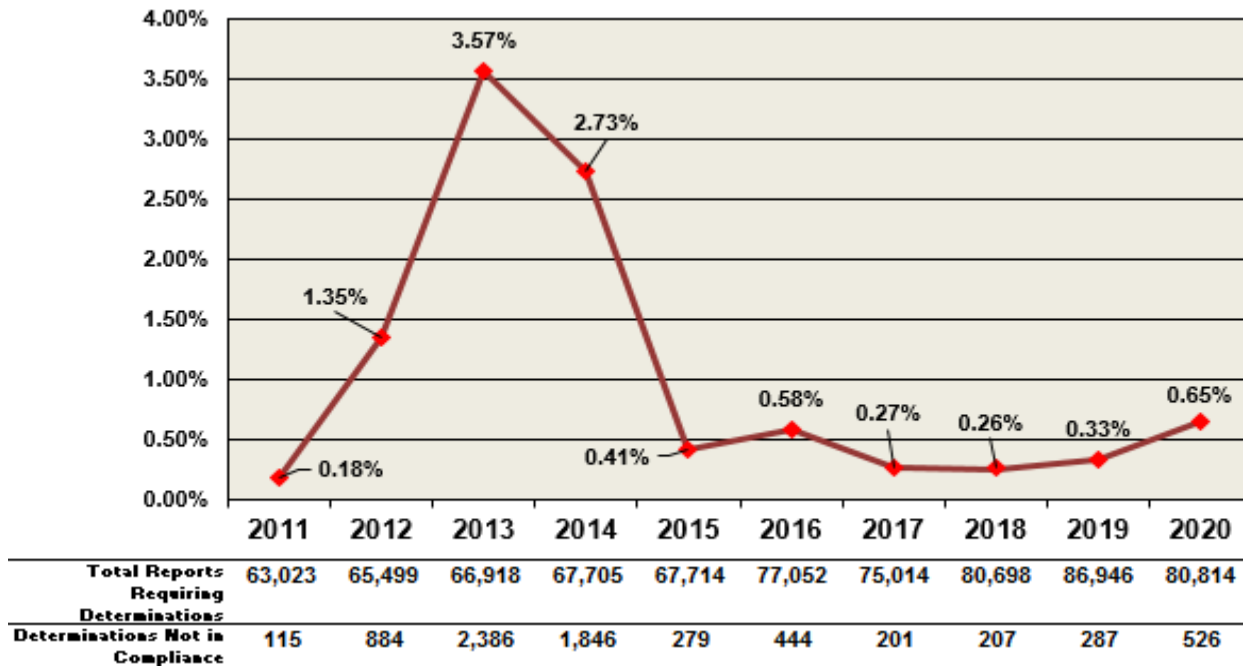
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Finding 2020-007 Child Abuse and Neglect Determinations

The Illinois Department of Children and Family Services (Department) did not make timely determinations of whether reports of child abuse and neglect were “indicated” or “unfounded” as required by the Abused and Neglected Child Reporting Act (Act).

The Department did not make timely determinations within 60 days in 287 of the 86,946 (0.33%) reports and in 526 of the 80,814 (0.65%) reports of child abuse and neglect referred to the Department during fiscal years 2019 and 2020 respectively.

The Department’s Monitoring/Quality Assurance Division compiles statistics to track reports that are not determined to be either “unfounded” or “indicated” in compliance with the Act (within 60 days of receipt of the report, or within 90 days if a 30-day extension is permitted). Following is a summary of those statistics:



The Act (325 ILCS 5/7.12) requires the Child Protective Service Unit to determine, within 60 days, whether a report is “indicated” or “unfounded”. It further provides the Department may extend, for up to an additional 30 days, the period in which individual cases are determined. Reasons for which the determination period may be extended include, but are not limited to, the following circumstances (89 Ill. Adm. Code 300.110(i)(3)(D)): a) State’s attorneys or law enforcement officials have requested that the Department delay making a determination due to a pending criminal investigation; b) medical or autopsy reports needed to make a determination are still pending after the initial 60 day period; c) the report involves an out-of-state investigation and the delay is beyond the Department’s control; or d) multiple alleged perpetrators or victims are involved necessitating more time in gathering evidence and conducting interviews.

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This finding was first noted during the examination of the two years ended June 30, 1998. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

The Department stated human error, limitations with the computer system and overall staffing levels are all factors that impact the Department's ability to meet 100% compliance.

Failure to make timely determinations of reports of abuse and neglect could delay the implementation of a service plan and result in further endangerment of the child and is a violation of the Act. (Finding Code No. 2020-007, 2018-005, 2016-002, 2014-003, 12-3, 10-3, 08-3, 07-2, 06-2, 05-4, 04-5, 03-2, 02-3, 00-8, 99-11, 98-10)

Recommendation

We recommend the Department determine reports of child abuse or neglect in compliance with the timeframe mandated by the Act.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. DCFS is over 99% compliant with this standard and continues to strive for 100% compliance. DCFS realizes the importance of completing investigations and making determinations within 60 days of reports of abuse and neglect.

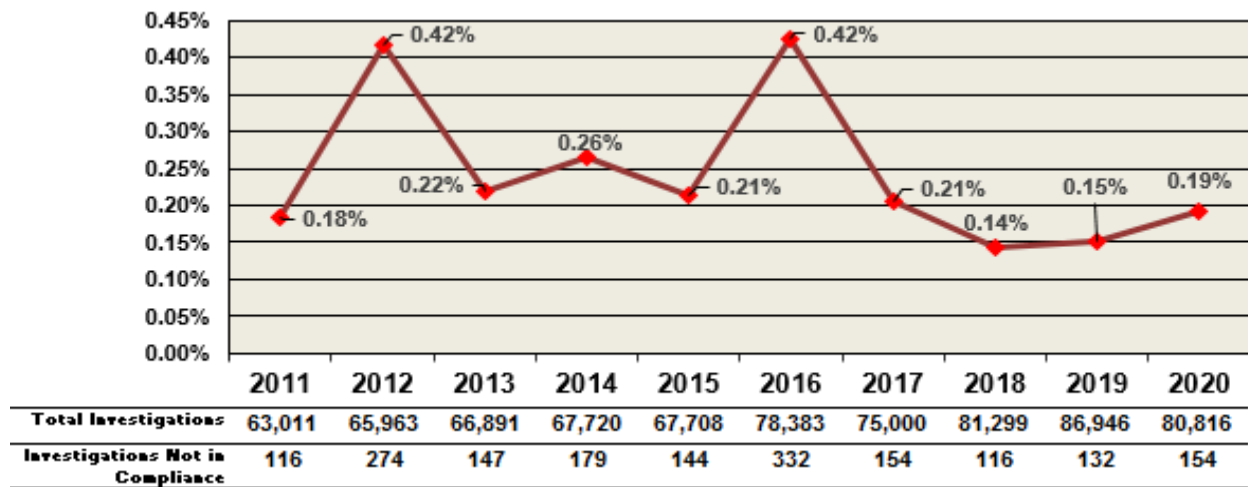
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Finding 2020-008 Initiation of Investigations of Child Abuse and Neglect

The Illinois Department of Children and Family Services (Department) did not timely initiate investigations of child abuse and neglect within 24 hours of receipt of the report as required by the Abused and Neglected Child Reporting Act (Act).

The Department did not timely initiate an investigation for 132 of the 86,946 (0.15%) reports and for 154 of the 80,816 (0.19%) reports of child abuse and neglect in fiscal years 2019 and 2020, respectively.

The Department’s Monitoring/Quality Assurance Division compiles statistics and reports on instances of noncompliance with the Act, based on data extracted from the Department’s data warehouse and the Department’s Statewide Automated Child Welfare Information System (SACWIS). These reports are a summary of activity entered into SACWIS by the field offices. Department supervisors conduct weekly manual reviews of the reports of child abuse and neglect to monitor whether all investigations are initiated timely and in compliance with the Act. The Monitoring/Quality Assurance Division has compiled the following statistics:



The Act (325 ILCS 5/7.4(b)(2)) requires child abuse and neglect investigations “be commenced within 24 hours of receipt of the report.”

This finding was first noted during the examination of the two years ended June 30, 1998. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

The Department stated human error, limitations with the computer system and overall staffing levels are all factors that impact the Department’s ability to meet 100% compliance.

Failure to respond to a report of abuse or neglect within 24 hours could result in further endangerment to the child and is a violation of the Act. (Finding Code No. 2020-008, 2018-006, 2016-003, 2014-004, 12-4, 10-4, 08-4, 07-3, 06-3, 05-5, 04-6, 03-3, 02-4, 00-7, 99-10, 98-9)

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Recommendation

We recommend the Department initiate investigations of all child abuse and neglect reports within 24 hours of receiving the report as mandated by the Act.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. DCFS continues to be well over 99% compliant with this standard. DCFS remains diligent in pursuing 100% compliance by monitoring weekly reports and addressing missed mandates via the disciplinary process. Supervisors are reminded to review the investigation to ensure the mandate time is correct to reduce human error.

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Finding 2020-009 Inadequate Controls Over Applications and Data Accuracy

The Department of Children and Family Services (Department) maintained inadequate controls over the accuracy of its applications and data.

The Department utilizes several applications to carry out its mission, including the Statewide Automated Child Welfare Information System (SACWIS), Medicaid Billing System (MBS) and the Department's accounting system (MARS). During our testing, we noted:

Data Accuracy

- The Authorized Child Care Payment Procedures did not document the requirements to ensure the accuracy and completeness of data, correction of errors, avoidance of duplicate data, balancing of data with source information for MARS and SACWIS.

Interfaces

- The Department did not provide documentation demonstrating the interfaces between MARS and SACWIS and MBS and MARS were adequately tested.

Change Control

MARS

- 9 of 25 (36%) selected changes did not have evidence of testing prior to moving to the production environment.
- 17 of 25 (68%) selected changes did not have evidence of approval.

SACWIS

- We requested the Department provide a population of changes to SACWIS during the examination period. The Department provided a population; however, the Department did not provide documentation demonstrating the population was sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35). As such, we could not determine if there were potentially other changes made to SACWIS.

Although the population provided had limitations, we selected a sample of changes and noted no exceptions.

- We requested the Department provide a population of SACWIS developers. The Department provided a population; however, the Department did not provide documentation demonstrating the population was sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35). As such, we could not determine if there were potentially other individuals with development responsibilities.

Although the population provided had limitations, we selected a sample of developers to determine if access to the production environment was appropriate and noted no exceptions.

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The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that revenues, expenditures, and transfer of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources. Also, generally accepted information technology guidance endorses the development of well-designed and well-managed controls to protect computer systems and data.

Department management indicated the lack of resources and the lack of understanding the responsibilities between the Department and the Department of Innovation and Technology lead to the weaknesses.

The lack of adequate controls over its applications and data, could result in unauthorized changes, incomplete and inaccurate data. (Finding Code No. 2020-009)

Recommendation

We recommend the Department:

- Update the Authorized Child Care Payment Procedures to document the requirements for ensuring the accuracy and completeness of data, correction of errors, avoidance of duplicate data, balancing of data with source information for MARS and SACWIS.
- Ensure all interfaces are tested and documentation is maintained.
- Ensure all changes are documented and approved.
- Ensure documentation is maintained demonstrating change populations and developer populations are complete and accurate.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. Department of Innovation and Technology (DoIT)-DCFS will review the procedure documentation for the Authorized Child Care Payments and determine necessary updates. DCFS interfaces are tested and functioning appropriately.

DoIT-DCFS will review procedures for change requests to the interfaces and update appropriately to ensure all future changes are documented. DoIT-DCFS will also review the testing procedures and ensure appropriate documentation is generated on future testing.

DoIT-DCFS will review and adjust change documentation to ensure developer populations and changes are properly documented.

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Finding 2020-010 Inadequate Access Controls

The Department of Children and Family Services (Department) had not implemented adequate internal controls related to systems and applications access and control.

The Department utilizes several applications to carry out its mission; Medicaid Billing System (MBS), Statewide Automated Child Welfare Information System (SACWIS), Department's accounting system (MARS), and the State's Enterprise Resource Planning System (ERP). During our testing of access to each of the applications, we noted:

Procedures

- The Departments' documented Service Access Request and Electronic Communication and Distribution Procedures (Procedures) do not include a requirement to review access rights to applications. Additionally, the Procedures did not document access provisioning requirements for contractors.

MARS

- 4 of 25 (16%) selected MARS' users did not have an access request ticket.
- 1 of 3 (33%) selected terminated employees' access to MARS was not disabled timely.

SACWIS

- 3 of 3 (100%) selected terminated employees' access to SACWIS were not disabled timely.
- Review of users' access was not conducted.

MBS

- Documentation to determine if access was appropriate was not provide for the 25 (100%) MBS users selected.
- Review of users' access was not conducted.

ERP

- Review of users' access was not conducted.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that revenues, expenditures, and transfer of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources. Also, generally accepted information technology guidance endorses the development of well-designed and well-managed controls to protect computer systems and data.

Department management indicated the lack of resources and the lack of understanding the responsibilities between the Department and the Department of Innovation and Technology lead to the weaknesses.

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The lack of adequate controls over access, could result in unauthorized access and disclosure of confidential information. (Finding Code No. 2020-010)

Recommendation

We recommend the Department:

- Update its Service Access Request and Electronic Communication and Distribution Procedures to include a requirement to review access rights to applications. Additionally, the Department should review access rights at least annually.
- Maintain documentation of users' access requests and associated rights.
- Ensure terminated users' access is timely terminated.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. Department of Innovation and Technology (DoIT)-DCFS will review procedures on granting access rights to SACWIS, MARS, and ERP and ensure appropriate controls are in place.

DoIT-DCFS will also enable the production of annual access reports to enable the review of users with access to ensure access is controlled.

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Finding 2020-011 Noncompliance with the Child Death Review Team Act

The Illinois Department of Children and Family Services' (Department) child death review teams did not complete required reviews of child deaths in accordance with timeframes established by the Child Death Review Team Act (Act).

For mandated cases in which the review was complete and the date the investigation closed was provided, we noted five of 280 (2%) reviews were not conducted within 90 days from the close of the investigation. These reviews ranged from 17 to 38 days over the 90-day allowance. The five reviews were all related to investigations that occurred in fiscal year 2020.

The Act (20 ILCS 515/20(c)) requires that child death review teams perform reviews of child deaths no later than 90 days from the completion of the Department's investigation, or if no investigation, within 90 days after obtaining information necessary to complete the review.

Department management stated that the timeframe for four of the instances was missed because of the Child Death Review Team meeting being cancelled due to a major winter storm. Department management attributed the other missed review to the Child Death Review Team meeting being cancelled due to the death of one of the local DCFS staff that was scheduled to present a case that day.

Failure to comply with the Act diminishes the effectiveness of the purposes for which the child death review teams serve and also is noncompliance with duties mandated by the Act. (Finding Code No. 2020-011, 2018-007)

Recommendation

We recommend the Department ensure child death reviews are conducted within the time period established by the Act.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. DCFS understands the importance of the child death reviews and prioritizes performing the reviews timely. Unfortunately, extenuating circumstances prevented DCFS from hearing the reviews as scheduled, as noted in the above finding. DCFS believes these were unique circumstances and the reviews were rescheduled at the earliest possible dates.

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Finding 2020-012 Untimely Approval of Contracts

The Illinois Department of Children and Family Services (Department) did not have fully approved contracts prior to commencement of services.

During our examination of a sample of 60 purchase of care contracts, totaling \$76 million, we noted that 49 contracts (82%), totaling \$64 million, had a final signature approval date from one to 247 days after the effective start date of the contract.

In addition, the Department could not provide us with documentation showing the initial date of services and date of execution for 5 contracts (8%), totaling \$857,000, thus we cannot determine whether the contracts were timely approved prior to commencement of services.

As noted in the Department's Code of Regulations (89 Ill. Adm. Code 357.110), "purchase of service providers under contract to the Department must comply with Federal and State laws and regulations and Department rules. When the provider signs the purchase of service contract, this signature shall be the provider's certification of compliance with the applicable laws, regulations, and rules." It is prudent business practice to require contracts to be signed by all parties prior to the commencement of services. In addition, the standard contracts utilized by the Department in procuring these services include the following term: Section 1.3.2: Vendor shall not commence billable work in furtherance of the Agreement prior to final execution of the Agreement except where permitted pursuant to 30 ILCS 500/20-80.

This finding was first noted during the examination of the two years ended June 30, 2002. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management stated that competing priorities and a lack of resources prevented the Department from obtaining required signatures prior to the effective start date of the contracts.

Failure to obtain contracts before the beginning of the contract period does not bind the parties to comply with applicable laws, regulations, and rules and may result in improper and unauthorized payments. (Finding Code No. 2020-012, 2018-009, 2016-007, 2014-008, 12-9, 10-6, 08-6, 07-5, 06-5, 05-7, 04-7, 03-5, 02-7)

Recommendation

We recommend the Department ensure all contracts are approved and signed before the beginning of the contract period.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. It is best practice to ensure all contracts are approved and signed before the beginning of the contract period whenever possible. DCFS continues to review process improvements to improve timeliness the contract approval process.

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Finding 2020-013 Lack of Documentation of Monitoring Contracts

The Illinois Department of Children and Family Services (Department) did not adequately document monitoring of provider agencies for compliance with contract terms.

The Department could not provide documentation demonstrating monitoring had occurred as specified in the contracts for 7 of 40 (18%) contracts tested, totaling approximately \$846,433, from the awards and grant appropriations.

According to Policy Guide 2013.07 'Non-Substitute Care Contract Monitoring Process and Requirements', Part V (b), the annual monitoring review shall be documented in writing following the format in the Non-substitute Care Contract Monitoring Database.

In addition, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State Agencies to establish and maintain a systems, or systems, of internal fiscal and administrative controls to ensure State resources are used efficiently and are safeguarded against loss. All the contracts tested contained language requiring fiscal and program monitoring by the Department. The Department's performance of the monitoring should result in and be documented by the Department utilizing a monitoring report with corrective action plans when necessary. At a minimum, the Department should conduct on-site monitoring reviews of providers' services and performance, including reviews of all documentation maintained which support charges billed.

This finding was first noted during the examination of the two years ended June 30, 2012. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management stated that errors occurred due to human error of not documenting monitoring activities in the Department's Program Monitoring Review Database web application.

Failure to monitor performance of contracted services could lead to overpayments and payments for services not performed in accordance with contract terms and requirements. Thorough fiscal and administrative monitoring, including reviews of provider billing support and documenting that service delivery is in accordance with program plans and performance goals, is an essential oversight responsibility of the Department. (Finding Code No. 2020-013, 2018-010, 2016-008, 2014-009, 12-7)

Recommendation

We recommend the Department perform and document adequate monitoring on all contracts to ensure contract payments are for services received and that program plans and performance goals are achieved.

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Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. DCFS has acknowledged that the program monitoring reviews have not been consistently completed per Policy Guide 2013.07. The Department has been and will continue to be responsive, communicating to all contract management and program monitoring staff the importance of completing annual program monitoring reviews in a timely fashion, entering the results in the Program Monitoring Review Database. A monthly monitoring & tracking (hard-copy) report to manage when the reviews occur within each fiscal year has been developed. This form of tracking will be replaced with a redesigned program monitoring application soon. Until then, the report is reviewed regularly with the Deputy Director of Contract Administration & Compliance and Chief Financial Officer. Also, the Department has recommended that individuals save completed monitoring reviews and activities in hard copy under the specific Provider's electronic contract file and/or on their unit's share drive.

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Finding 2020-014 Noncompliance with the State Services Assurance for FY2008

The Illinois Department of Children and Family Services (Department) did not increase and maintain the number of bilingual frontline staff as required by the State Services Assurance Act for FY2008 (Act) (5 ILCS 382/3-15).

At June 30, 2007, the Department had 154 bilingual frontline staff. Therefore, it is required by the Act to maintain a bilingual frontline staffing level of 194. As of July 1, 2020, the Department employed 166 bilingual frontline staff.

The Act required that on or before July 1, 2008 the Department shall increase the number of bilingual on-board frontline staff by 40 over the level that it maintained on June 30, 2007. The Act also requires the Department to maintain its bilingual frontline staff at the increased level.

This finding was first noted during the examination of the two years ended June 30, 2010. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management stated that limitations in the number of qualified applicants and inconsistent staffing within the engagement period have affected the number of Spanish speaking bilingual frontline staff.

Failure to comply with this statute could lead to the Department not being able to provide adequate services to families for which English is not their first language. (Finding Code No. 2020-014, 2018-011, 2016-009, 2014-006, 12-16, 10-12)

Recommendation

We recommend the Department comply with the Act or, alternatively, if determined that the bilingual frontline staffing level required by the Act is not representative of its needs, seek a legislative remedy to the statutory requirement.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. DCFS showed improvement over the past audit and will continue to maintain translation services, recruitment efforts targeted to bilingual vacancies, and programs such as career development, self-development and training programs targeted to its bilingual employees.

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Finding 2020-015 Employee Performance Evaluations Not Performed or Not Performed Timely

The Illinois Department of Children and Family Services (Department) did not complete or conduct annual performance evaluations on a timely basis.

Upon examination of 60 personnel files, we noted the following exceptions related to the Department's completion of annual performance evaluations:

- The Department did not complete performance evaluations for 7 (12%) employees during fiscal year 2019 and 19 (32%) employees during fiscal year 2020.
- The Department did not conduct performance evaluations in a timely manner for 5 (8%) employees during fiscal year 2019.

Personnel rules issued by the Illinois Department of Central Management Services (80 Ill. Adm. Code 302.270) require performance records to include an evaluation of employee performance prepared by each agency not less than annually. Annual evaluations support administrative personnel decisions by documenting regular performance measures.

This finding was first noted during the examination of the two years ended June 30, 2008. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management explained monthly notifications are provided to each respective supervisor and their chain of command with the notification of three timeframes for evaluations. The Department stated not having salary increases tied to the completion of performance evaluations decreases supervisors' diligence in meeting these deadlines as they juggle the more pressing daily functions of their jobs.

Employee performance evaluations are an effective management tool for helping employees work toward common goals. Performance evaluations are a systematic and uniform approach used for the development of employees and communication of performance expectations. (Finding Code No. 2020-015, 2018-012, 2016-010, 2014-015, 12-11, 10-11, 08-15)

Recommendation

We recommend the Department enforce the existing policies regarding timely completion of performance evaluations.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. DCFS showed improvement over the past audit with both the completion and timeliness of evaluations. DCFS will continue to work with managers and supervisors to improve its efforts to meet the requirements of the Illinois Administrative Code related to evaluations.

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Finding 2020-016 Failure to Maintain Accurate Property Records

The Illinois Department of Children and Family Services (Department) did not comply with requirements applicable to its property and equipment.

We tested a sample of 40 equipment acquisitions to determine whether items were timely added to the Department's property records. As a result of our testing, we noted the following:

- Six (15%) equipment acquisitions during fiscal year 2019, totaling \$5,408, were entered into the Department's equipment inventory records 4 to 123 days late;
- Three (8%) equipment acquisitions during fiscal year 2020, totaling \$5,239, were entered into the Department's equipment inventory records 39 to 685 days late.

Additionally, we reviewed annual equipment Certifications of Inventory, Agency Inventory Summaries, and Discrepancy Reports for fiscal year 2019 and 2020, filed with the Department of Central Management Services (CMS). We noted for both annual certifications, summaries of total value of items and count of items, by location, was provided in place of a detailed list of all reportable equipment items.

The State Property Control Act (30 ILCS 605/4) requires responsible officers at each State Agency to be accountable for supervision, control, and inventory of property under their jurisdiction to ensure proper accounting and safeguarding of assets.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that funds, property and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation.

The Illinois Administrative Code (Code) (44 Ill. Admin. Code 5010.400) requires the Department to update its property records within:

- 90 days of acquisition, change, or deletion of equipment items acquired after May 3, 2019;
- 30 days of acquisition, change, or deletion of equipment items acquired prior to May 3, 2019.

The Code (44 Ill. Admin. Code 5010.460) requires the Department annually to provide CMS with a listing of all equipment items greater than \$1,000, and equipment subject to theft with a value less than \$1,000.

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Department management stated acquisitions were entered late due to individual staff miscommunications for the noted items. Additionally, Department management stated for annual inventory certifications to CMS, summary reports by location were provided instead of detailed equipment inventory listings because of the Department's interpretation of the requirements of the Code and no communication from CMS opposing the submitted summary reports has occurred.

Failure to maintain accurate property records could result in inaccurate accounting and property records and is noncompliant with the Code. (Finding Code No. 2020-016, 2018-014)

Recommendation

We recommend the Department review its process for ensuring all equipment records are accurately maintained and updated in a timely manner. We also recommend the Department to updates its property control policies and strengthen its internal control over the accountability of acquisitions, changes, and deletions of Department equipment items.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. With the conversion of inventory over to the ERP system, the Department is strengthening their inventory and recordkeeping practices to ensure compliance with statutory and regulatory requirements. The Department will be able to update its property control policies.

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Finding 2020-017 Accident Reports Not Filed Timely

The Illinois Department of Children and Family Services (Department) employees failed to timely file accident reports.

During the examination period, Department employees were involved in 7 accidents while on official State business. We determined 2 of the 7 (29%) related accident reports were not filed with the Illinois Department of Central Management Services (DCMS) within seven days. The reports ranged from 2 to 8 days late.

The Illinois Administrative Code (Code) (44 Ill. Adm. Code 5040.520(i)) and the DCMS Vehicle Guide (Guide) require all accidents to be reported to DCMS within seven calendar days after the accident.

This finding was first noted during the examination of the two years ended June 30, 2012. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management stated a lack of knowledge by the employees involved in the accidents concerning reporting procedures and a lack of timely communication from those employees caused the late reporting of the accidents to DCMS.

Untimely submission of accident reports could delay an investigation, impair the State's ability to defend itself against claims, or delay settlement of claims made against the State. (Finding Code No. 2020-017, 2018-015, 2016-012, 2014-016, 12-15)

Recommendation

We recommend the Department ensure employees' accident reports are submitted to DCMS within seven calendar days of accidents, as required by the Code and Guide.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. DCFS will develop communication tools to better train staff who travel on behalf of DCFS on accident reporting requirements. DCFS' Vehicle Coordinator has been trained on the use of the CMS Risk Management Auto system which will also facilitate more timely reporting.

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Finding 2020-018 Federal Reimbursements not Requested Timely

The Illinois Department of Children and Family Services (Department) failed to timely request reimbursement of federally supported programs.

Of 41 grants supported by federal programs in fiscal year 2020, eight (20%) of these had receivables at the end of the fiscal year that were 70% or greater than the year's total reimbursable costs. Listed below is a breakdown of prior year receivables, current year reimbursable costs, amount received in the current year, and end of the year receivables for those five grants (amounts in thousands):

Grant ID	Prior Year Receivable	Current Year Reimbursable Cost	Current Year Receipts	Current Year Receivable	Current Year Receivables as % of Current Year Reimbursable Costs
1127	\$ 9,838	\$ 9,636	\$ 9,838	\$ 9,636	100%
1130	\$ 15,617	\$ 10,838	\$ 18,655	\$ 7,800	72%
1134	\$ 1,926	\$ 821	\$ 786	\$ 1,961	239%
1345	\$ 10	\$ 9	\$ -	\$ 19	211%*
1348	\$ 47	\$ -	\$ -	\$ 47	N/A*
1353	\$ 2	\$ -	\$ -	\$ 2	N/A*
1359	\$ 46	\$ 7	\$ 21	\$ 32	457%*
1361	\$ 33	\$ -	\$ -	\$ 32	N/A*

*Because the current year receivable exceeded the current year reimbursable cost, the % is greater than 100%, or, if the current year reimbursable cost was \$0, is N/A.

The Illinois State Collection Act of 1986 (30 ILCS 210/3) states that it is the responsibility of each State agency to timely collect amounts owed to that agency. Good cash management practices require that monies owed the State be requested in a timely manner.

This finding was first noted during the examination of the two years ended June 30, 2012. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management stated that due to the nature of the federal entitlement grants that the Department participates in, an analysis of spending that meets eligibility requirements must be done as well as an analysis to ensure the Department maximizes our federal return by applying eligible expenditures to the most advantageous federal program. Department management stated although the Department performed an analysis prior to the end of the State's fiscal year to try to capture all eligible expenditures as of June 30, 2021, to draw all eligible funds, a more detailed analysis is done as part of the quarterly reporting requirements of the federal government after the quarter is complete which identifies the additional funds available that were reported on the Department financial statements.

Delays in collecting monies owed to the Department deprive the State of available cash resources with which to administer operations and programs. (Finding Code No. 2020-018, 2018-016, 2016-011, 2014-12, 12-10)

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Recommendation

We recommend the Department comply with the Illinois State Collection Act of 1986 by requesting earned federal reimbursements more timely.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation and makes every effort to draw federal funds timely. In an effort to maximize federal revenue, expenditures are analyzed to determine whether they are eligible to claim under programs that have a higher claim percentage. This analysis cannot be completed until after June 30, so DCFS will always have accrued receivables from our federal programs.

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Finding 2020-019 Noncompliance with Abused and Neglected Child Reporting Act

The Illinois Department of Children and Family Services (Department) failed to comply with several sections of the Abused and Neglected Child Reporting Act (Act) (325 ILCS 5).

We tested several sections of the Act and noted the following exceptions:

- The Act (325 ILCS 5/4.4) states whenever the Department receives a report of child abuse and neglect for a newborn infant whose blood, urine, or meconium contains any amount of a controlled substance, the Department must immediately communicate the report to the State's attorney's office of the county in which the infant was born.

During our testing, the Department could not demonstrate communication of the investigation reports to the State's attorneys' offices for 29 (48%) of 60 reports of child abuse and neglect for infants exposed to controlled substances. Department management stated the reports could not be located due to the Department's current system of record not retaining the specific documentation of referrals of the investigation reports with the State's attorneys' offices.

- The Act (325 ILCS 5/4.4b) states whenever the Department receives a report of suspected abuse or neglect of a child and the child's parent or guardian is named in the report as the alleged perpetrator of the child abuse or neglect, the Department shall make efforts as soon as practicable to determine the military status of the parent or guardian. If the Department determines the parent or guardian is a service member, the Department shall notify the geographically closest Department of Defense Family Advocacy Program within the State that there is an allegation of abuse or neglect against the parent or guardian that is open for investigation. If the Department determines that the person or guardian is a member of the Illinois National Guard, the Department shall also notify the Office of the Adjutant General.

During our testing of 20 investigations performed by the Department during the engagement period, we noted three instances (15%) where the Department did not send a notification to the appropriate military base. Department management stated the need to notify the Department of Defense has been placed in Procedure 300, but it was not communicated to the field and, therefore, they were not made aware of the legislated mandate.

- The Act (325 ILCS 5/7.3c) requires the Department, with the Illinois Department of Human Services, to develop a community-based system of integrated child welfare and substance abuse services for the purpose of providing safety and protection for children, improving adult health and parenting outcomes, and improving family outcomes. The Department, in cooperation with the Department of Human Services, shall develop case management protocols for Department clients with substance abuse problems and shall evaluate the effectiveness of these pilot programs and report to the Governor and the General Assembly on an annual basis.

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The Department submitted the fiscal year 2019 report on January 15, 2020, but did not submit the fiscal year 2020 report, as of the date of this report, to the General Assembly or Governor documenting the case management protocols and program's effectiveness. Additionally, in response to the prior examination finding, the Department subsequently filed the 2018 Report to the General Assembly or Governor on November 26, 2018.

Department management stated the fiscal year 2020 report was not submitted due to a lack of sufficient staff and temporary peak workloads from other required projects.

- During our testing of the Department's compliance with its procedures for transmitting hotline phone calls to the appropriate Child Protective Services Unit, we noted one (2%) of 60 calls tested could not be made available for our review. As a result, we could not determine whether the Department complied with its procedures for transmittal of the call.

Department Procedure 300.40 outlines the process for transmitting hotline phone calls to the appropriate Child Protective Services Unit. The Act (325 ILCS 5/7.6) requires there to be a single State-wide, toll-free telephone number established and maintained by the Department which all persons may use to report suspected child abuse or neglect. Immediately upon receipt of such report, the Department shall transmit the contents of the report to the appropriate Child Protective Services Unit. Department management stated this specific call log could not be obtained because the information technology management company that oversees the record system reported this call log as no longer existing in the record system.

- The Act (325 ILCS 5/7.21) allows for the Department to establish multidisciplinary review committees in each region of the State to assure that mandated reporters may have an additional resource in determinations of investigations of child abuse or neglect. When the committee is established, it must be composed of a healthcare professional, a Department employee, a law enforcement official, a licensed social worker, and a representative of the State's attorney's office. The Department must adopt rules for the establishment and management of the committees and must prepare and submit on or before October 1st of each year a report to the Illinois General Assembly. The report must set forth (1) the number of investigations reviewed by each committee during the previous fiscal year, (2) the number of those investigations that the committees found to be inadequate, and (3) the committees' comments of any corrective action taken in response its recommendations.

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During our testing of the Department's compliance with the Act (325 ILCS 5/7.21), we noted the following exceptions:

- The Department did not have a listing of the individuals serving on the committees. As a result, we could not determine whether the committees are composed of the required individuals per the Act.
- The Department could not provide written by-laws and rules on the establishment and management of the committees.
- The Department did not timely submit the annual reports to the General Assembly, due on October 1, 2018, and October 1, 2019. The reports were submitted 9 and 79 days late, respectively.

Department management stated the operations department does not currently have an organizational record of the membership of the multidisciplinary committee, and the reports were submitted late due to human error.

- The Act (325 ILCS 5/7.22a(c)) requires the Department to submit to the Illinois General Assembly reports summarizing the number of Unfounded Review and Indicated reports of child abuse and neglect. The initial report after the effective date of the Act (325 ILCS 5/7.22a(c)) was due November 21, 2019, and all subsequent reports must be filed on December 1 and June 1 of each year.

During testing, we noted that the report due June 1, 2020, was submitted to the Illinois General Assembly one day late. Department management attributed this exception to human error.

- The Act (325 ILCS 5/8.6) states the Department must send a copy of its final findings from an indicated report of child abuse and neglect to the child's school within 10 days of completing an investigation of alleged physical or sexual abuse under the Act. Additionally, if the indicated report findings are overturned during an appeal or hearing, or if the Department determine that the child is no longer at risk of physical or sexual harm, the Department must request the school to purge the findings report from the student's record and return the report to the Department.

We noted the Department did not send its final findings to the child's school for any of the 60 indicated reports tested during the engagement period. Department management stated Procedure 300 requires field investigators to notify the State Central Register through a 'CANTS 2F' form so that the State Central Register can send a copy of the final findings to the school. Management attributed the exceptions noted to lack of awareness and training of the field investigators on the process of notifying the State Central Register, so that the final findings can timely be sent to the child's school.

- The Department did not appoint any members specializing in neonatal medical care to serve on the Citizen's Committee on Child Abuse and Neglect. The Department appointed the chairperson and members of a State-wide Citizen's Committee on Child Abuse and Neglect to consult with and advise the Director; however, the Department did not appoint a member who specializes in neonatal medical care.

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The Act (325 ILCS 5/11.7) requires that the Department appoint the chairperson and members of a State-wide Citizen's Committee on Child Abuse and Neglect (SCAN) to consult with and advise the Director. The committee should be composed of individuals of distinction in human services, neonatal medical care, needs and rights of persons with disabilities, law and community life, and broadly representative of social and economic communities across the state. Department management stated the Department was not able to identify a member who specializes in neonatal care to participate on the SCAN committee.

This finding was first noted during the examination of the two years ended June 30, 2012. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Failure to communicate reports to the State's attorneys' offices when the Department receives a report of child abuse and neglect for a newborn infant whose blood, urine, or meconium contains any amount of a controlled substance delays the State's attorneys in assisting with the child case and results in noncompliance with the Act. Failure to comply with the Act regarding notifying the Department of Defense Family Advocacy Program within the State, identifying the individuals involved as military personnel, and not maintaining a complete listing of these investigations impedes the Department from ensuring it communicates suspected abuse or neglect involving children of military personnel to the Department of Defense Family Advocacy Program for further follow-up. Timely submission of annual reports on the community-based system of integrated child welfare and substance abuse services to the General Assembly and Governor is necessary for compliance with the Act and provides information on the effectiveness of pilot programs initiated. Incorrectly following its internal procedures regarding the transmission of hotline phone calls to the appropriate Child Protective Services Unit impedes its effectiveness and could endanger children. Failure to ensure that the multidisciplinary review committees are composed of necessary members and timely submit annual reports to the General Assembly could lessen the effectiveness of the committees and results in noncompliance with the Act. Timely submission of annual reports on the number of Unfounded and Indicated Review Reports to the General Assembly is necessary for compliance with the Act and provides information on the metrics of Department investigations and the recommendations for reforms of the investigation system. Failure to notify a child's school on the results of Indicated Review Reports related to physical and sexual abuse limits the school's awareness on the situation of its student, in order to provide appropriate care and support to the child while attending the school. Failure to appoint a member who specializes in neonatal medical care to the State-wide Citizen's Committee on Child Abuse and Neglect prevents those needs from being specifically addressed by the Committee and impedes the Committee from advising and consulting with the Director on neonatal medical care. (Finding Code No. 2020-019, 2018-017, 2016-014, 2014-017, 12-13)

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Recommendation

We recommend the Department to refer all reports of child abuse and neglect for a newborn infant whose blood, urine, or meconium contains any amount of a controlled substance to the appropriate State's attorney's office and to update procedures and provide training to staff to accomplish compliance with the Act. In addition, we recommend the Department notify the Department of Defense Family Advocacy Program within the State of suspected abuse or neglect involving children of military personnel, identify the individuals involved as military personnel, and maintain a complete listing of those investigations. Further, we recommend the Department correctly follow its internal procedures regarding the transmission of hotline phone calls to the appropriate Child Protective Services Unit and retain documentation of the hotline intakes for monitoring. We recommend the Department provide appropriate oversight to the Multidisciplinary Review Committee System to ensure the committees are following procedures and have the required membership. In regards to Indicated Review Reports of child abuse and neglect related to physical or sexual abuse of a student, we recommend the Department strengthen its monitoring and procedures for investigators, and properly train investigators to ensure compliance with the Act. We also recommend the Department appoint a member to the State-wide Citizen's Committee on Child Abuse and Neglect who specializes in neonatal medical care. Finally, we recommend the Department ensure the timely submission of all reports required by the Act to the General Assembly and Governor.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendations. DCFS will review its systems to determine whether upgrades can be made to better track reports of child abuse and neglect for newborns whose blood, urine or meconium contains a trace of a controlled substance. DCFS will review procedures and training materials to ensure reporting for these instances, as well as reporting for abuse and neglect involving children of military personnel and final findings reports are sent to a child's school, to ensure each of these requirements are completed timely. DCFS will also review options to ensure documentation for hotline call logs are maintained to ensure accountability and transparency. In addition, DCFS will review its process for tracking committee assignments and other responsibilities of the Department with regard to how these committees operate to ensure the committees are properly staffed and meeting all appropriate mandates. Finally, DCFS will review its procedures related to monitoring and tracking the completion of all required reports that are to be submitted to the General Assembly and Governor.

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Finding 2020-020 Noncompliance with the Children and Family Services Act

The Illinois Department of Children and Family Services (Department) did not comply with the Children and Family Services Act (Act) (20 ILCS 505).

We tested several sections of the Act and noted the following exceptions:

- The Act (20 ILCS 505/2.2) requires the Department to submit an annual report by December 31 of each year to the General Assembly regarding youth in care waiting for placements. During our testing, we noted the Department submitted the annual reports due December 31, 2018 and December 31, 2019, 7 days late and the 13 days late, respectively. Department management stated the reports were filed late due to human error.
- The Act (20 ILCS 505/5d) created the Direct Child Welfare Service Employee License Board (License Board) to assist the Director of the Department in updates to licensure rules. The Board must consist of the following: (1) 5 licensed professionals from the field of human services, (2) faculty members of an accredited university who have child welfare experience, and (3) 2 members of the general public who are not licensed under the Act. Additionally, members serve 3-year terms, and cannot be reappointed if the reappointment would cause the member to serve for longer than 6 consecutive years. During our testing, we noted the License Board had two vacant positions that have not been appointed and two members of the License Board served longer than 6 consecutive years. Department management stated the vacant positions and extended service of members on the License Board were caused by lack of sufficient resources devoted or allocated to this area.
- The Act (20 ILCS 505/5(t)) requires the Department to perform home studies, investigations, and supervised visitations when an Illinois court directs the Department to do so. Within 60 days of the court's order for a supervised visitation, the Department must provide written notification to the court of the specific arrangements and the costs for the visitations to be conducted. During our testing, we noted the Department promulgated rules for compliance with the Act but was unable to provide us with a listing of home studies, investigations, and supervised visitations ordered by Illinois courts under the Act. Due to these conditions, we were unable to conclude the Department's records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the Department's compliance with the Act. Department management stated court orders of this nature are on a limited basis, and individual regional offices provide services when required, so a central record listing was not considered necessary.
- The Act (20 ILCS 505/17a-11) requires the Department, in cooperation with the Department of Juvenile Justice, the Department of Human Services, and the Illinois State Board of Education, to establish the Governor's Youth Services Initiative. This program shall aid multi-problem youth whose difficulties are not the clear responsibility of any one State agency. Further, the Act requires a policy board be established for decision-making, which shall meet at least quarterly.

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The Department did not maintain a Governor's Youth Services Initiative Program to aid multi-problem youth. However, the Department identified the rules promulgated concerning the initiative (89 Ill. Adm. Code 311).

Department management stated no formal initiative program has been established due to lack of funding and the original purpose of this section has been superseded by other programs.

- The Act (20 ILCS 505/21(e)) requires the Department to create a standardized child endangerment risk assessment protocol and procedures to implement the protocol. The Act also requires an annual evaluation examining the reliability and validity of the protocol, and a report of this evaluation to be sent to the General Assembly every year. During our testing, we noted the Department completed the annual evaluations for fiscal years 2019 and 2020, with the assistance of the Children and Family Research Center; however, the fiscal year 2020 report was not submitted to the General Assembly. Department management stated the report was not filed due to human error.
- The Act (20 ILCS 505/41) requires the Department to submit to the General Assembly a report of employee assaults and threats on employees by January 1, April 1, July 1, and October 1 of each year. During our testing, we noted the Department transmitted the report due January 1, 2020, twelve days late. Department management stated the report was not timely filed due to human error.

The State Records Act (5 ILCS 160/8) requires the Department to make and preserve records containing adequate and proper documentation of the functions and procedures of the Department.

This finding was first noted during the examination of the two years ended June 30, 2016. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Failure to timely submit required reports delays the General Assembly in being current with issues regarding youth in care waiting for placements, evaluations of the standardized child endangerment risk protocol, and the Department's employee assaults and threats on employees. The License Board not consisting of all the required members lessens its effectiveness in conducting its activities. Not tracking the compliance of regional offices in the performance of home studies, investigations, and supervised visitations per Illinois court order creates a risk of noncompliance with the Act occurring. Failure to maintain the Governor's Youth Services Initiative results in noncompliance with the Act. (Finding Code No. 2020-020, 2018-018, 2016-015)

Recommendation

We recommend the Department timely submit all reports to the General Assembly required by the Act. Additionally, we recommend the Department to appoint members to the License Board and enforce term limits to comply with the intent of the Act. We also recommend the Department establish rules and procedures to track compliance of the performance of home studies, investigations, and supervised visitations ordered by Illinois courts. Finally, we recommend the Department review the requirements concerning the Governor's Youth Services Initiative and take appropriate measures to implement initiatives to accomplish the intended purposes as outlined in the Act or seek legislative remedy.

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Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendations. DCFS will continue to seek legislative remedy regarding the Governor's Youth Services Initiative, as there have been other programs implemented that satisfy the original purpose of this section of the Act. DCFS will review its process for tracking Board assignments and other responsibilities of the Department about how the Board operates to ensure the Board is properly staffed and meeting all appropriate mandates. Finally, DCFS will review its procedures related to monitoring and tracking the completion of all required reports that are to be submitted to the General Assembly and Governor.

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Finding 2020-021 Noncompliance with the Adoption Act

The Illinois Department of Children and Family Services (Department) did not comply with the Adoption Act (Act) (750 ILCS 50).

We tested several sections of the Act and noted the following exceptions:

- The Act (750 ILCS 50/18.3a(q)) requires the Department to submit reports to the Adoption Registry – Confidential Intermediary Advisory Council (Council) by July 1 and January 1 of each year in order to report the penalties assessed and collected under Section 18.3a(p) of the Act, the amounts of related deposits into the DCFS Children’s Services Fund, and any expenditures from such deposits. During the engagement period, the Department did not file such required reports. Department management stated the Department did not file the reports because no penalties were assessed under the Act.
- The Act (750 ILCS 50/4.1(b)(3)) states, no later than 30 days after the effective date of the amendatory Act of the 100th General Assembly, the Department shall distribute a written list of all pre-adoption approval requirements to all Illinois licensed child welfare agencies performing adoption services, and all out-of-state agencies approved under this section, and shall post the requirements on the Department’s website.

During fiscal year 2019 and fiscal year 2020, the Department began the process of distributing a written list of all pre-adoption approval requirements to the required adoption agencies. However, during our testing of 60 adoption agencies, we noted the Department could not provide documentation to demonstrate that it had distributed a written list of all pre-adoption approval requirements to six (10%) out-of-state agencies. Department management stated that due to limitations in data retention for the electronic messages and tracking receipts of physical mail sent to the agencies, the documentation could not be located for the accountants.

The State Records Act (5 ILCS 160/8) requires the Department to make and preserve records containing adequate and proper documentation of the functions and procedures of the Department.

Not filing reports to the Council by July 1 and January 1 each year prevents the Council from learning of the penalties assessed, even if there were none. Failure to provide documentation to demonstrate it had distributed a written list to all pre-adoption approval requirements to all Illinois licensed child welfare agencies performing adoption services and all out-of-state agencies approved under the Act prevented the Department from executing the intent of the 100th General Assembly. (Finding Code No. 2020-021, 2018-019)

Recommendation

We recommend the Department file the required reports with the Council by July 1 and January 1 annually. We also recommend the Department maintain documentation to demonstrate it distributes a written list to all pre-adoption approval requirements to all Illinois licensed child welfare agencies performing adoption services and all out-of-state agencies approved under the Act.

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Department Response

The Department of Children and Family Services (DCFS) agrees with, and has partially implemented, the auditor's recommendation. DCFS will update its policies to ensure required reports are filed even when the report will show that no penalties were assessed for the associated time period. DCFS has created an electronic filing system to document the agency, address, date and email distribution of all pre-adoption reporting requirements sent to agencies.

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Finding 2020-022 Noncompliance with the Child Welfare Act of 1969

The Illinois Department of Children and Family Services (Department) failed to comply with the Child Care Act of 1969 (Act) (225 ILCS 10).

We tested several sections of the Act and noted the following exceptions:

- The Act (225 ILCS 10/5.2(b)) requires the Department to notify child care facilities, on an ongoing basis, including during the license application, facility examination, and during annual license monitoring visits, of the provisions of this section, the Children’s Product Safety Act and of the comprehensive list of unsafe children’s products as provided and maintained by the Department of Public Health available on the Internet, as determined by the Act, in plain nontechnical language that will enable each child care facility to effectively inspect children’s products and identify unsafe children’s products. The Department shall adopt rules to maintain data on childcare facilities without Internet access and shall ensure the childcare facilities without Internet access register for available mailing lists of pertinent recalls distributed in paper form.

During our testing, we noted the Department has forms to encourage facilities to sign up for mailings lists through the Consumer Product Safety Commission (CPSC). However, the Department does not currently have a mechanism to confirm with the CPSC that specific facilities are registered or have registered to receive mailed notifications. We also noted the Department does not have special procedures concerning the notification to licensed facilities when the unsafe children’s product list is updated.

- The Act (225 ILCS 10/6) requires the Department to examine every child care licensed facility for renewal of license, including in that process the examination of the premises and records of the facility to ensure that minimum standards for licensing continue to be met, and random surveys of the consumers of these facilities to assess the quality of care. If a license is revoked or not renewed, the Department must not allow a childcare facility to reapply for a license before the expiration of 12 months. The Act requires the Department to perform a site visit prior to renewal of the license.

During our testing, we noted the Department did not send random surveys of parents at renewal of license for the childcare facility for 10 of 25 (40%) renewals tested.

- The Act (225 ILCS 10/7(a)(1) through 10/7(a)(17)) states the Department must prescribe and publish minimum standards for licensing that apply to the various types of facilities for child care as defined in the Act and that are equally applicable to like institutions under the control of the Department and to foster family homes used by and under the direct supervision of the Department. The Department provided its rules which constitute its minimum standards for licensing.

During our testing, we noted the Department’s rules omitted the minimum requirement for protecting the legal rights of children served, specifically related to day care agencies, day care homes, day care centers, group day care homes, and foster family homes.

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- The Act (225 ILCS 10/12(g)) requires the Department to maintain a website listing child welfare agency licensed by the Department that provide adoption services and other general information for biological parents and adoptive parents. The website shall include, but not be limited to, agency addresses, phone numbers, e-mail addresses, website addresses, annual reports, agency license numbers, the Birth Parent Bill of Rights, the Adoptive Parents Bill of Rights, and the Department's complaint registry.

During our testing, we noted the Department's website did include all the required information for the child welfare agencies; however, the listing did not include the most recent annual reports for all the child welfare agencies listed.

Department management stated these exceptions were caused by a lack of resources and competing priorities from other divisions in promulgating policies, rules, and procedures.

Not adopting rules to maintain data on childcare facilities without Internet access, ensuring those childcare facilities register for available mailing lists of pertinent recalls in paper forms, confirming with the CPSC that specific facilities are registered, and not having procedures concerning the notification to licensed facilities when the unsafe children's product list is updated impairs the Department's ability to ensure the safety of children in childcare facilities. Failure to send random surveys to consumers of a childcare facility prevents the examination of complete documentation to ensure standards of licensing are met and could result in care of children that is below the minimum standards. Not including all the required statutory requirements within the minimum standards for licensing that apply to the various types of facilities for childcare prevents the Department's rules from being complete and accurate. Failure to maintain a complete website listing of child welfare agencies licensed by the Department prevents the Department from providing a statutorily comprehensive listing of those providing adoption services and other general information for biological parents and adoptive parents. (Finding Code No. 2020-022, 2018-020)

Recommendation

We recommend the Department: (1) adopt rules to maintain data on child care facilities without Internet access, ensure those child care facilities register for available mailing lists of pertinent recalls in paper forms, confirm with the CPSC that specific facilities are registered, and have procedures concerning the notification to licensed facilities when the unsafe children's product list is updated; (2) send random surveys to consumers of the facilities as part of the license renewal process; (3) include all the required statutory requirements within the minimum standards for licensing that apply to the various types of facilities for child care; and (4) maintain a complete website listing of child welfare agencies licensed by the Department to provide adoption services.

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Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendations. DCFS has shown improvement towards compliance with the Child Welfare Act of 1969 since the prior audit. DCFS will investigate how to confirm whether facilities are registered with CPSC and review procedures to ensure all facilities are registered. DCFS will also review its procedures surrounding the license renewal, with special attention given to the random survey of parents to ensure compliance with the Act. Further, DCFS will review its rules for daycare licensing facilities to ensure all required statutory requirements are included. Finally, DCFS will review its procedures to ensure its website contains a complete listing of child welfare agencies licensed by the Department, including the most recent annual reports for all child welfare agencies listed.

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Finding 2020-023 Noncompliance with Statutory Mandates

The Illinois Department of Children and Family Services (Department) failed to comply with various portions of statutory mandates.

During our testing of various statutory mandates, we noted the following exceptions:

- The Civil Administrative Code (Code) (20 ILCS 5/5-535) established the Children and Family Services Advisory Council (Council) to advise the Department on services and programs for individuals under the Department's care. The Code specifies for there to be 16 members appointed for terms of 4 years. Additionally, beginning July 1, 2015, the Code required the Department to include at least 1 youth from each of the Department's regional youth advisory boards and at least 2 adult former youth in care as part of the Council membership. During our testing, we noted the Council did not appoint 6 of the 16 required members, did not include the membership of any youth from the 4 regional youth advisory boards, and did not appoint 1 of the 2 positions required to be filled by an adult former youth in care. Department management stated the position vacancies were caused by lack of sufficient resources devoted or allocated to this area.
- The Department of Children and Family Services Statewide Youth Advisory Board Act (Act) (20 ILCS 527/15) established the Statewide Youth Advisory Board to advise the Department and the General Assembly regarding youth in foster care, and created regional youth advisory boards to work with the Department to determine how to best provide services related to foster care within each of their respective regions. The Act requires the Director of the Department or their designee to meet with the Statewide Advisory Board at least quarterly to discuss issues and concerns of youth in foster care. The Act also requires the regional youth advisory boards to hold monthly meetings. During our testing, we noted 1 of 8 (13%) required quarterly meetings between the Director and the Statewide Advisory Board did not occur, and 6 of 96 (6%) required monthly meetings of the four regional youth advisory boards did not occur. Department management stated the meetings did not occur due to uncertainties during the COVID-19 crisis in February 2020 and March 2020.

Failure to have the required number of appointees inhibits the effectiveness of the Council to advise the Department on its services and programs for youth in care and impairs the Department's ability to satisfy the legislative intent of the Code. Not conducting all required meetings of the Statewide Youth Advisory Board and regional youth advisory boards delays communication with the Director of the Department on issues and concerns related to foster care, and hampers communication with the Department on the best methods to provide foster care services to the four designated Illinois regions. (Finding Code No. 2020-023, 2018-021)

Recommendation

We recommend the Department appoint appropriate individuals to the Council and to hold all required meetings of the Statewide Advisory Board and regional youth advisory boards.

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Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. DCFS will review its process for tracking Board and Council assignments and other responsibilities of the Department about how the Boards and Councils operate to ensure proper staffing and meeting requirements are met.

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Finding 2020-024 Monthly Reconciliations not Performed Timely

The Illinois Department of Children and Family Services (Department) did not timely perform monthly reconciliations of Department accounting and financial data to the Office of Comptroller (Comptroller) records.

During our testing of monthly reconciliations of Department records to the Statewide Accounting Management System (SAMS), we noted the following:

- Monthly expenditures (Reports SB01 & SA02) reconciliations for 10 of 12 (83%) months during fiscal year 2020 were not performed on a timely basis. The untimely reconciliations ranged from 25 to 299 days late.
- None of the monthly appropriation transfer (Report SB03), contracts (Report SC14), obligation activity (Report SC15), and receipts (Report SB04) reconciliations were completed during fiscal year 2019 and fiscal year 2020.
- The Department could not provide us with documentation showing the date of completion, and thus we could not determine timeliness of completion for the following:
 - Monthly expenditures (Reports SB01 & SA02) reconciliations for 6 of 12 (50%) months during fiscal year 2019.
 - Monthly cash reconciliations (Report SB05) reconciliations for 6 of 12 (50%) months during fiscal year 2019 and 12 of 12 (100%) months during fiscal year 2020.

SAMS (Procedure 07.30.20) outlines the requirements for agencies to complete monthly reconciliations of accounting and financial information to the SAMS system within 60 days of month end, and identifies the following key Comptroller reports for these reconciliations:

- Monthly Revenue Status, Report SB04, per SAMS (Procedure 25.40.10)
- Cash Report, Report SB05, per SAMS (Procedure 09.40.10)
- Monthly Appropriation Status, Report SB01, per SAMS (Procedure 11.40.10)
- Monthly Obligation Activity Report, Report SC15, per SAMS (Procedure 15.30.20)
- Object Expense/Expenditures by Quarter, Report SA02, per SAMS (Procedure 07.30.21)
- Appropriation Transfer Report, Report SB03, per SAMS (Procedure 07.30.24)
- Agency Contract Report, Report SC14, per SAMS (Procedure 15.30.10)

Department management stated the Department does not currently have procedures in place to complete monthly reconciliations for Report SB03, Report SC14 and SC15. Additionally, Department management states due to staff turnover and the lack of proper training for designated staff, monthly reconciliations for Report SB04 and SB05 were not properly completed. Finally, Department management states monthly reconciliations of expenditures through Reports SB01 & SA02 were not timely completed due to staff turnover and the implementation of the new Illinois SAP accounting system.

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Timely reconciliations are an important internal control procedure and mechanism that allows the Comptroller to take necessary corrective action in the event unreconcilable differences between Department and Comptroller records occur. (Finding Code No. 2020-024)

Recommendation

We recommend the Department to develop procedures and properly train designated staff to accurately perform monthly reconciliations on a timely basis.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. With ERP still being relatively new to DCFS, reconciliation tools continue to be developed that are being considered in the development of procedures. Documentation standards are also being developed so that training new staff will be more efficient to allow for DCFS to adjust to turnover in key positions so reconciliations can still be done timely.

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Finding 2020-025 Equipment Leases Not Properly Reported

The Illinois Department of Children and Family Services (Department) did not properly record and report capital equipment leases as part of its inventory of State-owned equipment.

During testing of 24 capital equipment leases (totaling \$1,513,435 in asset cost) entered into during fiscal year 2019 and 16 capital equipment leases (totaling \$610,850 in asset cost) entered into during fiscal year 2020, we noted the following exceptions for all leases tested:

- The Department did not include the equipment leases in its quarterly Agency Reports of State Property (Forms C-15) filed for fiscal year 2019 and fiscal year 2020.
- The Department did not mark the equipment leases as State-owned equipment or include in Department equipment inventory records.
- The Department did not include the equipment leases in its fiscal year 2019 and fiscal year 2020 annual physical inventories of State equipment in their possession to the Department of Central Management Services (CMS).

The Statewide Accounting Management System (SAMS) (Procedure 27.20.60) and SAMS (Procedure 29.10.30) state that when an asset is determined to be a capital lease, with the assistance of the Office of the Comptroller (Comptroller) through form SCO-560, Accounting for Leases-Lessee, the determined cost of the leased asset should be recorded in the agency's State property control records and reflected on Form C-15. Additionally, the Illinois Administrative Code (Code) (44 Ill. Admin. Code 5010.460) requires agencies to maintain control over all property in their jurisdiction and shall provide CMS an annual detailed inventory listing of all equipment items greater than \$1,000 or subject to theft.

Department management stated that Forms SCO-560, Accounting for Leases-Lessee, were issued for leases not previously reported to the Comptroller and procedures updated for completing forms SCO-560. However, the resulting updates to the reporting of leases to the Comptroller did not correspond to updates of the record and maintenance of Department equipment inventory records.

Failure to maintain accurate property records could result in inaccurate reports and mismanagement of State-owned property and is noncompliant with SAMS and the Code. (Finding Code No. 2020-025)

Recommendation

We recommend the Department review its process for ensuring all equipment records are accurately maintained and updated in a timely manner. We also recommend the Department strengthen its internal control over the accountability of Department equipment.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. With the Statewide implementation of GASB Statement No. 87, the Illinois Office of the Comptroller has issued new guidance regarding lease reporting. DCFS has been reviewing these new requirements and will develop and implement procedures to ensure compliance with all reporting requirements related to leases, equipment or otherwise.

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Finding 2020-026 Noncompliance with the Juvenile Court Act of 1987

The Illinois Department of Children and Family Services (Department) did not provide proper notifications of planned child placement changes as required by the Juvenile Court Act of 1987 (Act) (705 ILCS 405/2-23(3.5)).

During our testing of 60 child placements during the engagement period, we noted the following:

- For 20 (33%) placements tested, the Department did not notify parties of the planned placement change in writing.
- For four (7%) placements tested, the Department could not comment on or provide documentation of notifications of planned placement changes in writing.

The Act states that whenever the Department determines that removal of a child from current placement is necessary per the Act, it must notify the parties of the planned placement change in writing no later than 10 days of implementing the change. The Act also states that if the Department determines the placement poses an imminent risk of harm to the minor, the Department may implement the placement change, and must notify the parties in writing immediately following the change.

The Department's Administrative Procedures (Procedures) (301.60) state that when the Department or agency determine placement is necessary, they will notify the involved parties using Form CFS 151-B at least 14 days prior to the proposed move. The Procedures (301.60) also state that if the Department or agency determines the placement poses an imminent risk of harm to the minor, the Department or agency may implement the placement change, and must immediately notify the parties using Form CFS 151-B immediately following the change.

Department management stated due to increasing demands on caseworkers, and child placements constantly moving, notices are occasionally given to parties involved verbally, and, in some cases, case workers were not certain of the documentation requirements when all parties agreed with the Notice of Decision.

Failure to notify parties of planned placement changes in writing or maintain documentation of notifications of planned placement changes is noncompliance with the Act. (Finding Code No. 2020-026)

Recommendation

We recommend the Department ensure caseworkers and agencies provide notifications to the parties involved in changes in child placement, within the period established by the Act.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. DCFS will review its policies and procedures and update as necessary. DCFS will also review communication and training practices regarding Notice of Decision moves to ensure all parties are properly notified and documentation of notification is maintained.

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Finding 2020-027 Inadequate Controls Over Employee Training Programs

The Illinois Department of Children and Family Services (Department) did not maintain controls to ensure employees completed required training programs timely.

While performing tests of personnel records, we selected a sample of 60 employees to determine if training programs were being performed timely. We noted the following exceptions as a result of our testing:

- Three of 60 (5%) employees hired during fiscal year 2019 completed the initial ethics and sexual harassment training 126 to 320 days late.
- The Department could not provide documentation showing completion of the fiscal year 2019 annual sexual harassment training for three of 60 (5%) employees.

The State Officials and Employees Act (Act) (5 ILCS 430/5-10 thru 5 ILCS 430/5-10.5) states that each employee of an agency must annually complete and certify by writing to the ethics officer the completion of an ethics training program and sexual harassment training program. In addition, the Act (5 ILCS 430/5-10 thru 5 ILCS 430/5-10.5) requires an employee newly hired or appointed a position to complete an initial ethics training and sexual harassment training within 30 days after commencement of their office or employment.

Department management stated in 2019, the State of Illinois moved from a paper tracking system to an online tracking system in OneNet. Department management stated the DCFS Ethics Office creates OneNet training accounts after an employee is onboarded and they have an active DCFS email account, but the DCFS Ethics Office does not always receive notice of new hires within the first 30 days. In addition, Department management states new hires are frequently in other trainings during their first 30 days of employment which affects their ability to take the required ethics and harassment and discrimination prevention trainings. Finally, Department management stated the sexual harassment training program is overseen by the Statewide Workforce Development, Office of Employment and Training, of which the Department depends on for supervision and tracking completion of the training program.

Failure to implement adequate controls over employee training increases the risk the Department will have untrained employees performing critical roles. (Finding Code No. 2020-027)

Recommendation

We recommend the Department update, monitor, and enforce its policies and procedures for initial and annual training to their employees.

Department Response

The Department of Children and Family Services (DCFS) agrees with and has implemented the auditor's recommendation. DCFS has improved its system for its employee training programs through the use of technology. As noted in the finding above, all exceptions noted were related to FY 2019 testing. DCFS can more easily monitor employees training progress and involve supervisors and managers to help enforce its policies and procedures for its training programs.

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Finding 2020-028 Lack of Adequate Controls Over the Review of Internal Controls for Service Providers

The Department of Children and Family Services (Department) had not implemented adequate internal control reviews over its service providers.

We requested the Department to provide the population of service providers utilized by the Department to determine if they had reviewed the internal controls over the service providers. In response to our request the Department provided a listing of service providers; however, they did not provide documentation demonstrating the population was complete and accurate.

Due to these conditions, we were unable to conclude the Department's population records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35).

Even give the population limitations noted above, we performed testing over two of the three service providers identified by the Department. The Department utilized service providers for hosting services and to provide software as a service. During our testing, we noted the Department had not:

- Developed a process for identifying service providers and assessing the effect on internal controls of these services on an annual basis.
- Obtained System and Organization Control (SOC) reports or conducted independent internal control reviews of the two service providers.

In addition, we noted the contracts between the Department and the two service providers did not contain a requirement for an independent review to be completed. Further, the Department could not provide documentation demonstrating contract performance measures were being monitored.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and maintain accountability over the State's resources.

The Security and Privacy Controls for Information Systems and Organizations (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Maintenance and System and Service Acquisition sections, requires entities outsourcing their IT environment or operations to obtain assurance over the entities internal controls related to the services provided. Such assurance may be obtained via System and Organization Control reports or independent reviews.

Department management indicated staff did not have a complete understanding of their responsibilities related to the oversight of service providers.

Without having obtained and reviewed a SOC report or another form of independent internal controls review, the Department does not have assurance the service providers' internal controls are adequate. (Finding Code No. 2020-028)

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Recommendation

We recommend the Department:

- Develop a process for identifying service providers and assessing the effect on internal controls of these services on an annual basis.
- Obtain SOC reports or perform independent reviews of internal controls associated with service providers at least annually.
- Analyze the SOC reports obtained to determine the impact of the report's opinion or noted deviations.
- Monitor and document the operation of the CUECs relevant to the Department's operations.
- Document its review of the SOC reports and review all significant issues with subservice organizations to ascertain if a corrective action plan exists and when it will be implemented, any impacts to the Department, and any compensating controls.
- Review contracts with service providers to ensure applicable requirements over the independent review of internal controls are included.
- Ensure performance measures are monitored and documentation is maintained of such.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. DCFS will work on developing a policy regarding the use of service providers. DCFS will also review its contract boiler plate to ensure language is included to require SOC reports or independent internal control reviews and mitigation language to ensure implementation of corrective action plans. Any policy developed will address the identification of appropriate service providers, documentation of review of SOC reports/internal control reviews, documentation of impact of report's opinion or noted deviations, effects of corrective action plans, and monitoring performance measures of the contracts.

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Finding 2020-029 Lack of Cybersecurity Programs and Practices

The Department of Children and Family Services (Department) had not implemented adequate practices and controls to protect confidential information.

It is the mission of the Department to protect the children of the State. As a result of their mission, the Department maintains large volumes of confidential information including abuse records, health information, Social Security numbers, bank account numbers, etc.

The Illinois State Auditing Act (30 ILCS 5/3-24) requires the Auditor General to review State agencies and their cybersecurity programs and practices. During our examination of the Department's cybersecurity program, practices, and control of confidential information, we noted the Department had not:

- Developed formal security policies and procedures to ensure its resources and data were adequately protected:
 - Cybersecurity plan,
 - Data classification plan,
 - System development plan,
 - Project management framework, and
 - Risk management methodology.
- Performed a comprehensive risk assessment to identify and classify data to ensure adequate protection of confidential or personal information most susceptible to attack.
- Ensured confidential information was adequately protected when emailed, using encryption or using another secure method of transport.
- Developed policies and procedures for reviewing and monitoring security implementation and violations.

Additionally,

- 25 of 25 (100%) employees and contractors sampled had not acknowledged receipt and compliance with the Department's policies.
- 19 of 25 (76%) employees and contractors sampled had not completed the annual cybersecurity training.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and maintain accountability over the State's resources.

The Data Security on State Computers Act (20 ILCS 450/25) requires every employee to annually undergo training by the Department of Innovation and Technology concerning cybersecurity.

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Furthermore, generally accepted information technology guidance, including the National Institute of Standards and Technology, endorses the development of well-designed and well-managed controls to protect computer systems and data.

Department management indicated the lack of resources and belief the Department of Innovation and Technology was responsible for cybersecurity controls resulted in the noted weaknesses.

The lack of adequate cybersecurity programs and practices could result in unidentified risk and vulnerabilities, which could ultimately lead to the Department's confidential and personal information being susceptible to cyber-attacks and unauthorized disclosure. (Finding Code No. 2020-029)

Recommendation

We recommend the Department:

- Develop adequate policies and procedures to ensure its applications and data are adequately protected.
- Complete a comprehensive risk assessment of its computing resources to identify confidential and personal information to ensure such information is protected from unauthorized disclosure.
- Classify its data to identify and ensure adequate protection of information.
- Ensure all confidential data is adequately safeguarded through secure means during transmission.
- Ensure all employees and contractors complete the annual cybersecurity training.
- Ensure all employees and contractors receive and acknowledge receipt and compliance with the Department's policies.
- Maintain the population of incidents occurring to the Department's applications and data.

Department Response

Department of Innovation and Technology (DoIT)-DCFS is working with the DoIT Enterprise Security team to harden all DCFS systems and computing equipment.

DoIT-DCFS is participating in the DoIT Enterprise Risk Assessment program, this program will create a comprehensive risk assessment.

DCFS data will be classified during FY22.

All employees and contractors are required to complete the annual cybersecurity training. DoIT-DCFS managers are notified if an employee or contractor has not completed the training. Procedures will be reviewed to ensure proper documentation.

Procedures will be reviewed with DoIT-DCFS and DCFS to ensure all employees complete required training and acknowledge receipt and compliance with Department's policies.

DoIT-DCFS will review procedures for incident reporting to ensure all material incidents with Department applications and data are properly recorded.

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Finding 2020-030 Inadequate Disaster Recovery Planning and Testing

The Department of Children and Family Services (Department) Disaster Recovery Plan (Plan) contained weaknesses and had not conducted recovery testing.

The Department maintained several critical systems including, among others, Case Management System (CYCIS), Medicaid Billing System, and the Statewide Automated Child Welfare Information System (SACWIS).

During our testing of the Department's Plan, we noted it did not address:

- prioritization of applications and data,
- escalation procedures,
- recovery testing requirements,
- roles and responsibilities, and
- an inventory of hardware and software.

In addition, the Department had not conducted disaster recovery testing during the examination period.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and maintain accountability over the State's resources.

Generally accepted Information technology guidance (including the National Institute of Standards and Technology and Governmental Accountability Office) endorse the development of a current, formal and tested disaster recovery plan.

Department management indicated the lack of resources lead to the weaknesses.

Without an adequately documented and tested contingency plan, the Department cannot ensure its critical systems could be recovered within an acceptable period, and therefore minimizing the impact associated with a disaster. (Finding Code No. 2020-030)

Recommendation

We recommend the Department update its Disaster Recovery Plan to reflect the current environment and once updated, the Plan should be reviewed, updated, and tested at least annually.

Department Response

The Department of Children and Family Services (DCFS) agrees with the auditor's recommendation. Department of Innovation and Technology (DoIT)-DCFS will review its Disaster Recovery Plan and update to reflect the current environment. DOIT-DCFS will also review procedures related to reviews, updates and testing to align with industry standards.

**STATE OF ILLINOIS
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PRIOR FINDINGS NOT REPEATED

A. Statewide Failure to Execute Interagency Agreements and Perform Essential Project Management Functions over Provider Enrollment in the Medicaid Program

During the previous engagement, the Department of Healthcare and Family Services (HFS), the Department of Human Services (DHS), the Department of Children and Family Services (DCFS), and the Department on Aging (DoA) (collectively, the “Departments”) failed to execute adequate internal controls over the implementation and operation of the State of Illinois’ Illinois-Michigan Program Alliance for Core Technology system (IMPACT). Specifically, management of the Departments did not enter into interagency agreements (IA) defining each agency’s roles and responsibilities and did not perform essential project management functions over the implementation of IMPACT.

Phase 2 of the IMPACT implementation was completed in FY 2018 and there were no significant project management activities in FY 2020 at DCFS during the audit period. Upon completion of the next significant project management activity, the auditors will review the applicable State agency’s development project. The auditors have, however; reported in Finding 2020-005 the Departments have not entered into IAs defining each agency’s roles and responsibilities over IMPACT. (Finding Code No. 2018-001)

B. Failure to File Travel Headquarter Reports

During the previous engagement, the Illinois Department of Children and Family Services (Department) did not file all of the required Travel Headquarters Reports (TA-2 Report).

During the current engagement, the Department filed all the required TA-2 Reports during fiscal years 2019 and 2020; however, we continued to note immaterial problems. As such, this matter is reported in the Department’s State Compliance Examination *Report of Immaterial Findings*. (Finding Code No. 2018-008)

C. Equipment Leases Not Reported to Comptroller

During the previous engagement, the Illinois Department of Children and Family Services (Department) did not complete form SCO-560, Accounting for Leases-Lessee, for all items of leased property with a fair market value greater than \$5,000.

During the current engagement, we noted the Department completed form SCO-560 for all prior lease agreements and new lease agreements entered into during the engagement period for items with a fair market value greater than \$5,000. (Finding Code No. 2018-013, 2016-005)

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PRIOR FINDINGS NOT REPEATED

D. Noncompliance with the State Prompt Payment Act

During the previous engagement, the Illinois Department of Children and Family Services (Department) did not pay all prompt pay interest (PPI) as required by the State Prompt Payment Act (Act) (30 ILCS 540/3-2).

During the current engagement, the Department submitted all calculated PPI payments to the Office of Comptroller. (Finding Code No. 2018-022)

E. Deficiencies in Management of Returned Checks

During the previous engagement, the Illinois Department of Children and Family Services (Department) had deficiencies in its management of returned checks.

During the current engagement, the Department provided a listing of returned checks for both fiscal year 2019 and fiscal year 2020. Further, the Department provided sufficient supporting documentation to demonstrate its collection attempts in order to receive a payment for all returned checks tested. (Finding Code No. 2018-023)

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STATUS OF MANAGEMENT AND PERFORMANCE AUDITS

As part of the fiscal year 2019 and 2020 compliance examination of the Illinois Department of Children and Family Services, we followed up on the status of the following management and performance audits performed by the Office of the Auditor General:

- **Management Audit of the Department of Children and Family Services Search for Missing Children** (released December 2014)
 - As part of the compliance examination for the two years ended June 30, 2020, auditors followed up on the status of eight recommendations partially implemented in prior years. All eight recommendations were found to be partially implemented.
- **Performance Audit of the Department of Children and Family Services Placement of Children** (released September 2016)
 - As part of the compliance examination for the two years ended June 30, 2020, auditors followed up on the status of three recommendations not implemented and one recommendation partially implemented. All four recommendations were found to be partially implemented.
- **Performance Audit of the Department of Children and Family Services Investigations of Abuse and Neglect** (released May 2019)
 - The audit contained 13 recommendations directed to the Department. As part of the compliance examination for the two years ended June 30, 2020, auditors followed up on the status of the recommendations noting 3 were implemented, 4 were partially implemented and 6 were not implemented.

The follow-up we conducted was only for those recommendations that have not been fully implemented by the Department in prior years.

The exhibit below summarizes the current status of the recommendations. Recommendations that were followed up on during this audit are detailed in the following pages.

STATUS OF PAST MANAGEMENT AND PERFORMANCE AUDIT RECOMMENDATIONS

As of June 30, 2020

Audit	Total Number of Recommendations	Status		
		Implemented	Partially Implemented	Not Implemented
Search for Missing Children	9	1	8	0
Placement of Children	4	0	4	0
Investigations of Abuse and Neglect	13	3	4	6

Source: Summary of current status of past performance audits.

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STATUS OF MANAGEMENT AND PERFORMANCE AUDITS

Illinois Department of Children and Family Services – Search for Missing Children

The Office of the Auditor General conducted a management audit of the Illinois Department of Children and Family Services Search for Missing Children pursuant to House Resolution Number 120, of the 98th General Assembly. The audit was released in December 2014 and contained a total of 9 recommendations to the Department. As part of the compliance examination for the two years ended June 30, 2016, auditors followed up on the status of the recommendations. Recommendation 1 of 9 was determined to be fully implemented during the two years ended June 30, 2016. The remaining 8 recommendations were followed up on as part of the compliance examination for the two years ended June 30, 2018 and remained partially implemented. As part of the compliance examination for the two years ended June 30, 2020, we followed up on the status of the remaining recommendations.

STATUS OF PAST MANAGEMENT AUDIT RECOMMENDATIONS

As of June 30, 2020

Audit	Rec. No.	Recommendation Description	Status		
			Implemented	Partially Implemented	Not Implemented
Search for Missing Children	1	Total Number of Missing Wards	X		
Search for Missing Children	2	CFS 906 Form		X	
Search for Missing Children	3	Data Accuracy		X	
Search for Missing Children	4	CIRU Notification		X	
Search for Missing Children	5	Caseworker Notification		X	
Search for Missing Children	6	Report Missing Wards		X	
Search for Missing Children	7	Complete All Agency Forms		X	
Search for Missing Children	8	Supervisory Review		X	
Search for Missing Children	9	Training and Monitoring		X	

Source: Summary of current and past performance audits.

Recommendation 2 – CFS 906 Form

DCFS should prevent overpayments by ensuring that CFS 906 forms are completed, submitted, and entered in a timely manner.

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STATUS OF MANAGEMENT AND PERFORMANCE AUDITS

Current status: Partially Implemented

We reviewed the Initial CFS 1014, Child Runaway form, in the Statewide Automated Child Welfare Information System (SACWIS), which lists the date the caseworker submitted the CFS 906, Placement/Payment Authorization form, to the Child Intake and Recovery Unit (CIRU). We noted the CFS 1014 only contained the date the CFS 906 form was filed, not the date and the time.

We noted in 3 of the 60 instances where a child went missing, the CFS 906 form had not been filed within 24 hours of when the child had been reported missing. We considered the file to be in compliance with the 24-hour rule if the date of the CFS 906 was the day following the date the child went missing.

We noted in 50 of the 60 instances where a child went missing, the CFS 906 form could not be provided by the Department, thus we could not confirm that the CFS 906 forms were completed timely, or at all.

Recommendation 3 – Data Accuracy

DCFS should emphasize to all involved in the reporting and locating of missing children the need to accurately enter information into case files and to correct discrepancies when identified.

Current status: Partially Implemented

We noted in 50 of the 60 instances where a child went missing, the Initial CFS 1014 form could not be provided by the Department, so we could not compare the Initial CFS 1014 forms to the notes in SACWIS to ensure their accuracy.

We also reviewed whether Department supervisors were conducting reviews of the CFS Initial 1014 form. Procedure 329, Locating and Returning Missing, Runaway, and Abducted Children, provides the documentation of supervisor reviews by the submission of the CFS 1014. In 50 of the 60 instances where a child went missing, the Initial CFS 1014 form could not be provided by the Department, so we could not test documentation of supervisor reviews.

Recommendation 4 – CIRU Notification Recommendation

DCFS should improve controls to ensure that the CIRU is immediately informed when a DCFS caseworker is notified that a ward has gone missing, as per Procedure 329.

Current status: Partially Implemented

Procedure 329 requires caseworkers to notify the CIRU within one hour of when they receive notification that a child is missing. The date when the CIRU is notified is documented in the Initial CFS 1014 form; however, this form does not have a field to indicate the time.

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We noted in 3 of the 60 instances where a child went missing, the CIRU had not been notified within an hour of the child being reported missing. If we were unable to determine the time the CIRU was notified from the notes in SACWIS, we considered the file to be compliant if CIRU was notified the same day as the child was reported missing.

We noted in 50 of the 60 instances where a child went missing, the Initial CFS 1014 form could not be provided by the Department, thus we could not confirm CIRU was notified timely, or at all.

Recommendation 5 – Caseworker Notification Recommendation

DCFS should establish (1) a field in SACWIS to require caseworkers to enter the date and time when they first learned about a missing ward; (2) procedures for the caseworker to acknowledge notification of the missing ward; and (3) a process to ensure that searches are conducted for missing wards in a timely manner, including after business hours or on weekends.

Current status: Partially Implemented

We noted the Department includes a field in SACWIS for the date and time caseworkers received notification of a missing child. However, in 50 of the 60 instances where a child went missing, the Initial CFS 1014 form could not be provided by the Department, thus we could not confirm the recording of the date and time the caseworkers received notification of a missing child.

Procedure 329 requires caseworkers to notify law enforcement within three hours of learning that a child is missing and provide them with a photograph of the child. We noted in 2 of the 60 cases tested, law enforcement was not notified within three hours of when the child had been reported missing, and thus a photograph of the child was not submitted to law enforcement within three hours of when the child had been reported missing. We considered the file to be compliant if the Missing Person's Report date was the same day when the child was reported missing, unless otherwise documented in the notes.

Finally, we noted in 50 of the 60 instances where a child went missing, the Initial CFS 1014 form could not be provided by the Department, thus we could not confirm if law enforcement was notified timely, or at all.

Recommendation 6 – Report Missing Wards Recommendation

DCFS should report the missing wards to required parties within the time established in its procedures, including to NCMEC, juvenile courts, and parents/guardians and require supervisors to sign-off on the CFS 1014 to document their review.

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Current status: Partially Implemented

The Department's Procedure 329 requires the notification of the National Center for Missing and Exploited Children (NCMEC) within three hours of when the child was reported missing. We noted in 6 of the 60 cases tested the NCMEC was not notified within 3 hours of when the child was reported missing.

Procedure 329 also states that the parents, guardian or legal custodian, juvenile court of jurisdiction and/or guardian ad litem should be notified within three hours of when the child was reported missing. We noted in 4 of the 60 cases tested, the parents, guardian or legal custodian, juvenile court, and/or guardian ad litem were not notified within three hours of when the child was reported missing. We considered the file to be compliant if the date notified was the same day as the child was reported missing.

Finally, we noted in 50 of the 60 instances where a child went missing, the Initial CFS 1014 form could not be provided by the Department, thus we could not confirm whether NCMEC, parents, guardian or legal custodian, juvenile court, and/or guardian ad litem were notified timely, or at all.

Recommendation 7 – Complete All Agency Forms Recommendation

DCFS should ensure that all its internal forms are completed in a timely manner as specified in DCFS procedures, including the CFS 1014 Missing Children Recovery Report. In addition, DCFS should debrief missing wards when they are found, and document the interview.

Current status: Partially Implemented

The Department's Procedure 329 requires the caseworker or supervisor to complete CFS 680-A, Missing Child De-Briefing form, and CFS 1014 Missing Children Recovery report, within two business days from the date the child returned. We noted in 4 of the 60 cases tested the CFS 680-A Missing Child De-Briefing form had not been completed in a timely manner. In addition, we noted in 50 of the 60 instances where a child went missing, the CFS 680-A Missing Child De-Briefing form could not be provided by the Department, thus, we could not confirm whether the form was completed timely, or at all.

We noted in 50 of the 60 instances where a child went missing, the CFS 1014 Missing Children Recovery Report form could not be provided by the Department, thus we could not confirm whether the caseworker or supervisor completed the form timely, or at all.

Recommendation 8 – Supervisory Review Recommendation

DCFS should comply with its written procedures which require that supervisory meetings with caseworkers be documented when searching for missing wards. Supervisors should review the documents completed by caseworkers and sign off to demonstrate their review.

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Current status: Partially Implemented

The Department's Procedure 329 requires the supervisors' reviews are documented by the submission of the Initial CFS 1014 form and in a supervisory note in the supervisory file on a weekly or daily basis. In 41 of 60 files tested, the Department could not provide the supervisory notes documenting the meetings, thus we could not confirm whether supervisory meetings with caseworkers were documented.

Recommendation 9 – Training and Monitoring Recommendation

Given the lack of documentation and noncompliance found in this audit, DCFS should:

- *Provide training to its caseworkers and supervisors on missing children;*
- *Review its search procedures for missing children for possible modifications; and*
- *Give the CIRU (or another unit within DCFS) the responsibility to monitor actions taken by caseworkers and supervisors to report and locate missing children, and to report to management the degree to which the Department's policies and procedures are being followed.*

Current status: Partially Implemented

As part of the compliance examination for the two years ended June 30, 2018, the Department had revised Procedures 329 in response to this recommendation and training has been conducted to make caseworkers and supervisors aware of the requirements. No additional updates were made to Procedures 329 during the compliance examination for the two years ended June 30, 2020. The CIRU is responsible for monitoring caseworkers' and supervisors' compliance with the new procedures. However, the Department could not provide documentation of any reports to management regarding procedures being followed.

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Illinois Department of Children and Family Services – Placement of Children

The Office of the Auditor General conducted a performance audit of the Illinois Department of Children and Family Services Search for Missing Children pursuant to Senate Resolution Number 140, of the 99th General Assembly. The audit was released in September 2016 and contained a total of 4 recommendations to the Department. The recommendations were followed up on as part of the compliance examination for the two years ended June 30, 2018. It was noted that 3 of 4 recommendations were not implemented while 1 of 4 recommendations was partially implemented. As part of the compliance examination for the two years ended June 30, 2020, we followed up on the status of the remaining recommendations.

STATUS OF PAST MANAGEMENT AUDIT RECOMMENDATIONS

As of June 30, 2020

Audit	Rec. No.	Recommendation Description	Status		
			Implemented	Partially Implemented	Not Implemented
Placement of Children	1	Administrative Rules and Procedures		X	
Placement of Children	2	Internal Forms and Case Files		X	
Placement of Children	3	Planning Meeting and Matching Process		X	
Placement of Children	4	Tracking information		X	

Source: Summary of current and past performance audits.

Recommendation 1 – Administrative Rules and Procedures

The Department of Children and Family Services should review existing administrative rules and internal policies and procedures on the placement of children. The Department should make necessary revisions to update the rules and procedures to reflect current practice and to implement any needed changes.

The Department should also examine areas that lack policies and procedures on the placement of children and implement procedures as needed.

Current status: Partially Implemented

The Department has implemented policies, procedures, and forms regarding the children who are psychiatrically hospitalized (Procedures 301.110) and children in emergency shelters (Procedures 301.55). However, while the Department implements policies regarding specific payments for children in detention facilities, it lacks detailed policies and procedures regarding the temporary placement of children in these detention facilities.

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Recommendation 2 – Internal Forms and Case Files

The Department of Children and Family Services should ensure that required forms are being utilized and that required documentation is consistently maintained in case files. The Department should also explore the feasibility of maintaining forms in its primary case management system.

Current status: Partially Implemented

The Department states PHT Form 965-1 Discharge and Aftercare Plan is no longer used; however, current Department Procedures 301.110 still refer to the use of this form. Additionally, internal placement of children forms are not currently maintained in Statewide Automated Child Welfare Information System (SACWIS); however, Department management states it is engaged in the procurement and implementation process for a new Comprehensive Child Welfare Information System (CCWIS) that will replace the current SACWIS system to modernize child case management and address the issues of paper form maintenance. Department management expects to initiate work on the CCWIS program project in January 2022.

Recommendation 3 – Planning Meeting and Matching Process

The Department of Children and Family Services should implement policies and procedures for its matching process to ensure that the planning meeting is held promptly and to improve the timeliness of the matching process.

Current status: Partially Implemented

When children are admitted to an emergency shelter, the shelter is considered a temporary placement. The Department holds a planning meeting, which is called the Clinical Intervention for Placement Preservation (CIPP) meeting to determine the level of care and possible placements for the child. The Department has implemented a policy in Department Procedures 301.55 requiring the meeting to be held within 15 days of shelter admission, to ensure the planning meeting is promptly held. This meeting determines the recommended level of care for the child. However, we noted the Departments matching process for the appropriate placement of children experiences administrative delays, partly due to the Placement Resources Unit data system being independent from other Department systems. The Department's Central Matching Team (CMT) continues to expand its staffing and review and revise procedure to ensure a timelier response to the placement of youth.

Recommendation 4 – Tracking information

The Department of Children and Family Services should make necessary changes to track information in its computer systems to ensure processes are working and better monitor children in its custody. These changes should enable DCFS to readily report information.

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Current status: Partially Implemented

Department management stated the Department is currently engaged in a multi-year procurement process to purchase, configure, and transfer to a new Comprehensive Child Welfare Information System (CCWIS). CCWIS will replace the current case management solutions known as the Statewide Automated Child Welfare Information System (SACWIS) and Child & Youth Centered Information System (CYCIS). The CCWIS program will replace and modernize many systems, as well as automate many of the manual paper-based processes the department currently relies on for day-to-day operations. Requirements are included in the Request for Proposal (RFP) for CCWIS around real-time reporting and tracking of the children and youths in the Department's care. Department management expects the procurement to be finalized and the CCWIS Integrator to begin work on the CCWIS Program in January 2022. CCWIS will be developed in multiple phases with releases to production every 6 to 9 months. The Department will not know the exact release schedule until a vendor is awarded the contract but expects the program to be completed within 3 to 4 years, with the Child Welfare module being released mid-way through the program implementation.

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Illinois Department of Children and Family Service – Investigations of Abuse and Neglect

The Office of the Auditor General (OAG) conducted a performance audit of the Illinois Department of Children and Family Services (Department) Investigations of Abuse and Neglect pursuant to House Resolution Number 418, of the 100th General Assembly. The audit was released in May 2019 and contained a total of 13 recommendations to the Department. During the current examination, OAG auditors conducted the first follow-up of these recommendations.

STATUS OF PAST PERFORMANCE AUDIT RECOMMENDATIONS

As of June 30, 2020

Audit	Rec. No.	Recommendation Description	Implemented	Status	
				Partially Implemented	Not Implemented
Investigations of Abuse and Neglect	1	Child Abuse and Neglect Data		X	
Investigations of Abuse and Neglect	2	Investigator Assignments			X
Investigations of Abuse and Neglect	3	Child Endangerment Risk Assessment Protocol		X	
Investigations of Abuse and Neglect	4	Hotline and Intake		X	
Investigations of Abuse and Neglect	5	Investigation Timeliness			X
Investigations of Abuse and Neglect	6	Investigation Extensions			X
Investigations of Abuse and Neglect	7	Assessing the Need for Services			X
Investigations of Abuse and Neglect	8	Recommendations for Services			X
Investigations of Abuse and Neglect	9	Intact Family Services Monitoring	X		
Investigations of Abuse and Neglect	10	Intact Family Services Coverage	X		
Investigations of Abuse and Neglect	11	Intact Family Services Referrals	X		
Investigations of Abuse and Neglect	12	Norman Cash Assistance		X	
Investigations of Abuse and Neglect	13	Community Based Services			X

Source: Summary of current and past performance audits.

Recommendation 1 – Child Abuse and Neglect Data

The Department of Children and Family Services should continue to take steps to improve the quality of the data contained in its child abuse and neglect information systems and statistical reports. These steps should include:

- *Ensuring that proper controls are in place for SACWIS data entry, or any future child abuse and neglect information systems, in order to ensure that data is collected and is reliable; and*
- *Maintaining updated manuals including data field definitions.*

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Current status: Partially Implemented

The OAG's May 2019 audit found that the Department had significant issues producing accurate reports on child abuse and neglect investigations statistics during the audit period and while the OAG was conducting the audit. These issues were caused primarily by inadequate and antiquated information systems. However, OAG auditors also identified concerns with the quality of the data contained in the Department's primary information system, the Statewide Automated Child Welfare Information System (SACWIS).

During the current examination, according to the Department, it has taken steps to improve the quality of the Child Abuse and Neglect Data including:

- Several SACWIS releases have made improvements to data quality; and
- Data Field definitions are being assembled into a Data Dictionary.

According to Department officials, there were data improvements done as part of a SACWIS release, but no documentation was provided to show what changes were made and the degree of data quality improvement. However, several steps were still in the planning phase including replacing the current system with CCWIS, data clean up, and developing a Data Quality Plan. According to Department officials, as of September 2020, the CCWIS Data Quality Plan is on hold due to the CCWIS Project not having started yet and is not expected to start July 2021. RFPs were posted in August 2020.

A Data Dictionary has been developed with the SACWIS fields and definition of those fields.

Recommendation 2 – Investigator Assignments

The Department of Children and Family Services should take steps to ensure investigator assignments are in compliance with the requirements of the B.H. Consent Decree.

Current status: Not Implemented

The OAG's May 2019 audit found that the Department was not complying with investigator assignment requirements delineated in the B.H. Consent Decree. The consent decree requires that each Department child protective services investigator will be assigned no more than 12 new abuse or neglect investigations per month during nine months of a calendar year. During the other three months of the calendar year, the investigator will be assigned no more than 15 new abuse or neglect investigations per month. The OAG auditors' analysis of primary assignments showed that 926 different investigators received at least one assignment during the period. Of these, 729 or 78.7 percent had at least 1 month during the period in which they received more than 15 primary assignments.

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During the current examination, according to the Department, it hired 320 new investigators during fiscal years 2019 and 2020. There are four Department regions in the State with field offices located throughout these regions that report to a Regional Administrator. Although the Acting Deputy Director of Child Protection for the Department initially held four internal meetings with the “field” between June and October 2019 to discuss assignments, these meetings were discontinued. According to the Department, the “field” is now expected to review the B.H. “over and under” report and manage their intake. The Department provided an example of a monthly Investigation Caseload & Vacancy report, which lists the number of current investigators and the number of needed investigators by field office. The Department continues to meet with B.H. plaintiffs to review caseload compliance. According to Department officials, as of October 2020, the Department was in discussions with the B.H. plaintiffs and the B.H. Special Master about B.H. compliance. The Department proposed a plan to onboard staff that was under review and had not yet been agreed upon by the plaintiffs and the judge. The Department did not provide information to show that assignments are in compliance with the requirements of the B.H. Consent Decree.

Recommendation 3 – Child Endangerment Risk Assessment Protocol

The Department of Children and Family Services should:

- *Ensure that CERAPs are completed for investigations and that they are completed in a timely manner;*
- *Ensure that CERAPs are completed and that they are completed in a timely manner when Intact Family Services are provided; and*
- *Evaluate the reliability and validity of the CERAP annually and develop written procedures related to CERAP training as is required by the Children and Family Services Act.*

Current status: Partially Implemented

The OAG’s May 2019 audit found that Child Endangerment Risk Assessment Protocols (CERAPs) were not always completed by investigators and private agency staff providing services. Further, for those cases in which the CERAP was completed, it was not always completed in a timely manner. The Department could not provide documentation to show that the reliability and validity of the protocol had been evaluated during the audit period as required by statute. The Department also could not provide written procedures for training related to the CERAP as required by statute.

The CERAP is a six-page safety assessment protocol used through all stages of involvement with the Department, including child protection investigations (Form CFS 1441). This “life-of-the case” protocol is designed to provide investigators with a mechanism for quickly assessing the potential for moderate to severe harm to children in the immediate or near future and for taking quick action to protect them.

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Investigators are required to complete at least one CERAP for every non-facility investigation. The CERAP is required to be completed:

- Within 24 hours after the investigator first sees the child.
- Whenever evidence or circumstances suggest that a child's safety may be in jeopardy.
- Every 5 working days following the determination that a child is unsafe, and a safety plan is implemented.
- At the conclusion of the formal investigation unless temporary custody is granted or there is an open intact case or assigned caseworker. The safety of all children in the home, including alleged victims and non-involved children, must be assessed.

The OAG auditors reviewed investigations data provided by the Department for FY15-FY17 to determine if initial CERAPs were being completed and whether it was within the required timeframes. There were 130 investigations where a CERAP was not completed after contact with the victim as required. The number remained steady for all three fiscal years, with 43 in FY15, 45 in FY16 and 42 in FY17.

A CERAP must be completed within 24 hours after the investigator first sees the alleged victim. OAG auditors reviewed the time from contact with the victim to the time the first CERAP was approved and found that a CERAP is not always completed in a timely manner. However, CERAP timeliness of completion appeared to improve during the audit period from 79.8 percent in FY15 to 85.1 percent in FY17.

As part of the sample of 150 indicated investigations, OAG auditors also reviewed whether the final CERAPs were being conducted at the completion of the investigation. For 35 of 150 investigations (23.3%) OAG auditors determined that the investigation did not have a final CERAP conducted and there was no valid exception (i.e., a services case was opened, or the supervisor waived the requirement).

If the case involves Intact Family Services, a CERAP is required to be completed by the Department or the private agency:

- Within 5 working days after initial case assignment and upon all subsequent case transfers.
- Every 90 calendar days from the case opening date.
- Whenever evidence or circumstances suggest that a child's safety may be in jeopardy.
- Every 5 working days following the determination that a child is unsafe, and a safety plan is implemented.
- Within 5 working days of a supervisory approved case closure.

As part of the sample of 150 indicated investigations, OAG auditors also reviewed whether CERAPs were being completed at the beginning and end of services and whether it was within the required timeframes for applicable cases. One IFS case did not have a required CERAP at the end of the services. Three of 19 IFS cases (15.8%) did not have the initial CERAP completed within 5 business days of case opening, and two IFS cases (10.5%) did not have the final CERAP completed within 5 business days of case closing.

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The Department also did not comply with provisions of the Children and Family Services Act that require the Department to evaluate the reliability and validity of the CERAP. The Department also could not provide CERAP training procedures as is required by statute.

During the current examination, the Department provided Compliance Reviews conducted between January and June 2020 that reviewed a sample of pending investigations including whether there was an initial CERAP.

OAG auditors reviewed investigations data for FY19-20 and found that 4.6 percent of initial CERAPs were not completed in a timely manner. OAG auditors also reviewed a sample of 25 investigations to determine if CERAPs were being completed and found that all initial CERAPs were completed and two final CERAPs were not completed.

OAG auditors also reviewed a sample of Intact Family Services cases to determine if CERAPs were being completed in a timely manner and found that 4 of 10 IFS cases had untimely initial CERAPs. The three closed cases all had timely final CERAPs.

The Department provided a copy of the FY20 Annual Evaluation of the CERAP prepared by the University of Illinois Children and Family Research Center. The predictive reliability of the CERAP was reviewed as part of the evaluation.

Recommendation 4 – Hotline and Intake

The Department of Children and Family Services should:

- *Develop formal written procedures for call backs including required timeframes for creating intakes;*
- *Ensure that the process for completing call backs is in accordance with written procedures by answering and returning hotline calls in a timely manner;*
- *Begin maintaining complete information regarding the time it takes to return the hotline calls of those reporting allegations of child abuse or neglect for an amount of time that would allow for long-term analysis; and*
- *Continue to increase the utilization of online reporting as appropriate.*

Current status: Partially Implemented

The OAG's May 2019 audit found that the Department is not timely in completing intakes from callers reporting allegations of abuse and neglect. For approximately half of all calls during the audit period, an intake could not be initiated because a call floor worker was not available resulting in a message being taken. The Department also does not have written procedures regarding the process for calling back individuals who report allegations of abuse or neglect that do not begin the intake process at the time of their initial call. Finally, the Department does not maintain call back information electronically in SACWIS for more than 90 days, which makes any long-term analysis of performance and call back timeliness difficult.

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The Department could not provide electronic call back information for the audit period. OAG auditors requested call back information for the audit period and were informed that the Department only maintains call back information in SACWIS for the most recent 90-day period. Subsequently, the information is rolled off the system and deleted.

During the audit, the State Central Register (SCR) was working to develop an online reporting system. According to a Department official, the online reporting system went live June 19, 2018, and it can be accessed through the Department's website. Increasing the number of individuals utilizing online reporting may reduce the number calling the hotline and therefore the number of messages taken.

During the current examination, the Department had not developed formal written procedures for call backs including required timeframes for creating intakes. The Department has begun maintaining call back information in SACWIS and provided auditors with a download of call back information for FY20. The OAG auditors' analysis of the data provided showed significant improvements and that call backs had dropped from a high of 14,103 in September 2019 to 52 in June 2020.

The Department is also continuing to develop and use on-line reporting. According to the Department, it received 10,695 on-line reports during FY19 and 16,088 during FY20.

Recommendation 5 – Investigation Timeliness

The Department of Children and Family Services should take actions to ensure that critical investigation timeframes are completed in accordance with procedures, including initiating investigations, contacting the alleged victim and perpetrator, submitting investigations for supervisory review, and completing the investigation.

Current status: Not Implemented

In the OAG's May 2019 audit, OAG auditors reported that the Department could not verify the accuracy of intake start and end times (when the phone call with the reporter began and ended) or the assignment start time (when the report was transmitted to the field office), which hinders the Department's ability to monitor compliance with statutory requirements. The Abused and Neglected Child Reporting Act (ANCRA) requires investigations to begin within 24 hours of receipt of the report (325 ILCS 5/7.4(b)(2)), which is defined by Department administrative rules as "the time the report was received at the State Central Register" (89 Ill. Adm. Code 300.90). Auditors reviewed the timeliness of reports being transmitted from the SCR to a field office for FY15-FY17 and found that 85,866 of 221,341 (38.8%) first assignments to field offices were transmitted prior to the intake end time.

The Department's administrative rules require in-person contact with the alleged victim be made within 24 hours (89 Ill. Adm. Code 300.90). With data provided by the Department OAG auditors reviewed the timeliness of interviews with the alleged victim(s) based on whether actual contact was made, and found that the alleged victim was not contacted within 24 hours in 28.2 percent of cases for FY15, 30.5 percent of cases in FY16, and 28.6 percent of cases in FY17. The alleged victim was not interviewed at all in 415 cases in FY15, 726 cases in FY16, and 678 cases in FY17.

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The Department's administrative rules require that, within seven days, there must be in-person contact with the alleged perpetrator (89 Ill. Adm. Code 300.90). OAG auditors reviewed the timeliness of interviews with the alleged perpetrator and found that the alleged perpetrator was not contacted within 7 days in 23.5 percent of cases for FY15, 26.2 percent of cases in FY16, and 23.6 percent of cases in FY17. In addition, the alleged perpetrator was not interviewed at all in 8,591 cases in FY15, 11,441 cases in FY16, and 10,688 cases in FY17.

Department policies require the Child Protection Specialist to submit the completed investigation and final determination to the Child Protection Supervisor within 55 days of receipt of the report. If a 30-day extension to complete the investigation is necessary, the Child Protection Specialist is required to submit (prior to the 55th day) an extension request to the Child Protection Supervisor who will evaluate the request (Procedures 300.50a).

With data provided by the Department, OAG auditors reviewed the timeliness of submission of the completed investigation to the supervisors and found that for the audit period FY15-FY17, 44.2 percent of all reports without extensions were not submitted within 55 days. The highest rate of noncompliance was for FY16, in which 51.2 percent of reports did not meet the 55-day requirement for submission to the supervisor.

With data provided by the Department, OAG auditors reviewed the timeliness of completing the investigations and found that, with extensions, 0.3 percent of all investigations were not completed in a timely manner, going from 0.3 percent in FY15 to 0.4 percent in FY16 and 0.2 percent in FY17.

The overall time it took to complete an investigation increased during the audit period. OAG auditors found that the percentage of investigations that were not completed within 60 days doubled from FY15 to FY16. With investigations data provided by the Department, OAG auditors reviewed the overall time to complete investigations from intake to supervisory approval. In FY15, 7.6 percent of investigations were not completed within 60 days. For FY16, the percentage of investigations not completed within 60 days increased to 16.0 percent. It remained elevated in FY17 at 12.4 percent of investigations not completed within 60 days. Additionally, the number of investigations completed in fourteen days or less dropped from 14.0 percent in FY15 to 10.5 percent in FY16 before increasing to 15.1 percent in FY17.

During the current examination, OAG auditors reviewed FY19-20 investigations to determine the timeliness of initiating investigations, contacting the alleged victim and perpetrator, submitting investigations for supervisory review, and completing the investigation. The OAG auditors' testing found that:

- 98.5% of all investigations had timely initiation;
- 65.0% of all investigation had timely victim contact;
- 64.4% of all investigations had timely perpetrator contact;
- 54.8% of investigations without an extension were submitted for supervisor review within 55 days; and
- 99.3% of all investigations were completed timely.

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The OAG auditors' review of timeliness requirement for FY19-FY20 showed that the Department has not improved from the previous audit. Although the Department has established rules and procedures for timeliness requirements, it is not ensuring that these timeliness requirements are being met.

Recommendation 6 – Investigation Extensions

The Department of Children and Family Services should comply with rules and procedures and ensure:

- *Extensions are requested prior to the 55th day of the investigation;*
- *That extensions are given only for good cause;*
- *Extensions are requested and approved by appropriate staff; and*
- *Extension requests contain all required information.*

Current status: Not Implemented

In the OAG's May 2019 audit, OAG auditors reported that the number of investigations that received an extension increased significantly during the audit period. The percentage of cases receiving at least one extension increased from 7.5 percent in FY15 to 16.1 percent in FY16 and 12.7 percent in FY17. Further, the number of investigations receiving multiple extensions also increased significantly. For instance, the number of investigations that received three extensions (an additional 90 days) increased from 274 investigations in FY15 to 1,263 investigations in FY16 and 719 investigations in FY17.

OAG auditors reviewed a random sample of 50 investigations that received extensions to review the timeliness of the submission and approval of the first extension. Department rules require that extensions be submitted prior to the 55th day of the investigation. Of the 50 extensions sampled, only 1 (2.0%) was submitted prior to the 55th day. This extension was submitted on the 50th day for a prearranged leave.

OAG auditors judgmentally sampled an additional 20 investigations that received a total of 99 extensions. These extensions were reviewed to determine the "Reason for Extension," a uniform drop down option in SACWIS, and other pertinent extension data. Of the 99 extensions, 44 had a Reason for Extension of "Other." OAG auditors reviewed the Worker, Supervisor, and Manager Explanations which summarize the rationale for the extension. Often "Other" extensions had been requested and approved due to a need to finish investigative tasks such as entering notes, writing reports, or submitting the case for supervisor review.

Extensions often had identical information for the explanations for the extension. For instance, for one investigation sampled that had 12 total extensions, the worker explanation for 11 of those extensions was that it was a human trafficking case.

Department procedures require that an extension request contain four criteria:

- the reason the investigation cannot be completed by the 55th day;
- activities to be completed;
- who is responsible for completing each activity; and
- the expected date of completion.

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FOR THE TWO YEARS ENDED JUNE 30, 2020**

STATUS OF MANAGEMENT AND PERFORMANCE AUDITS

For the 99 extensions sampled, only six (6.1%) extensions contained all four criteria in the Worker Explanation.

During the current examination, the Department provided the OAG auditors with six weekly reports showing a very general high level of oversight of investigation extensions. The reports provided were simply a summary of the number of undetermined investigations by region for one week per month between January and July 2020. In their narrative responses, Department officials noted that anywhere between 10-12 percent of cases are expected to be extended at any given time.

The OAG auditors sampled 10 FY20 investigations that had at least one extension. The 10 investigations sampled had a total of 14 extensions. OAG auditors found that:

- 2 of 10 investigations were not extended for good cause;
- 2 of 14 extensions were requested by a supervisor and the supervisor also approved the extension;
- 12 of 14 extensions did not contain all the required criteria; and
- For 7 of 10 investigations the initial extension request was not submitted within 55 days.

OAG auditors also reviewed the 10 investigations with the most extensions and found that:

- These 10 investigations had a total of 99 extensions at the time the OAG auditors received their investigations data;
- None of the initial requests for an extension were submitted within 55 days; and
- For 17 of 99 extensions the supervisors requested and approved the extension.

Recommendation 7 – Assessing the Need for Services

The Department of Children and Family Services should:

- *Make the Level of Intervention a required field in SACWIS and revise the Level of Intervention options to more accurately reflect current practices, and*
- *Include a rationale for indicated investigations in which there is a Level of Intervention of “No Service Needed.”*

Current status: Not Implemented

In the OAG’s May 2019 audit, OAG auditors reported that their review of 150 indicated investigations found that investigators did not always document that they assessed the need for services by completing the Level of Intervention field in SACWIS. Further, the recommendations that were shown in SACWIS were not always supported by case notes. For indicated investigations sampled in which the recommended services were “No Service Needed,” there was no rationale for the decision to not offer services in most cases.

Data provided by the Department for FY15-FY17 investigations showed that over half (120,071 or 54.2%) of all investigations had a recommendation of no services needed. For another 11,607 (5.2%), the Level of Intervention field was blank in SACWIS.

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The OAG auditors selected a sample of 150 indicated investigations (50 each year for FY15, FY16, and FY17) and reviewed the recommended Level of Intervention. Of the investigations sampled, for 64 (42.7%) OAG auditors found that the Level of Intervention was inaccurate. For 16 investigations there was no Level of Intervention listed even though the Department's procedures require the investigator and the supervisor to assess the need for services.

Of the investigations sampled, 39 (26.0%) had "No Service Needed" as the recommended Level of Intervention. The OAG auditors followed up with the Department to determine why the Level of Intervention for these investigations was no services. After reviewing Department responses, OAG auditors determined for 24 investigations there was no rationale in the SACWIS case notes regarding why no services were being recommended even though the cases had been indicated.

During the current examination, the Department replied that the Level of Intervention is already required for each investigation, unless it is unqualified. While Department procedures during the original audit required an assessment of need, SACWIS did not require the Level of Intervention field to be completed.

The OAG auditors analyzed data provided by the Department regarding the Level of Intervention and found that:

- The level of intervention is still not a required field in SACWIS. Of 167,780 investigations completed during FY19-FY20, 10,294 (6.1%) had a blank Level of Intervention; and
- No changes have been made to the Level of Intervention options in SACWIS (Intact Family Services is not an option that can be selected and there is no rationale when "no services" are recommended).

The OAG auditors reviewed a sample of 25 indicated investigations and found that the rationale for the Level of Intervention was inaccurate for 11 of 25 investigations (44%).

Recommendation 8 – Recommendations for Services

The Department of Children and Family Services should:

- *Formally document when services are offered and whether those services are refused; and*
- *Consider establishing guidelines or policies to assist Child Protection Specialists and Supervisors regarding services to be offered for indicated allegations.*

Current status: Not Implemented

In the OAG's May 2019 audit, the OAG auditors reported that the Department did not document that Intact Family Services (IFS) were discussed and offered to all families with indicated investigation findings as is required by Department procedures. According to Department procedures, the investigator has the responsibility to discuss and offer the family Intact Family Services if the final finding of indicated has been recommended. The family should also be informed of community services (Procedures 300.130(a)(2)(A)). The IFS provider contracts the OAG auditors reviewed stated all families who are the subject of an indicated abuse/neglect investigation must be offered the opportunity to participate in Intact Family Services.

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STATUS OF MANAGEMENT AND PERFORMANCE AUDITS

Although Intact Family Services are required to be discussed and offered to all families that are the subject of an indicated investigation, only 20 of 150 (13.3%) indicated investigations reviewed contained documentation of a recommendation for Intact Family Services. An additional 3 investigations had recommendations for multiple services, which included IFS; therefore 23 of 150 indicated investigations had a recommendation of IFS.

For 67 (44.7%) indicated investigations reviewed, the OAG auditors could not determine whether services were recommended or what specific services were recommended. For 33 investigations (22.0%), community-based services were recommended. An additional three investigations had recommendations for multiple services, including community services.

During the current examination, the Department provided updates to Procedures 300. None of the updates provided; however, requires documentation of services being offered or refused. The procedures also do not establish guidelines to assist Child Protection Specialists and Supervisors regarding services to be offered for indicated allegations.

According to the Department, a future release will include a new text box on the investigation Decision tab to enter the name, address, and contact person of the provider to which the family has been referred. The narrative box would always be available for use but would be a required entry if the Level of Intervention is either "Referral for Community-Based Services" or "No Service Needed".

The OAG auditors reviewed a sample of 25 indicated investigations to determine whether there was documentation that services were offered or refused. The OAG auditors' review found that 3 of 25 investigations did not have any services offered and one did not have any documentation of any offered services. Three investigations were offered IFS services. For three of 25 investigations there was documentation that services were refused.

Recommendation 9 – Intact Family Services Monitoring

The Department of Children and Family Services should track the number of Intact Family Services cases that are opened annually including which POS agency provided the services.

Current status: Implemented

In the OAG's May 2019 audit, the OAG auditors reported that the Department could not provide basic information for Intact Family Service cases such as referral forms to document that a formal referral for services was made. The OAG auditors sampled 150 indicated investigations for the audit period and found that for 98 investigations (65.3%), there was a lack of documentation regarding whether any services were received by the families involved and the duration of those services. The Department also could not provide auditors with the number of families served by each IFS contract each year for the audit period. For investigations involving the Norman Cash Assistance program, the Department could not provide approval forms or documentation to show what the funds were used to purchase.

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STATUS OF MANAGEMENT AND PERFORMANCE AUDITS

Due to limitations in the service data provided by the Department, the OAG auditors could not determine the number of IFS cases for the audit period. On August 1, 2018, OAG auditors requested the number of intact family services cases served by POS agency contracts for FY15-FY17. The Department could not readily provide data to show the number served by each IFS contract or agency, and Department officials stated it would require a special data run from its systems. Information regarding the number served by each IFS contract each fiscal year for the audit period was never provided. According to a Department official, there is no database with this information in it.

During the current examination, the Department provided OAG auditors with an Intact Daily Report as of June 30, 2020, to show that it is now monitoring the number of open IFS cases at each POS agency. The report showed that as of the end of FY20, there were 4,146 Intact Family Services cases open. The Department also provided the OAG auditors with Intact Family Services POS Monthly Caseload Summaries as well as an Intact Family Services Caseload Vacancy Report.

Recommendation 10 – Intact Family Services Coverage

The Department of Children and Family Services should ensure that POS agency contracts are accurate and specify coverage for all assigned counties.

Current status: Implemented

In the OAG's May 2019 audit, the OAG auditors reported that the Department POS contracts did not cover all counties in the State during the audit period. During the OAG auditors' review of IFS POS agency contracts, the OAG auditors found 10 counties that were not covered by any provider for at least one fiscal year. The OAG auditors followed up with the Department and a Department official explained that the lack of coverage was due to an oversight on the contract.

During the current examination, the Department provided the OAG auditors with a list of IFS providers by county for FY20. The OAG auditors' analysis showed that all 102 counties in Illinois have at least one POS provider.

Recommendation 11 – Intact Family Services Referrals

The Department of Children and Family Services should complete a CFS 2040 form for Intact Family Service referrals as is required by procedures. These forms should also be maintained in an accessible location.

Current status: Implemented

In the OAG's May 2019 audit, the OAG auditors reported that the Department could only provide 1 of 25 (4.0%) requested referral forms. The form that was provided did not show evidence of Department approval for the services. Intact Family Services Case Referral and Assignment Form (CFS 2040) is required to be completed with the investigator and approved by the Child Protection Supervisor. The Child Protection Supervisor then submits the CFS 2040 form to the appropriate Area Administrator via Department email (Procedures 302.388).

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According to Department officials, because of computer modifications and folders being archived, the CFS 2040 forms may no longer exist. Often these documents, which are only shared by email between the supervisor and Area Administrators, are no longer in their folders. It is very likely most of these existed only in electronic format.

The CFS 2040 forms show information about the investigation including family composition, paramours involved, CERAP information, prior abuse and neglect history, criminal history, case opening history, investigation history, and services already initiated all in one place. If maintained, these forms would allow investigators to quickly review any previous issues and services.

During the current examination, the OAG auditors selected a sample of 10 IFS cases that were open during FY20 to determine if a CFS 2040 Form had been completed. The OAG auditors' review found that all 10 CFS 2040 forms were provided by the Department.

Recommendation 12 – Norman Cash Assistance

The Department of Children and Family Services should document all purchases made with Norman Cash Assistance funds. The Department should also update its cash assistance request approval policies to reflect the current organizational structure of the agency.

Current status: Partially Implemented

In the OAG's May 2019 audit, the OAG auditors reported that of the 150 investigations reviewed, they identified 4 that received Norman Cash Assistance. On November 16, 2018, the OAG auditors requested any documentation from the Department for these expenditures. On November 19, 2018, the Department provided notes and a one-page printout for one expenditure but did not provide any approval forms. On April 5, 2019, after the exit conference was held, the Department provided approval forms for three expenditures. The Department could not provide an approval form for one expenditure for \$1,400.

Depending on the need, an authorized Department supervisor may approve up to \$800 in cash assistance in a 12-month period for a family who is certified as a member of the Norman Class. This may be provided in addition to funds from the Illinois Department of Human Services, other cash funds available from the Department, or other local community resources. There is no limit on the number of times cash assistance can be provided in a 12-month period. In situations where higher amounts are necessary, a Department Norman Liaison may approve up to \$1,200. A Department Regional Norman Liaison may approve up to \$2,000. The Norman Program Coordinator or designee may approve requests up to \$2,400. Any request over \$2,400 must have the approval of the Deputy Director of the Division of Service Intervention or designee (Procedures 302.385(g)). The OAG auditors could not identify the position of Deputy Director of the Division of Service Intervention in any Department organizational charts that were provided. According to Department officials, the position of Deputy Director of the Division of Service Intervention no longer exists. The policies for approving Norman Cash Assistance were last updated in 2005.

**STATE OF ILLINOIS
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STATUS OF MANAGEMENT AND PERFORMANCE AUDITS

During the current examination, the Department did not provide updated policies or procedures for the Norman Cash Assistance Program. According to the Department, it is discussing changes that should be made to DCFS Procedures regarding Norman Services, including those identified by the audit. Norman Services were created in response to the Norman Consent Decree. In the past, all changes to Procedures regarding Norman Services have gone through the State's Attorney's office and the attorneys for the plaintiffs that led to the Norman Consent Decree. The Department plans to make all the appropriate changes at the same time.

Department Procedures already explain who approves Norman Cash Assistance requests in Section 302.385(g). However, there are positions that need to be updated including the title of the person who can approve requests over \$2,400. The Department plans to change this language to state, "the Deputy Director (or designee) over the Norman Services Administrator" instead of, "the Deputy Director of the Division of Service Integration." The Department plans to also update the terms "Norman Liaison" and "Regional Norman Liaison" as those terms are not used commonly anymore.

The Department provided a list of 6,379 Norman Cash expenditures for FY20. The OAG auditors reviewed a sample of 10 Norman Cash expenditures to determine if documentation and approval of the expenditure was available. The Department provided documentation and approval forms for the 10 expenditures and all expenditures were properly approved.

Recommendation 13 – Community Based Services

The Department of Children and Family Services should follow existing Department procedures including:

- *Documenting referrals for community-based services including the duration and frequency of the services and the conditions/circumstances that the services are designed to mitigate; and*
- *Verifying whether the family is following through with the community services.*

Current status: Not Implemented

In the OAG's May 2019 audit, the OAG auditors reported that the Department could not provide documentation of referrals to community services or whether the services were received. Department investigators rely on contact notes in SACWIS to document any verbal discussions with families. Although Department procedures require investigators to be actively involved in the referral/linkage process and to document this involvement in a contact note, the OAG auditors' review of cases in SACWIS showed that these procedures are not being followed. There are no formal forms for referrals to community-based services. Therefore, it was difficult to document if the families received referrals or followed up with any referrals and received services from community providers.

According to Department procedures, community services are appropriate when children have been assessed to be at low to medium risk and the family can use support services provided through community resources without further Department intervention. The purpose of Department involvement is to actively link the family with those services and resources that effectively address their needs. The Child Protection Specialist (investigator) shall actively be involved in the referral/linkage process and shall document this involvement in a contact note (Procedures 300.130(b)).

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STATUS OF MANAGEMENT AND PERFORMANCE AUDITS

During the current examination, the Department could not provide documentation to show that there were referrals for community-based services or documentation to verify whether the family was following through with the community services.

The Department officials responded that the request for this to be implemented in SACWIS should be moved into the next effort for a SACWIS release in mid to late October 2020. As it stands, the request is to require a response in the form of a narrative when the Level of Intervention selected by the investigator is either "No Service Needed" or "Referral to Community-Based Services". The entry location of this response would be on the Decision tab of the investigation where the user already selects the Level of Intervention. The SACWIS system would require this response at the time the worker submits the investigation for approval to close when one of the two values have been selected.

The OAG auditors also reviewed a sample of 25 indicated investigations to determine if community services referrals were being documented and whether services were being followed through. The OAG auditors review found that 16 investigations had services offered, including 3 with IFS cases and 3 with placement cases. However, the OAG auditors could only document six investigations received services, and those services were either IFS or placement cases. Although in some cases community services were discussed in case notes or the level of intervention was referral for community-based service, there was a lack of documentation to determine whether these services were received.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2020
Fifteen Months Ended September 30, 2020

SCHEDULE 1

Public Act 101-0007 Public Act 101-0637	Appropriations (Net after Transfers)	Expenditures Through June 30, 2020	Lapse Period Expenditures July 1 to September 30, 2020	Total Expenditures	Balances Lapsed
Appropriated Funds:					
General Revenue Fund - 0001					
Regular positions	\$ 229,006,800	\$ 203,676,823	\$ 14,755,944	\$ 218,432,767	\$ 10,574,033
Soc sec/medicare contributions	17,546,100	14,883,822	1,103,179	15,987,001	1,559,099
Contractual services	25,399,100	16,346,305	7,662,880	24,009,185	1,389,915
Travel	6,976,200	4,285,164	771,176	5,056,340	1,919,860
Commodities	454,600	266,423	63,865	330,288	124,312
Printing	453,300	213,976	51,794	265,770	187,530
Equipment	196,300	38,559	157,741	196,300	-
Electronic data processing	21,621,600	2,255,968	6,492,051	8,748,019	12,873,581
Telecommunication	5,155,300	2,567,776	1,449,408	4,017,184	1,138,116
Operation of auto equipment	306,600	224,200	68,815	293,015	13,585
Lump sums and other purposes	10,374,700	6,922,807	3,356,260	10,279,067	95,633
Awards and grants	10,658,000	8,762,812	1,383,789	10,146,601	511,399
Awards and grants - lump sum	544,145,300	513,805,953	27,239,984	541,045,937	3,099,363
Refunds	11,200	572	14	586	10,614
Subtotal Fund 0001	<u>\$ 872,305,100</u>	<u>\$ 774,251,160</u>	<u>\$ 64,556,900</u>	<u>\$ 838,808,060</u>	<u>\$ 33,497,040</u>
DCFS Children's Services Fund - 0220					
Lump sums and other purposes	\$ 54,563,300	\$ 26,083,417	\$ 4,653,309	\$ 30,736,726	\$ 23,826,574
Awards and grants	19,088,300	9,538,447	4,437,716	13,976,163	5,112,137
Awards and grants - lump sum	392,341,300	257,648,704	94,317,013	351,965,717	40,375,583
Subtotal Fund 0220	<u>\$ 465,992,900</u>	<u>\$ 293,270,568</u>	<u>\$ 103,408,038</u>	<u>\$ 396,678,606</u>	<u>\$ 69,314,294</u>
DCFS Federal Projects Fund - 0566					
Lump sums and other purposes	\$ 10,511,600	\$ 2,088,348	\$ 565,519	\$ 2,653,867	\$ 7,857,733
Subtotal Fund 0566	<u>\$ 10,511,600</u>	<u>\$ 2,088,348</u>	<u>\$ 565,519</u>	<u>\$ 2,653,867</u>	<u>\$ 7,857,733</u>
DCFS Special Purpose Trust Fund - 0582					
Lump sums and other purposes	\$ 2,889,100	\$ 403,365	\$ 41,074	\$ 444,439	\$ 2,444,661
Subtotal Fund 0582	<u>\$ 2,889,100</u>	<u>\$ 403,365</u>	<u>\$ 41,074</u>	<u>\$ 444,439</u>	<u>\$ 2,444,661</u>

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2020
Fifteen Months Ended September 30, 2020

SCHEDULE 1

Public Act 101-0007 Public Act 101-0637	Appropriations (Net after Transfers)	Expenditures Through June 30, 2020	Lapse Period Expenditures July 1 to September 30, 2020	Total Expenditures	Balances Lapsed
Child Abuse Prevention Fund - 0934					
Awards and grants - lump sum	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Subtotal Fund 0934	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>
Grant Total All Funds	<u>\$ 1,351,748,700</u>	<u>\$ 1,070,013,441</u>	<u>\$ 168,571,531</u>	<u>\$ 1,238,584,972</u>	<u>\$ 113,163,728</u>

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller records as of September 30, 2020, and have been reconciled to Department records.

Note 2: Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES (UNAUDITED)
Expenditure Authority for Fiscal Year 2019
Sixteen Months Ended October 31, 2019

SCHEDULE 2

Public Act 100-0586 Public Act 101-0007 Appropriated Funds:	Appropriations (Net after Transfers)	Expenditures Through June 30, 2019	Lapse Period Expenditures July 1 to October 31, 2019	Total Expenditures	Balances Lapsed
General Revenue Fund - 0001					
Regular positions	\$ 209,380,789	\$ 190,636,459	\$ 14,279,951	\$ 204,916,410	\$ 4,464,379
Soc sec/medicare contributions	16,400,600	14,028,737	1,068,533	15,097,270	1,303,330
Contractual services	24,365,300	18,905,997	1,390,684	20,296,681	4,068,619
Travel	6,550,900	4,979,730	1,430,833	6,410,563	140,337
Commodities	454,600	307,137	46,393	353,530	101,070
Printing	453,300	302,823	35,382	338,205	115,095
Equipment	76,300	36,511	30,258	66,769	9,531
Electronic data processing	5,299,600	4,329,853	478,918	4,808,771	490,829
Telecommunication	3,884,000	3,059,614	634,901	3,694,515	189,485
Operation of auto equipment	170,100	138,505	16,186	154,691	15,409
Lump sums and other purposes	38,318,211	4,128,488	31,989,303	36,117,791	2,200,420
Awards and grants	10,658,000	8,633,157	1,389,704	10,022,861	635,139
Awards and grants - lump sum	479,007,100	456,191,851	21,397,224	477,589,075	1,418,025
Refunds	11,200	761	1,048	1,809	9,391
Subtotal Fund 0001	<u>\$ 795,030,000</u>	<u>\$ 705,679,623</u>	<u>\$ 74,189,318</u>	<u>\$ 779,868,941</u>	<u>\$ 15,161,059</u>
DCFS Children's Services Fund - 0220					
Lump sums and other purposes	\$ 41,989,200	\$ 25,204,493	\$ 7,097,197	\$ 32,301,690	\$ 9,687,510
Awards and grants	16,203,300	6,990,830	3,431,346	10,422,176	5,781,124
Awards and grants - lump sum	352,341,300	246,766,073	81,112,565	327,878,638	24,462,662
Subtotal Fund 0220	<u>\$ 410,533,800</u>	<u>\$ 278,961,396</u>	<u>\$ 91,641,108</u>	<u>\$ 370,602,504</u>	<u>\$ 39,931,296</u>
DCFS Federal Projects Fund - 0566					
Lump sums and other purposes	\$ 8,511,600	\$ 2,003,947	\$ 249,457	\$ 2,253,404	\$ 6,258,196
Subtotal Fund 0566	<u>\$ 8,511,600</u>	<u>\$ 2,003,947</u>	<u>\$ 249,457</u>	<u>\$ 2,253,404</u>	<u>\$ 6,258,196</u>
DCFS Special Purpose Trust Fund - 0582					
Lump sums and other purposes	\$ 1,408,300	\$ 354,857	\$ 47,658	\$ 402,515	\$ 1,005,785
Subtotal Fund 0582	<u>\$ 1,408,300</u>	<u>\$ 354,857</u>	<u>\$ 47,658</u>	<u>\$ 402,515</u>	<u>\$ 1,005,785</u>

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES (UNAUDITED)
Expenditure Authority for Fiscal Year 2019
Sixteen Months Ended October 31, 2019

SCHEDULE 2

	Appropriations (Net after Transfers)	Expenditures Through June 30, 2019	Lapse Period Expenditures July 1 to October 31, 2019	Total Expenditures	Balances Lapsed
Public Act 100-0586					
Public Act 101-0007					
Child Abuse Prevention Fund - 0934					
Awards and grants - lump sum	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000
Subtotal Fund 0934	<u>\$ 150,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150,000</u>
Grand Total All Funds	<u>\$ 1,215,633,700</u>	<u>\$ 986,999,823</u>	<u>\$ 166,127,541</u>	<u>\$ 1,153,127,364</u>	<u>\$ 62,506,336</u>

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller records as of October 31, 2019, and have been reconciled to Department records.

Note 2: Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES
For the Fiscal Years Ended June 30, 2020, 2019, and 2018

SCHEDULE 3

	Fiscal Year		
	2020	2019	2018
	P.A. 101-0007 P.A. 101-0637	P.A. 100-0586 P.A. 101-0007	P.A. 100-0021
<hr/>			
General Revenue Fund - 0001			
Appropriations (net after transfers):	\$ 872,305,100	\$ 795,030,000	\$ 760,574,043
Expenditures:			
Regular positions	\$ 218,432,767	\$ 204,916,410	\$ -
Social Security/Medicare contributions	15,987,001	15,097,270	-
Contractual services	24,009,185	20,296,681	-
Travel	5,056,340	6,410,563	-
Commodities	330,288	353,530	-
Printing	265,770	338,205	-
Equipment	196,300	66,769	-
Electronic data processing	8,748,019	4,808,771	-
Telecommunication	4,017,184	3,694,515	-
Operation of auto equipment	293,015	154,691	-
Lump sums and other purposes	10,279,067	36,117,791	258,804,885
Awards and grants	10,146,601	10,022,861	9,909,949
Awards and grants - lump sum	541,045,937	477,589,075	476,964,429
Refunds	586	1,809	11,120
Total General Revenue Fund	<u>\$ 838,808,060</u>	<u>\$ 779,868,941</u>	<u>\$ 745,690,383</u>
Lapsed Balances	<u>\$ 33,497,040</u>	<u>\$ 15,161,059</u>	<u>\$ 14,883,660</u>
<hr/>			
DCFS Children's Services Fund - 0220			
Appropriations (net after transfers):	\$ 465,992,900	\$ 410,533,800	\$ 399,586,400
Expenditures:			
Lump sums and other purposes	\$ 30,736,726	\$ 32,301,690	\$ 29,458,977
Awards and grants	13,976,163	10,422,176	12,877,177
Awards and grants - lump sum	351,965,717	327,878,638	293,520,367
Total DCFS Children's Services Fund	<u>\$ 396,678,606</u>	<u>\$ 370,602,504</u>	<u>\$ 335,856,521</u>
Lapsed Balances	<u>\$ 69,314,294</u>	<u>\$ 39,931,296</u>	<u>\$ 63,729,879</u>
<hr/>			
DCFS Children's Services Fund - 0566			
Appropriations (net after transfers):	\$ 10,511,600	\$ 8,511,600	\$ 10,994,000
Expenditures:			
Lump sums and other purposes	\$ 2,653,867	\$ 2,253,404	\$ 2,729,025
Total DCFS Federal Projects Fund	<u>\$ 2,653,867</u>	<u>\$ 2,253,404</u>	<u>\$ 2,729,025</u>
Lapsed Balances	<u>\$ 7,857,733</u>	<u>\$ 6,258,196</u>	<u>\$ 8,264,975</u>

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES
For the Fiscal Years Ended June 30, 2020, 2019, and 2018

SCHEDULE 3

	Fiscal Year		
	2020	2019	2018
	P.A. 101-0007 P.A. 101-0637	P.A. 100-0586 P.A. 101-0007	P.A. 100-0021
<u>DCFS Children's Services Fund - 0582</u>			
Appropriations (net after transfers):	\$ 2,889,100	\$ 1,408,300	\$ 1,389,100
Expenditures:			
Lump sums and other purposes	\$ 444,439	\$ 402,515	\$ 481,574
Total DCFS Special Purpose Trust Fund	\$ 444,439	\$ 402,515	\$ 481,574
Lapsed Balances	<u>\$ 2,444,661</u>	<u>\$ 1,005,785</u>	<u>\$ 907,526</u>
<u>Child Abuse Prevention Fund - 0934</u>			
Appropriations (net after transfers):	\$ 50,000	\$ 150,000	\$ 300,000
Expenditures:			
Awards and grants - lump sum	\$ -	\$ -	\$ 64,770
Total Child Abuse Prevention Fund	\$ -	\$ -	\$ 64,770
Lapsed Balances	<u>\$ 50,000</u>	<u>\$ 150,000</u>	<u>\$ 235,230</u>
<u>Grand Total All Funds</u>			
Appropriations (net after transfers)	\$ 1,351,748,700	\$ 1,215,633,700	\$ 1,172,843,543
Total Expenditures	<u>1,238,584,972</u>	<u>1,153,127,364</u>	<u>1,084,822,273</u>
Lapsed Balances	<u>\$ 113,163,728</u>	<u>\$ 62,506,336</u>	<u>\$ 88,021,270</u>
<u>State Officers' Salaries</u>			
Director salary	\$ 172,800	\$ 150,300	\$ 150,228

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller records as of September 30, 2020, October 31, 2019, and September 30, 2018, and have been reconciled to Department records.

Note 2: Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
COMPARATIVE SCHEDULE OF NET EXPENDITURES
BY MAJOR ACTIVITY
For the Fiscal Years Ended June 30, 2020, 2019, and 2018
(In Thousands)

SCHEDULE 4

<u>EXPENDITURE STATISTICS</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>All State Treasury Funds</u>			
Total Operations Expenditures:	\$ 321,450	\$ 327,213	\$ 291,475
Percentage of Total Expenditures:	26.0%	28.4%	26.9%
Personal Services	\$ 218,433	\$ 204,916	\$ -
Other Payroll Costs	15,987	15,097	-
Contractual Services	24,009	20,297	-
AFCARS/SACWIS Info Systems	19,020	19,697	17,452
Unpaid Wage Increases	-	20,469	-
All Other Operating Expenditures	44,001	46,737	274,023
Total Awards and Grants Expenditures:	\$ 917,134	\$ 825,912	\$ 793,336
Percentage of Total Expenditures:	74.0%	71.6%	73.1%
Counseling/Auxiliary Service	\$ 16,296	\$ 16,325	\$ 16,046
Protective Family Maintenance	29,329	27,020	27,043
Family Preservation Serv	35,698	26,691	26,589
Fam Centered Ser Initiative	14,103	15,712	15,540
Foster Home/Spec Foster Care	394,979	339,201	317,852
Purchase Adoption/Guard Serv	169,800	169,647	167,323
Institution/Group Home Care	219,614	197,365	189,991
All Other Awards and Grants	37,315	33,951	32,952
Total Refund Expenditures:	1	2	11
	0.0%	0.0%	0.0%
GRAND TOTAL ALL EXPENDITURES	<u>\$ 1,238,585</u>	<u>\$ 1,153,127</u>	<u>\$ 1,084,822</u>

Note 1: Expenditures were obtained from the Department's records and have been reconciled to the State Comptroller's records as of September 30, 2020, and October 31, 2019.

Note 2: Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND
DEPOSITS INTO THE STATE TREASURY
For the Years Ended June 30, 2020, 2019, and 2018

SCHEDULE 5

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>General Revenue Fund - 0001</u>			
Child welfare	\$ 13,000,000	\$ 11,916,667	\$ 13,000,000
Miscellaneous	23,236	17,353	22,621
Parental care and maintenance of children	3,633	902	2,740
Prior year refund / warrant voids	24,912	399,844	511,815
Total Receipts, per the Department's Records	<u>\$ 13,051,781</u>	<u>\$ 12,334,766</u>	<u>\$ 13,537,176</u>
Deposits in Transit, Beginning of the Fiscal Year	6,500,000	1,083,333	1,084,151
Deposits in Transit, End of the Fiscal Year	(10,852,030)	(6,500,000)	(1,083,333)
Deposits, Recorded by the State Comptroller	<u>\$ 8,699,751</u>	<u>\$ 6,918,099</u>	<u>\$ 13,537,994</u>
<u>DCFS Children's Services Fund - 0220</u>			
Federal government	\$ 291,898,905	\$ 276,155,711	\$ 296,706,031
Miscellaneous	261,572	171,248	169,629
Reimbursement from children's trust	7,392,453	6,033,000	6,489,993
Prior year refund / warrant voids	30,457	170,889	1,355,836
Total Receipts, per the Department's Records	<u>\$ 299,583,387</u>	<u>\$ 282,530,848</u>	<u>\$ 304,721,489</u>
Deposits in Transit, Beginning of the Fiscal Year	3,531,196	336,139	21,785,207
Deposits in Transit, End of the Fiscal Year	(8,193,550)	(3,531,196)	(336,139)
Deposits, Recorded by the State Comptroller	<u>\$ 294,921,033</u>	<u>\$ 279,335,791</u>	<u>\$ 326,170,557</u>
<u>DCFS Federal Projects Fund - 0566</u>			
Federal government	\$ 2,546,698	\$ 2,145,410	\$ 3,316,155
Prior year refund / warrant voids	-	-	2,653
Total Receipts, per the Department's Records	<u>\$ 2,546,698</u>	<u>\$ 2,145,410</u>	<u>\$ 3,318,808</u>
Deposits in Transit, Beginning of the Fiscal Year	59,691	-	2,725
Deposits in Transit, End of the Fiscal Year	(51,458)	(59,691)	-
Deposits, Recorded by the State Comptroller	<u>\$ 2,554,931</u>	<u>\$ 2,085,719</u>	<u>\$ 3,321,533</u>
<u>DCFS Special Purpose Trust Fund - 0582</u>			
Private organizations or individuals	\$ 68,099	\$ 669	\$ 36,644
Putative father fees	178,188	27,865	69,655
Other revenues	485,333	394,628	438,502
Total Receipts, per the Department's Records	<u>\$ 731,620</u>	<u>\$ 423,162</u>	<u>\$ 544,801</u>
Deposits in Transit, Beginning of the Fiscal Year	-	1,725	38,412
Deposits in Transit, End of the Fiscal Year	(363,230)	-	(1,725)
Deposits, Recorded by the State Comptroller	<u>\$ 368,390</u>	<u>\$ 424,887</u>	<u>\$ 581,488</u>
<u>GRAND TOTAL - ALL FUNDS</u>			
Total Receipts, per the Department's Records	\$ 315,913,486	\$ 297,434,186	\$ 322,122,274
Deposits in Transit, Beginning of the Fiscal Year	10,090,887	1,421,197	22,910,495
Deposits in Transit, End of the Fiscal Year	(19,460,268)	(10,090,887)	(1,421,197)
Deposits, Recorded by the State Comptroller	<u>\$ 306,544,105</u>	<u>\$ 288,764,496</u>	<u>\$ 343,611,572</u>

Note 1: Due to an adjustment in schedule presentation, the FY18 figures included above have been adjusted to align with the presentation for FY19 and FY20.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SCHEDULE OF LOCALLY HELD FUNDS
For the Years Ended June 30, 2020 and 2019

SCHEDULE 6

Fund Number	Fund Name	Cash Balance July 1, 2019	Receipts	Disbursements	Cash Balance June 30, 2020
1117	Katherine F. Schaffner Bequest Fund	\$ 734,697	\$ 50,369	\$ 8,310	\$ 776,756
1119	Bail Bond Funds Fund	1,107	-	-	1,107
1121	Children and Family Benefit Fund	32,710	80,323	92,297	20,736
1122	Children's Trust Funds Fund	4,962,516	20,951,290	20,331,478	5,582,328
1207	Herrick House Children's Center Bequest Fund	13,348	10	-	13,358
Total Locally Held Funds		\$ 5,744,378	\$ 21,081,992	\$ 20,432,085	\$ 6,394,285

Fund Number	Fund Name	Cash Balance July 1, 2018	Receipts	Disbursements	Cash Balance June 30, 2019
1117	Katherine F. Schaffner Bequest Fund	\$ 690,347	\$ 52,080	\$ 7,730	\$ 734,697
1119	Bail Bond Funds Fund	1,107	-	-	1,107
1121	Children and Family Benefit Fund	37,556	74,974	79,820	32,710
1122	Children's Trust Funds Fund	4,325,392	21,588,525	20,951,401	4,962,516
1207	Herrick House Children's Center Bequest Fund	13,357	9	18	13,348
Total Locally Held Funds		\$ 5,067,759	\$ 21,715,588	\$ 21,038,969	\$ 5,744,378

Note 1: The Children's Trust Funds Fund is a non-appropriated locally held agency fund. The Title Insurance Act (215 ILCS 155/4) requires each approved applicant to file with and have approved by the Secretary cash or bonds of the United States, this State or body politic of this State with a current value of \$1,000,000.

Note 2: These balance were obtained from the Department's records and have been reconciled to the Department's *Report of Receipts and Disbursements for Locally Held Funds* for each locally held fund submitted to the Office of State Comptroller as of June 20, 2020, and June 30, 2019.

Note 3: This schedule is presented on the cash basis of accounting

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Years Ended June 30, 2020 and 2019

SCHEDULE 7

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Net Transfers</u>	<u>Ending Balance</u>
<u>FISCAL YEAR 2020</u>					
Property					
Equipment	<u>\$ 18,228</u>	<u>\$ 219</u>	<u>\$ 42</u>	<u>\$ (3,255)</u>	<u>\$ 15,150</u>
Capital Lease					
Equipment	<u>\$ 1,513</u>	<u>\$ 611</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,124</u>
<u>FISCAL YEAR 2019</u>					
Property					
Equipment	<u>\$ 21,986</u>	<u>\$ 356</u>	<u>\$ 31</u>	<u>\$ (4,083)</u>	<u>\$ 18,228</u>
Capital Lease					
Equipment	<u>\$ -</u>	<u>\$ 1,513</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,513</u>

Note 1: These balances were obtained from the Department's records and have been reconciled to the Department's quarterly Agency Report of State Property reports submitted to the Office of State Comptroller for the years ended June 30, 2020 and June 30, 2019.

Note 2: This schedule was prepared from State property records as required by the Illinois Administrative Code (CODE) and the Statewide Accounting Management System (SAMS). The capitalization policy required by the Code and SAMS is different from the capitalization policy established by the Office of the State Comptroller for financial reporting in accordance with generally accepted accounting principles (GAAP).

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SCHEDULE OF INDIRECT COST REIMBURSEMENTS (UNAUDITED)
For the Fiscal Years Ended June 30, 2020, 2019, and 2018

SCHEDULE 8

Costs applicable to:	Rates			Amounts Reimbursed for Indirect Costs		
	(b) FY20	(b) FY19	(a) FY18	2020	2019	2018
Division of Support Services: Central Payment, FFP, Case Assignment and Day Care Unit	20.6%	20.6%	20.6%	\$ 179,618	\$ 193,659	\$ 211,924
Training	44.7%	44.7%	44.7%	192,548	185,059	187,149
Child Protection and Child Welfare Services	23.2%	23.2%	23.2%	2,278,270	2,728,749	3,062,437
Administrative Case Review	14.8%	14.8%	14.8%	155,193	190,751	212,202
Service Intervention including Housing & Cash Assistance, Placmnt/Perm & Post Adopt	22.6%	22.6%	22.6%	500,053	473,127	419,113
Monitoring/Quality Assurance	15.9%	15.9%	15.9%	608,619	778,646	909,907
AFCARS/SACWIS	22.3%	22.3%	22.3%	-	151,765	229,497
Central Administration: Juvenile Court & Legal Permanency, and Child & Family Policy	15.0%	15.0%	15.0%	150,131	203,770	237,659
Office of the Guardian/Advocacy Office	16.7%	16.7%	16.7%	\$ 190,001	\$ 256,102	\$ 289,078
				<u>\$ 4,254,433</u>	<u>\$ 5,161,628</u>	<u>\$ 5,758,966</u>

Note 1: (a) Fiscal Year 2018 is last approved rate agreement.

Note 2: (b) Provisional rate used until final rate is approved.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AGENCY FUNCTIONS AND PLANNING PROGRAM (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019

Agency Purpose and Functions Description

The Department of Children and Family Services (Department) is mandated to protect children by strengthening and supporting families. The Department's mission is to promote prevention, child safety, permanency and well-being. The Department responds to this charge by directing the following programs:

- (1) Protective Services to protect children who are unsafe or at risk of harm;
- (2) Family Maintenance to administer comprehensive community-based systems of youth services and family support and remedy family problems that place children at risk of being removed from their homes;
- (3) Family Reunification and Substitute Care to provide children with a safe, nurturing environment when out-of-home placement is needed due to abuse, neglect or dependency;
- (4) Adoption and Guardianship to provide new permanent homes for children who cannot safely remain or return to their biological families;
- (5) Accountability to ensure quality services through licensure, quality assurance and monitoring.

Protective Services

Child Protective Services begin with a receipt of a report alleging abuse or neglect at the Department's 24-hour hotline at the State Central Register. An investigation of the report is initiated within 24 hours of its receipt. The investigation is conducted for the purpose of determining whether credible evidence of child abuse or neglect exists and whether the family can benefit from protective services. When such service needs are identified, Department staff arranges for those services to be initiated. The differential intensity, duration and protective character of the services offered is determined by whether the report is determined to be credible and ruled founded or determined to be not credible and ruled unfounded.

The Department experienced a decline in expenditures during FY20 due to the decreased number of hotline calls reporting an alleged abuse or neglect of children. As a result, the number of conducted investigations has dropped. With online and hybrid learning modes in most public schools throughout the state starting in March 2020, children have not had the same surveillance by school personnel, the largest source of mandated reporters, as in prior years. The increased number of investigations that were indicated in FY20 suggests that more serious allegations were reported to the hotline during COVID-19. On the other hand, the pandemic did not stop the emergency response to the reports to meet the 24-hour mandate.

Input Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Total expenditures – all sources (in thousands)	\$117,022.7	\$143,517.1	\$135,203.1
Total expenditures – state appropriated funds (in thousands)	\$117,022.7	\$143,517.1	\$135,203.1
Average monthly full-time equivalents	1,129	1,210	1,194

Output Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Hotline calls	276,538	268,406	249,260
Family reports investigated	77,428	82,519	77,274
Children investigated	133,564	141,023	134,542

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AGENCY FUNCTIONS AND PLANNING PROGRAM (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019**

Outcome Indicators	FY18 Actuals	FY19 Actuals	FY20 Actuals
Number of indicated family reports	18,920	20,976	22,233
Percentage of investigations indicated	24.4%	25.4%	28.8%
Percentage of investigations initiated within 24 hours	99.4%	99.5%	99.7%
Percentage of investigations completed on time	99.8%	99.7%	99.4%
Percentage of children who do not experience subsequent abuse or neglect within six months of a prior indicated report	92%	91.5%	90.9%
Percentage of State Central Registry Hotline calls that were answered the first time or had a message taken	95.9%	97.8%	94.9%
Percentage of children receiving forensic interviews that are completed and recorded on site at Children's Advocacy Centers (CACs)	97.4%	98.9%	97.8%
Percentage of parents/caregivers who report via a post-service survey that the CACs facilitated healing for the child	94.9%	98.9%	96.8%

Family Maintenance

The Family Maintenance program is designed to prevent the need for out-of-home placement of children. Services provide support and training in order to improve home environment that ensures the child's well-being and safety. By focusing on intact family services and other front-loading services, when appropriate, involvement with families is directed toward short-term interventions. Both Department and private agency staff provide case management and social work-related services to these children and families.

Given that case management services are best provided prior to an incident that necessitates out-of-home placement, the Department continues to invest necessary resources in the "front end" of the service delivery system. There was a significant growth in the Intact Family Services program during FY20, as evidenced by the increased level of expenditures and services to families and children. The Department expects to continue to grow services in this program in the next few years due to the implementation of a new federal legislation, Family First Prevention Services Act (FFPSA), that focuses on the prevention of child removal. However, the increased number of families under Extended Family Support program that obtained private guardianship is likely to be skewed due to outcome underreporting by the service providers caused by service delay, interruption of courts, and delay of some of the reports during the pandemic. We believe that once the rest of the cases close and more reports from the providers come in, the percentage of caregivers receiving guardianship will drop. Lastly, the casework practice under Norman Consent Decree has included efforts to divert families from being homeless, resulting in a higher number of families remaining in their own or shared housing. The Department has emphasized efforts to divert families from becoming homeless in recent years.

Input Indicators	FY18 Actuals	FY19 Actuals	FY20 Actuals
Total expenditures – all sources (in thousands) (a)	\$49,410.1	\$50,179.1	\$79,714.8
Total expenditures – state appropriated funds (in thousands) (a)	\$49,410.1	\$50,179.1	\$79,714.8
Average monthly full-time equivalents	30	31	32

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AGENCY FUNCTIONS AND PLANNING PROGRAM (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019**

Output Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Intact families (end of year)	2,991	3,563	4,144
Family cases closed	3,629	4,510	7,464

Outcome Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Number of family cases open more than 12 months	721	641	746
Percentage of families that remain intact during the period of intact family service provision, excluding the first 30 days from the date of the transitional visit	88.2%	86.4%	86.8%
Percentage of intact family service cases not re-opened within 12 months of case closure	91.2%	90.9%	89.9%
Percentage of Tier 1 families that have a length of service from case opening to closure of six months or less	61.7%	55.9%	N/A (suspended after FY19)
Percentage of families served under the Extended Family Support program that obtains private guardianship	68.5%	74.9%	92.7%
Percentage of families housed at case closing certified under the Normal Consent Decree	76.8%	72.9%	81.4%
Percentage of clients who are not indicated subjects of additional reports of abuse or neglect during the service period	98%	98.7%	98.6%
Percentage of children who reside in the home of a parent at the time of referral that remained unified	98%	98.2%	98.3%

Family Reunification and Substitute Care

Family Reunification and Substitute Care services are critical components of the Department's family focused programs. Family Reunification addresses the problems of dysfunctional families through the provision of intensive services. Substitute care is provided to the children in need of placement, with the goal of returning the children to a stabilized home environment. Both Department and private agency staff provide case management and social work-related services to these children and families.

The Department had an increase in expenditures for the Family Reunification and Substitute Care program during FY20 due to an increased number of children entering care in the recent years and a backlog of cases exiting care due to judicial delays during COVID-19. The largest increase in out of home placements has occurred in relative care homes while placements in independent living and residential facilities have either declined or stayed the same, all positive trends. The sharp increase in the abandoned Screening Assessment and Support Services (SASS) and Crisis and Referral Entry Services (C.A.R.E.S.) calls indicate significant changes to phone systems, programs and databases in FY20. C.A.R.E.S. continues to work on the investigation and fix of the issue.

Input Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Total expenditures – all sources (in thousands)	\$689,350.5	\$724,718.1	\$797,685.7
Total expenditures – state appropriated funds (in thousands)	\$689,350.5	\$724,718.1	\$797,685.7
Average monthly full-time equivalents	892	875	907

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AGENCY FUNCTIONS AND PLANNING PROGRAM (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019

Output Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Children in independent living – paid	507	443	420
Children in regular foster care – paid	3,598	3,591	3,795
Children in relative care – paid	7,652	8,823	10,731
Children in residential placements – paid	883	901	899
Children in specialized foster care – paid	2,357	2,330	2,506
Children with a “return home” goal	5,999	7,327	8,522
Children placed outside of the home (end of year) – paid placements	14,997	16,088	18,351

Outcome Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Child cases closed	5,243	5,598	5,925
Percentage of children returned home	16.9%	17.7%	18.3%
Percentage of children served within the year moved to permanency	33.7%	34.4%	31.1%
Percentage of sibling groups placed all or partially together	84.6%	84%	83.7%
Number of children returned home	2,181	2,452	2,578
Median length of time open for children in substitute care (years)	1.7	1.6	1.6
Percentage of new youth receiving an initial health screening within 24 hours of protective custody	82.2%	81.2%	82%
Percentage of youth who are current with state immunization requirements	92.2%	93.2%	92.6%
Percentage of youth under three years of age who are current with Well Child Exam requirements	95.3%	96.2%	96.6%
Percentage of youth three years and older who are current with Well Child Exam requirements	86.7%	85.7%	86.4%
Percentage of Screening, Assessment, and Support Services (SASS) and Crisis and Referral Entry Services (C.A.R.E.S) hotline calls that are abandoned (goal is no more than 8% per month)	10.6%	9.1%	23.6%
Percentage of independent living/life skills assessments that are completed in a timely manner	77.6%	74.5%	73.3%
Treatment Opportunity Days Rate (TODR)	94.2%	95.2%	94.3%
Percentage of youth in paid placements who are placed in institution and group home care	5.9%	5.8%	4.8%
Percentage of reunifications in which the child was returned home within 12 months	49%	52.5%	54.9%
Average number of days from the establishment of a reunification goal to the actual return home	493.5	481.3	464.8
Percentage of youth who entered foster care during the previous 12 months who have had no more than two placements	93.6%	86.5%	86.5%
Percentage of day care provider billings that are processed within 10 calendar days from receipt of an accurate bill	91.2%	89%	89.5%

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AGENCY FUNCTIONS AND PLANNING PROGRAM (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019

Adoption and Guardianship

When it is inappropriate or not possible to return a child to the natural family, adoption and guardianship are viewed as desirable alternatives. The child's need for a safe, nurturing and permanent home is the paramount factor when considering adoption or guardianship. Adoption and guardianship assistance is available to families who are considering adopting or becoming legal guardians of children with special needs for whom the Department is legally responsible and who cannot be adopted or for whom guardianship can be assumed without a subsidy. Such assistance includes one-time cash payments for legal fees, monthly subsidy payments and a Medicaid card. Payment for services to address physical, emotional and mental health needs for pre-existing conditions, not payable through other sources, may be provided in accordance with the subsidy through post-adoption or post-guardianship services.

The expenditures for adoption and guardianship payments were depressed during FY20 due to fewer children being adopted and obtaining legal guardianship during COVID-19. The increased level of families' functioning can be attributed to families being more proactive in seeking services before a crisis erupts and improved quality of services resulting from increased training, evidence-based component, and coordination of resources among providers.

Input Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Total expenditures – all sources (in thousands)	\$180,617.2	\$184,095.2	\$171,016.5
Total expenditures – state appropriated funds (in thousands)	\$180,617.2	\$184,095.3	\$171,016.5
Average monthly full-time equivalents	64	62	69

Output Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Number of children receiving adoption payments (end of year)	19,062	19,219	18,887
Number of children receiving guardianship payments (end of year)	2,780	2,826	2,749

Outcome Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Number of children adopted	1,706	1,838	1,509
Number of children to guardianship	462	388	294
Percentage of new adoptions and guardianships	15.5%	16.4%	12.3%
Percentage of adoptions in which the child was adopted within 24 months of entry into care	13.4%	11.5%	12.3%
Number of average days from adoption goal to adoption finalization	472.6	500.0	403.0
Percentage of client families receiving adoption preservation services that remain intact	98.6%	97.1%	99.1%
Percentage of families that received adoption preservation services in which the services offered met the families' immediate needs	95.9%	96.7%	95.9%
Percentage of families that received adoption preservation services in which the services offered increased the families' level of functioning	91.9%	91.7%	95.6%
Percentage of adoptions and guardianships that remain stable	99.5%	99.5%	99.4%

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AGENCY FUNCTIONS AND PLANNING PROGRAM (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019**

Accountability

Oversight and monitoring must be provided to ensure services are provided in a manner consistent with good practice and established quality measures. Programs such as Administrative Case Review, Licensing Enforcement and Monitoring help to ensure that goals and outcomes are met throughout the Department. Central Administration, Audits, Legislative Affairs, Communications, Legal Services, Management and Budget, and Financial Management provide essential support for the entire agency.

The effective provision of service to families and children includes the responsibility of licensing all childcare facilities and a review of open child cases every six months. Childcare facilities include all foster homes, institutional and group homes. In addition, day care services for children and their families are provided to enable the parent(s) to participate in education and training programs; to provide alternate care for children in danger of neglect, abuse or exploitation; to reduce the need for the out-of-home placement of children; and to subsidize appropriate child care for working parents with low incomes. The Department licenses day care facilities and homes.

Compared to FY18-19, expenditures for FY20 have slightly increased, however, they are well below our projected numbers for FY20. The Department has been expecting to grow the number of licensed child welfare agencies and foster care homes during FY20 to prepare for the implementation of the FFPSA. We have not been able to meet our goals due to the constraints and demands of COVID-19. Additionally, there has been an increased demand to strengthen our administrative and supportive functions during the pandemic. At the same time due to the difficulty of conducting timely onsite agency and institutional monitoring visits and reviews during COVID-19, our performance on licensing of day-care facilities and child welfare agencies has dropped. On the other hand, the increase of children entering out of home during FY18-20 has resulted in an increase of ACR reviews held. The ability to conduct these reviews while working from home has not impacted the percentage of youth who received ACRs.

Input Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Total expenditures – all sources (in thousands)	\$48,421.8	\$50,617.8	\$54,964.9
Total expenditures – state appropriated funds (in thousands)	\$48,421.8	\$50,617.8	\$54,964.9
Average monthly full-time equivalents	515	541	548

Output Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Number of DCFS-licensed child welfare agencies	147	144	139
Number of licensed foster homes	9,333	8,882	8,940
Number of licensed day-care facilities	10,149	10,156	8,958
Number of licensed institutions and group homes	172	163	162
Annual Case Reviews (ACRs) held	17,172	18,444	19,897

Outcome Indicators:	FY18 Actuals	FY19 Actuals	FY20 Actuals
Percentage of wards receiving required ACRs	98.4%	98.4%	98.2%
Percentage of agency and institution annual monitoring visits completed in a timely manner	90.1%	90.3%	87.2%
Percentage of monthly agency reviews that are held timely	92.9%	95.6%	90.6%
Percentage of DCFS foster home semi-annual monitoring visits completed in a timely manner	81.7%	80.0%	80.5%

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AGENCY FUNCTIONS AND PLANNING PROGRAM (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019

Department Planning

The Department's planning process includes several mechanisms: (1) Child and Family Services Plan (CFSP) is a 5-year plan that is based on the requirements of Titles IV-B and IV-E of the Social Security Act and Illinois laws; (2) Program Improvement Plan (PIP), a federal requirement resulting from the Department's failure to pass onsite Child and Family Services Review (CFSR). Implementation and administration of the CFSP and PIP are the responsibilities of the various organizational units of the Department that perform substantive program, support, and administrative functions.

The CFSP and PIP include those objectives, action steps and activities that the Department plans to implement during the federal fiscal years of 2020-2024. The development of the CFSP and PIP includes a collaboration with various stakeholders and advisory group members. For those objectives identified, the Department develops the measures and baseline for annually reporting its progress in an Annual Progress and Services Report (APSR) (part of CFSP) or case reviews and progress reports (part of PIP). Prior to developing the goals and objectives for these plans, the Department considers needs assessment information and the action steps needed to meet the goals and objectives in the respective plans.

The planning cycle is coordinated with the budgeting cycle so the Department's stated goals and priorities provide direction in the allocation of resources. Guided by the evaluation and the Director's statement of priorities, projections of service needs and performance objectives, fiscal planners in the Department coordinate operating units in preparing the Department's budget and reviewing it with the Governor's Office of Management and Budget.

Significant Challenges

Governor Pritzker issued a Stay Home order in March of 2020 in response to COVID-19. The majority of DCFS staff were able to transition to remote work within a matter of days or weeks due to availability of mobile technology already available to all investigators, caseworkers, frontline supervisors, and several other roles within the Department. There were some initial declines in April 2020 in worker in-person contacts with children in foster care, which rebounded after federal guidelines for child welfare were adjusted to allow video contacts to be allowable during the pandemic. There were some initial declines in April 2020 in permanencies achieved, which began to rebound as the various court jurisdictions began adopting technology to allow virtual hearings. The transition to virtual hearings was not consistent across all court jurisdictions, resulting in backlogs of cases awaiting court proceedings in some counties. The DCFS Office of Legal Services is partnering with court stakeholders to address concerns on a county by county basis, given the variability across counties. In addition to the challenges posed by COVID-19 affecting the Department's intake of hotline reports, entries to substitute care and delayed timeliness of onsite monitoring visits and reviews, the Department has also been undergoing preparation for the implementation of FFPSA and transition to managed care.

Regarding the implementation of FFPSA, the Department has been focused on selecting the target population, evidence-based services for parenting, mental health and substance abuse service areas and adding contracts to implement those services. Regarding the transition to managed care, the initial implementation date was rescheduled for various reasons and was ultimately implemented in fiscal year 2021, rather than fiscal year 2020.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019

The Illinois Department of Children and Family Services' (Department) explanations for significant fluctuations in expenditures greater than \$250,000 and 20% of total expenditures in that category as presented in the Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances (Schedule 3) are detailed below.

ANALYSIS OF SIGNIFICANT VARIATIONS BETWEEN FISCAL YEARS 2018 AND 2019

General Revenue Fund – 0001

Regular positions

The increase in expenditures was due to the Department receiving a lump sum appropriation for its operations in the General Revenue Fund in fiscal year 2018, while receiving line item appropriations in fiscal year 2019.

Social security/Medicare contributions

The increase in expenditures was due to the Department receiving a lump sum appropriation for its operations in the General Revenue Fund in fiscal year 2018, while receiving line item appropriations in fiscal year 2019.

Contractual services

The increase in expenditures was due to the Department receiving a lump sum appropriation for its operations in the General Revenue Fund in fiscal year 2018, while receiving line item appropriations in fiscal year 2019.

Travel

The increase in expenditures was due to the Department receiving a lump sum appropriation for its operations in the General Revenue Fund in fiscal year 2018, while receiving line item appropriations in fiscal year 2019.

Commodities

The increase in expenditures was due to the Department receiving a lump sum appropriation for its operations in the General Revenue Fund in fiscal year 2018, while receiving line item appropriations in fiscal year 2019.

Printing

The increase in expenditures was due to the Department receiving a lump sum appropriation for its operations in the General Revenue Fund in fiscal year 2018, while receiving line item appropriations in fiscal year 2019.

Electronic data processing

The increase in expenditures was due to the Department receiving a lump sum appropriation for its operations in the General Revenue Fund in fiscal year 2018, while receiving line item appropriations in fiscal year 2019.

Telecommunications

The increase in expenditures was due to the Department receiving a lump sum appropriation for its operations in the General Revenue Fund in fiscal year 2018, while receiving line item appropriations in fiscal year 2019.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019

Lump sums and other purposes

The decrease in expenditures was due to the Department receiving a lump sum appropriation for its operations in the General Revenue Fund in fiscal year 2018, while receiving line item appropriations in fiscal year 2019.

ANALYSIS OF SIGNIFICANT VARIATIONS BETWEEN FISCAL YEARS 2019 AND 2020

General Revenue Fund – 0001

Travel

Travel decreased from fiscal year 2019 to fiscal year 2020 due to the COVID-19 pandemic which limited the Departments ability and need to travel for in person meetings and visits.

Electronic data processing

The Department purchased new laptop computers in order to refresh older and failing technology. The Department also started new application development in order to prepare for a new case management application.

Lump sums and other purposes

Overall Department appropriation increases allowed for the redistribution of expenditures through several appropriation lines creating a decrease in the General Revenue Fund lump sums and other purposes line item.

DCFS Children’s Services Fund – 0220

Awards and grants

The Department received an increase in the awards and grants appropriation in fiscal year 2020, which allowed for the expenditure increase in fiscal year 2020.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019

The Illinois Department of Children and Family Services' (Department) explanations for significant fluctuations in receipts greater than \$250,000 and 20% as presented in the Comparative Schedule of Cash Receipts (Schedule 5) are detailed below.

ANALYSIS OF SIGNIFICANT VARIATIONS BETWEEN FISCAL YEARS 2018 AND 2019
DCFS Children's Services Fund – 0220

Prior year refund/warrant voids

The decrease in prior year refunds in the Children's Services Fund was due to fewer overpayments to providers returned to DCFS in fiscal year 2019 than in fiscal year 2018.

DCFS Federal Projects Fund – 0566

Federal government

The decrease in federal government receipts was due to federal funding decreases for the Family Resource and the Child Abuse & Neglect grants in fiscal year 2019 from fiscal year 2018 levels.

ANALYSIS OF SIGNIFICANT VARIATIONS BETWEEN FISCAL YEARS 2019 AND 2020
General Revenue Fund – 0001

Prior year refund/warrant voids

The decrease in prior year refunds in the General Revenue Fund was due to fewer overpayments to providers returned to DCFS in fiscal year 2020 than in fiscal year 2019.

DCFS Children's Services Fund – 0220

Reimbursement from children's trust

The increase in reimbursement from children's trust were due to an increase in parental assessments for youth in care collected by the Department of Healthcare and Family Services increased in fiscal year 2020 over fiscal year 2019.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019

The Illinois Department of Children and Family Services' (Department) explanations for significant lapse period spending as presented in the Schedule of Appropriations, Expenditures and Lapsed Balances for fiscal years 2020 and 2019 (Schedules 1 and 2) are detailed below. For purposes of this analysis, significant lapse period spending is defined as \$100,000 and 20% or more of the total expenditures in that category.

FISCAL YEAR 2019

General Revenue Fund – 0001

Travel

Significant lapse period spending was due to timing of receipt of employee travel reimbursement requests.

Lump sums and other purposes

The Department made Facility Management Revolving Fund payments (\$5.0M) and court ordered back wage payments to employees (\$18.4M) during the fiscal year 2019 lapse period from this line item. The Department also moved payroll from the personal services line item to lump sums and other purposes for the June B payroll (\$5.0M). The combination of these three items made up the majority of the significant spending during the lapse period.

DCFS Children's Services Fund – 0220

Lump sums and other purposes

The Department switched funding sources to pay monthly DOIT usage billings from the General Revenue Fund to this line item in July 2019 (\$3.4M). The Department also made payments to its provider partners (\$1.7M) during the lapse period, including State universities, due to delays in receipt of billings and time needed for contract monitor review to ensure no overpayments occurred.

Awards and grants

Significant lapse period spending was due to delays in receipt of State university billings and contract monitors requiring additional review for certain contracts at fiscal yearend to avoid overpayments. This line also includes payments to numerous providers on a quarterly billing program.

Awards and grants – lump sum

The Department's access to available appropriations dictated a strategy to shift allowable expenditures to the DCFS Children's Services Fund late in the fiscal year, including lapse period, which led to the spike in lapse spending in the fund.

FISCAL YEAR 2020

General Revenue Fund – 0001

Contractual services

The Department made a total of \$6.0M of Facility Management Revolving Fund payments during lapse after reconciliations were completed to verify amounts due for property leases.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019

Equipment

Equipment purchases are frequently made at the end of the fiscal year after the need is determined and funding is made available. Significant purchases during lapse were for new computer desks (\$102k), a forklift for the warehouse (\$19k) and a laminator to assist with COVID signage (\$17k).

Electronic data processing

The Department paid for laptops purchased as part of the refresh plan (\$1.5M) and made payments to DOIT Statistical Services Revolving Fund (\$2.9M) and application development projects (\$1.1M) during the lapse period for this line item.

Telecommunications

Significant lapse period spending was due to timing of receipt of the telecommunications bills.

Lump sums and other purposes

The Department made a Facility Management Revolving Fund payment (\$2.2M) and moved State university provider payments from the Children's Services Fund (\$762k) to this line due to budgetary reasons.

DCFS Children's Services Fund – 0220

Awards and grants

The Department paid a Tort claim (\$735k) in July. Other significant lapse period spending was due to delays in receipt of State university billings and contract monitors requiring additional review for certain contracts at fiscal yearend to avoid overpayments. This line also includes payments to numerous providers on a quarterly billing program.

Awards and grants – lump sum

The Department's access to available appropriations dictated a strategy to shift allowable expenditures to the DCFS Children's Services Fund late in the fiscal year, including lapse period, which led to the spike in lapse spending in the fund.

DCFS Federal Projects Fund – 0566

Lump sums and other purposes

Significant lapse period spending was due to grant administrators reconciling fiscal year-end reports prior to the finalization of grant payments.

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AVERAGE NUMBER OF FULL TIME EMPLOYEES (UNAUDITED)
For the Fiscal Years Ended June 30, 2020, 2019, and 2018

The following information was developed through analysis of headcount schedules.

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Average Full-Time Employees			
Central Administration	88	93	113
Budget and Finance	298	288	282
Child Protection	1,103	1,003	957
Child Welfare	678	674	598
Office of the Guardian	31	33	35
Clinical Services	106	96	99
POS Monitoring	351	402	394
Inspector General	18	17	18
Title IV-E Reimbursements	12	24	27
Special Purposes Trust Fund	4	4	4
SACWIS	72	76	48
Foster Care Initiative	11	22	19
Attorney General Litigation	7	5	4
DOIT	7	-	-
Children's Justice Act	1	0	11
Targeted Case Management	44	41	34
Health Care Network	0	1	1
MCO Technical Assist	0	1	1
Independent Living Initiative	2	4	3
Fed Child Welfare Projects	-	-	2
Foster Care & Adoption Care	2	6	6
Subtotal, State Funded Positions	<u>2,834</u>	<u>2,789</u>	<u>2,656</u>

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
COST STATISTICS (UNAUDITED)
For the Fiscal Years Ended June 30, 2020, 2019 and 2018**

Program Name	Indicator	2020	2019	2018
Reunification and Substitute Care				
	Program expenditures - all sources (in thousands)	\$ 797,686	\$ 724,718	\$ 689,351
	Children placed outside of the home (end of year) - paid placements	18,351	16,088	14,997
	Average Cost per Youth Placed Outside of the Home	43,468	45,047	45,966
Adoption and Guardianship				
	Program expenditures - all sources (in thousands)	171,017	184,095	180,617
	Number of children receiving adoption/guardianship payments (end of year)	21,636	22,045	21,842
	Average Cost of Adoption/Guardianship	7,904	8,351	8,269
Protective Services				
	Program expenditures - all sources (in thousands)	135,203	143,517	117,023
	Family reports investigated	77,274	82,519	77,428
	Average Cost per Family Report Investigated	1,750	1,739	1,511
Family Maintenance				
	Program expenditures - all sources (in thousands)	79,715	50,179	49,410
	Intact families (end of year)	4,144	3,563	2,991
	Average Cost per Intact Family (end of year)	19,236	14,083	16,520
Accountability				
	Program expenditures - all sources (in thousands)	54,965	50,618	48,422
	Number of DCFS-licensed child welfare agencies	38,096	37,789	36,973
	Average Cost per Licensed Entity	1,443	1,339	1,310
	Total Expenditures (in thousands)	\$ 1,238,586	\$ 1,153,127	\$ 1,084,823

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
ANALYSIS OF OVERTIME (UNAUDITED)
For the Fiscal Years Ended June 30, 2020, 2019 and 2018

Division	2018			
	Overtime Pay	Overtime Hours	Compensatory Pay	Compensatory Hours
ADMINISTRATIVE CASE REVIEW	\$ 22,272	476	\$ 168	3
ADMINISTRATIVE HEARINGS UNIT	39,065	1,013	-	-
ADMINISTRATIVE SERVICES	20,941	478	171	3
ADVOCACY OFFICE	715	16	-	-
AFFIRMATIVE ACTION	5,378	131	1,015	20
AGENCY PERFORMANCE TEAM	-	-	-	-
ATTORNEY GENERAL	-	-	433	8
BUDGET AND FINANCE	150,670	3,946	37,604	764
CENTRAL CHILD PROTECTION	703,063	17,302	-	-
CENTRAL REGION	170,014	4,019	5,505	113
CHIEF OF STAFF	-	-	5,439	97
CHILD & FAMILY POLICY	302	6	-	-
CHILD INTAKE/RECOVERY/CAPU	440,275	7,875	3,500	68
CHILD PROTECTION ADMIN	1,336	33	2,001	40
CHILD PROTECTION SCR	1,062,127	26,688	35,162	847
CLINICAL & CHILD SERVICES	35,811	710	3,566	63
CLINICAL PRACTICE	121,774	1,848	3,279	69
COMMUNICATIONS	3,239	58	1,139	19
COMMUNITY RESOURCES	35,393	550	271	6
CONTRACTS	40,158	1,023	7,569	151
COOK CHILD PROTECTION	2,852,950	69,351	-	-
COOK PRODUCTION CONTROL	10,091	280	-	-
COOK REGION	551,468	13,260	22,521	439
DCFS GUARDIAN	6,573	154	241	4
DIRECTORS OFFICE	8,334	136	838	23
EDUCATION/TRANSITION SERVICES	11,752	206	-	-
EMPLOYEE SERVICES	10,757	281	1,871	41
GRANTS	6,917	129	1,206	23
IMMERSION SITE PROGRAM	-	-	2,420	46
INSPECTOR GENERAL	1,145	33	497	12
INTACT UTILIZATION UNIT	9,354	259	62	1
INTERNAL AUDITS	-	-	23	1
LEGAL SERVICES	1,058	31	14,506	287
LEGISLATIVE AFFAIRS	-	-	2,250	82
LICENSING	164,267	3,557	7,198	141
MONITORING	56,094	1,209	7,747	170
NORTHERN CHILD PROTECTION	1,593,291	37,708	270	4
NORTHERN REGION	301,465	7,367	6,052	105
OFC OF CHIEF DEPUTY DIR	-	-	-	-
OFC OF CHILD WELL-BEING	249	13	1,573	28
OPERATIONS	103,441	2,271	1,021	21
PERMANENCY ACHIEVEMENT	-	-	-	-
PROCUREMENT	949	17	-	-
QUALITY ENHANCEMENT	12,829	212	3,502	59
RECRUITMENT & RESOURCES	-	-	-	-
SOUTHERN CHILD PROTECTION	484,659	13,163	-	-
SOUTHERN REGION	220,290	6,079	2,817	48
STRATEGIC PLANNING	613	24	6,551	172
TECHNOLOGY & PLANNING	281,455	5,248	3,734	50
TRAINING & DEVELOPMENT	22,519	419	4,392	100
Grand Total	\$ 9,565,055	227,582	\$ 198,114	4,128

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
ANALYSIS OF OVERTIME (UNAUDITED)
For the Fiscal Years Ended June 30, 2020, 2019 and 2018

Division	2019			
	Overtime Pay	Overtime Hours	Compensatory Pay	Compensatory Hours
ADMINISTRATIVE CASE REVIEW	\$ 104,484	2,151	\$ 1,537	29
ADMINISTRATIVE HEARINGS UNIT	62,523	1,747	-	-
ADMINISTRATIVE SERVICES	28,147	648	-	-
ADVOCACY OFFICE	14,463	236	168	3
AFFIRMATIVE ACTION	8,061	165	7,889	154
AGENCY PERFORMANCE TEAM	-	-	-	-
ATTORNEY GENERAL	-	-	450	8
BUDGET AND FINANCE	139,347	3,768	44,191	876
CENTRAL CHILD PROTECTION	616,570	15,527	-	-
CENTRAL REGION	203,330	5,099	9,470	175
CHIEF OF STAFF	-	-	570	15
CHILD & FAMILY POLICY	1,276	25	-	-
CHILD INTAKE/RECOVERY/CAPU	280,174	4,969	2,220	42
CHILD PROTECTION ADMIN	653	16	1,158	23
CHILD PROTECTION SCR	1,420,146	35,639	38,009	887
CLINICAL & CHILD SERVICES	54,549	985	5,393	100
CLINICAL PRACTICE	70,730	1,139	4,497	82
COMMUNICATIONS	5,218	96	-	-
COMMUNITY RESOURCES	39,377	558	6,933	137
CONTRACTS	60,097	1,266	11,386	225
COOK CHILD PROTECTION	2,564,471	59,663	737	18
COOK PRODUCTION CONTROL	9,953	272	-	-
COOK REGION	541,894	12,396	20,342	378
DCFS GUARDIAN	10,746	210	865	16
DIRECTORS OFFICE	1,722	51	956	19
EDUCATION/TRANSITION SERVICES	9,137	140	2,115	46
EMPLOYEE SERVICES	16,668	441	2,043	43
GRANTS	12,352	275	1,266	23
IMMERSION SITE PROGRAM	-	-	694	14
INSPECTOR GENERAL	129	3	346	11
INTACT UTILIZATION UNIT	40,881	931	-	-
INTERNAL AUDITS	-	-	360	9
LEGAL SERVICES	4,405	124	12,718	275
LEGISLATIVE AFFAIRS	713	31	2,046	89
LICENSING	155,144	4,260	7,827	164
MONITORING	101,397	2,059	9,466	220
NORTHERN CHILD PROTECTION	1,279,877	31,528	1,489	24
NORTHERN REGION	296,537	7,274	8,501	158
OFC OF CHIEF DEPUTY DIR	-	-	-	-
OFC OF CHILD WELL-BEING	113	6	2,352	42
OPERATIONS	312,461	5,422	2,506	54
PERMANENCY ACHIEVEMENT	-	-	-	-
PROCUREMENT	7,371	121	-	-
QUALITY ENHANCEMENT	20,515	316	2,455	42
RECRUITMENT & RESOURCES	66,406	1,192	-	-
SOUTHERN CHILD PROTECTION	561,253	14,180	-	-
SOUTHERN REGION	336,366	8,514	3,362	57
STRATEGIC PLANNING	-	-	403	8
TECHNOLOGY & PLANNING	496,284	8,624	4,033	54
TRAINING & DEVELOPMENT	23,209	462	114	3
Grand Total	\$ 9,979,146	232,529	\$ 220,867	4,523

STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
ANALYSIS OF OVERTIME (UNAUDITED)
For the Fiscal Years Ended June 30, 2020, 2019 and 2018

Division	2020			
	Overtime Pay	Overtime Hours	Compensatory Pay	Compensatory Hours
ADMINISTRATIVE CASE REVIEW	\$ 126,204	2,018	\$ 4,008	73
ADMINISTRATIVE HEARINGS UNIT	205,024	5,483	-	-
ADMINISTRATIVE SERVICES	36,727	794	5,210	93
ADVOCACY OFFICE	43,291	814	-	-
AFFIRMATIVE ACTION	-	-	13,091	244
AGENCY PERFORMANCE TEAM	85,788	1,585	5,378	131
ATTORNEY GENERAL	-	-	473	8
BUDGET AND FINANCE	217,955	5,247	58,214	1,144
CENTRAL CHILD PROTECTION	664,185	17,120	2,896	56
CENTRAL REGION	375,108	8,672	10,437	173
CHIEF OF STAFF	179	6	5,675	129
CHILD & FAMILY POLICY	8,303	123	12,804	239
CHILD INTAKE/RECOVERY/CAPU	209,338	4,017	7,852	147
CHILD PROTECTION ADMIN	882	26	5,738	99
CHILD PROTECTION SCR	1,752,610	42,841	54,379	1,196
CLINICAL & CHILD SERVICES	120,765	1,803	7,569	139
CLINICAL PRACTICE	111,097	1,809	6,505	117
COMMUNICATIONS	7,169	220	-	-
COMMUNITY RESOURCES	-	-	-	-
CONTRACTS	107,272	2,203	11,310	217
COOK CHILD PROTECTION	3,223,869	73,206	28,612	502
COOK PRODUCTION CONTROL	-	-	-	-
COOK REGION	538,407	10,896	4,819	80
DCFS GUARDIAN	19,137	450	676	13
DIRECTORS OFFICE	724	17	4,198	88
EDUCATION/TRANSITION SERVICES	28,438	462	23	-
EMPLOYEE SERVICES	34,099	739	10,427	205
GRANTS	9,544	187	22	-
IMMERSION SITE PROGRAM	-	-	834	16
INSPECTOR GENERAL	1,884	47	587	8
INTACT UTILIZATION UNIT	34,056	741	5,612	100
INTERNAL AUDITS	267	6	397	9
LEGAL SERVICES	2,690	95	17,497	429
LEGISLATIVE AFFAIRS	321	13	2,472	79
LICENSING	189,580	4,589	16,485	347
MONITORING	149,623	3,071	24,585	599
NORTHERN CHILD PROTECTION	1,271,854	31,366	6,464	115
NORTHERN REGION	310,769	8,151	186	3
OFC OF CHIEF DEPUTY DIR	69	3	16	-
OFC OF CHILD WELL-BEING	132	7	1,765	30
OPERATIONS	651,804	10,455	9,959	200
PERMANENCY ACHIEVEMENT	39,531	514	-	-
PROCUREMENT	1,450	25	5,837	137
QUALITY ENHANCEMENT	47,558	721	1,656	27
RECRUITMENT & RESOURCES	88,655	1,330	-	-
SOUTHERN CHILD PROTECTION	472,077	12,072	2,965	46
SOUTHERN REGION	366,785	9,064	3,355	61
STRATEGIC PLANNING	-	-	1,091	17
TECHNOLOGY & PLANNING	566,076	9,202	11,640	157
TRAINING & DEVELOPMENT	86,562	1,430	34	1
Grand Total	\$ 12,207,856	273,638	\$ 373,753	7,474

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
ASSAULTS ON STAFF (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019**

REPORTS BY REGION	2020	2019
Cook County	12	14
Northern Region	11	6
Central Region	19	15
Southern Region	9	3
Total	51	38

Note 1: PA 100-1075 required the Department to send quarterly reports to the General Assembly regarding assaults on Department staff starting on December 15, 2018. This schedule summarizes the reports sent to the General Assembly and is reported on the calendar year so we can show comparative numbers for the two full years the Department has been reporting these assaults.

Note 2: The Department is organized into four regions to assist with organization, accountability and transparency.

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
DISCLOSURE OF EMERGENCY PURCHASES UNDER THE GUBERNATORIAL COVID-19
DISASTER PROCLAMATIONS (UNAUDITED)
For the Fiscal Years Ended June 30, 2020 and 2019**

Background and Authority

CPO Notice 2020.05 issued March 12, 2020 exempted COVID-19 related purchases, as determined by the purchasing agency, from the Illinois Procurement Code 30ILCS 500/. CPO Notice 2020.07 extended this exemption in parallel with the IL Governor’s Disaster Proclamation. “This notice is in effect immediately and covers the duration of the Governor’s April 1, 2020 Proclamation and any subsequent and continuous proclamations that declare all counties in the State of Illinois as disaster areas.”

March 9, 2020, Governor Pritzker proclaimed that a disaster exists in the State of Illinois due to the spread of the Coronavirus Disease 2019 (COVID-19). On April 1, 2020, Governor Pritzker found that the COVID-19 outbreak causes a continuing disaster and declared that all counties in the State of Illinois remain a disaster area.

If strict compliance with the Procurement Code or Joint Purchasing Act by any other agency would prevent, hinder, or delay IEMA’s necessary action in coping with the disaster, then the affected agency may determine which purchases are exempt from the Procurement Code or Joint Purchasing Act. An agency’s determination that their purchases are necessary for IEMA to respond to the disaster and therefore are exempt from the Procurement Code or Joint Purchasing Act, may be made without the State Purchasing Officer’s (SPO) involvement.

Fiscal Year 2020 and Fiscal Year 2021

The Department of Children and Family Services made exempt purchases related to the COVID-19 pandemic in Fiscal Year 2020 and Fiscal Year 2021 where the final cost was not yet known as of the end of fieldwork on its previous examination.

Personal Protective Equipment (PPE)

The Department of Children and Family Services (DCFS) purchased critical PPE supplies for Youth in Care, Parents, DCFS Employees, and Private Agencies Partners (POS). DCFS purchased these supplies for front-line essential personnel and staff required to continue reporting to DCFS and POS offices around the State. A conservative estimate shows the Department purchased and distributed supplies to approximately 300 DCFS and POS offices statewide for over 7,000 staff and 18,000 youth in care. These PPE supplies are for the safety of everyone involved with DCFS mission of caring for the State’s most vulnerable population. A significant portion of the exempt purchases made were against CMS Master contracts, purchases with Small Business Set-a-side (SBSA) Vendors, purchases with Business Enterprise Program Vendors (BEP), and purchases with State Use Vendors.

<u>Product</u>	<u>Vendor</u>	<u>Total Investment</u>
Disposable Isolation Gowns	Local Disposable	\$1,000
Disposable Isolation Gowns	Creative Promotional	\$82,600
Medical Safety Glasses	Almacen	\$5,925

**STATE OF ILLINOIS
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
DISCLOSURE OF EMERGENCY PURCHASES UNDER THE GUBERNATORIAL COVID-19
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For the Fiscal Years Ended June 30, 2020 and 2019**

<u>Product</u>	<u>Vendor</u>	<u>Total Investment</u>
Procedure Masks	Strategic Energy Consulting	\$67,500
Procedure Masks	Creative Promotional	\$18,670
Vinyl Exam Gloves	Creative Promotional	\$9,833
Vinyl Exam Gloves	Creative Promotional	\$9,833
Disposable Isolation Gowns	Strategic Energy Consulting	\$120,430
Disposable Shoe Covers	ProPac	\$8,558
Procedure Masks	Local Disposable	\$45,700
Disposable Isolation Gowns	Creative Promotional	\$122,200
Procedure Masks	Creative Promotions	\$4,150
Procedure Masks	Interior Design by A Valentine	\$144,323
Procedure Masks	Creative Promotions	\$196,950
Procedure Masks	Local Disposable	\$46,400
KN95 Mask	Interior Design by A Valentine	\$240,895
Procedure Masks	Strategic Energy Consulting	\$47,000
Nitrile Exam Grade Gloves	Logsdon	\$1,486
Nitrile Exam Grade Gloves	Logsdon	\$323
Nitrile Exam Grade Gloves	Local Disposable	\$400
Nitrile Exam Grade Gloves	Almacen	\$1,865
Nitrile Exam Grade Gloves	Almacen	\$888
Medical Glasses	Creative Promotions	\$6,192
KN95 Masks	Creative Promotions	\$50,500
Procedure Masks	Creative Promotions	\$109,350
KN95 Masks	Strategic Energy	\$147,500
Procedure Masks	Strategic Energy	\$45,000
Gowns	Strategic Energy	\$45,000
95 Masks	Strategic Energy	\$3,992
Procedure Masks	Local Disposable	\$46,500
KN95 Masks	Omni Care Inc	\$342,000
KN95 Masks	Omni Care Inc	\$114,000
KN95 Masks	VizoCom	\$183,250
Exam Grade Nitrile Gloves	VizoCom	\$14,250
Exam Grade Nitrile Gloves	VizoCom	\$14,250
Medical Glasses	VizoCom	\$18,000

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<u>Product</u>	<u>Vendor</u>	<u>Total Investment</u>
Gowns	VizoCom	\$19,500
Exam Grade Nitrile Gloves	Almacen	\$1,843
Gowns	Almacen	\$4,800
Procedure Masks	Almacen	\$165,500
KN95 Masks	Omni Care Inc	\$136,800
Rubber Gloves	Grainger	\$335
Goggles	Grainger	\$69
KN95 Masks	Omni Care Inc	\$1,550
Exam Grade Nitrile Gloves	Almacen	\$7,355
Exam Grade Nitrile Gloves	Almacen	\$4,260
Exam Grade Vinyl Gloves	Local Disposable	\$1,525
Exam Grade Vinyl Gloves	Local Disposable	\$1,225
Exam Grade Nitrile Gloves	Almacen	\$7,355
Exam Grade Nitrile Gloves	Almacen	\$4,260
Rubber Gloves	Grainger	\$74
Exam Grade Nitrile Gloves	Almacen	\$2,038
Exam Grade Nitrile Gloves	Almacen	\$1,420
Youth Masks Production	Correctional Industries (ICI)	\$50,000
Youth Masks Fabric and Elastic	TABB Textile	\$16,680
Youth Masks Elastic	TABB Textile	\$4,500
Youth Masks Thread Cones	TABB Textile	\$717
Masks Extenders	Almacen	\$72
Procedure Masks	Victory Pharmacy of Decatur	\$52,500
Cleaning Gloves	Almacen	\$8,047
Vinyl Exam Gloves	Creative Promotional	\$64,045

Total Invested in PPE - \$2,873,182

**STATE OF ILLINOIS
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DISCLOSURE OF EMERGENCY PURCHASES UNDER THE GUBERNATORIAL COVID-19
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Preventative and Contamination Office Cleanings

Early in the pandemic the Department determined the need existed to conduct a thorough preventative cleaning of DCFS Offices to assuage staff concerns with the novel evolving virus and reset all offices to a known neutral state. The Department determined subsequent to the preventative cleanings, all confirmed COVID-19 exposure cases in our offices would receive a contamination cleaning in the affected areas as determined by the DCFS Office of Employee Services following CMS guidelines. A fixed rate per square foot contract was established for all preventative cleanings and subsequent contamination cleanings with a Statewide vendor. Contamination cleanings are on-going as needed.

<u>Product</u>	<u>Vendor</u>	<u>Total Investment</u>
Preventative Deep Cleaning of 62 DCFS Offices	DSI Holding Inc. DBA ServiceMaster	\$1,530,602
Change Order to Cleaning Contract	DSI Holding Inc. DBA ServiceMaster	\$350,000
Change Order to Cleaning Contract	DSI Holding Inc. DBA ServiceMaster	\$100,000
Preventative Deep Cleaning of 62 DCFS Offices	DSI Holding Inc. DBA ServiceMaster	\$119,398

Total Invested in Preventive and Contamination Office Cleanings - \$2,100,000

Office Safety Measures Goods and Services

DCFS and POS front-line staff play an essential role for the State's most vulnerable population and are unable to work remote while performing their duties. DCFS determined goods and services were required to keep staff safe while performing their duties in the field and Department offices to keep them, clients, and youth in care safe and prevent virus transmission. A significant portion of the exempt purchases made were against CMS Master contracts, purchases with Small Business Set-a-side (SBSA) Vendors, purchases with Business Enterprise Program Vendors (BEP), and purchases with State Use Vendors.

<u>Product</u>	<u>Vendor</u>	<u>Total Investment</u>
Disinfectant Wipes	Creative Promotions	\$18,066
Pumps - Sprayers	Logsdon	\$119
Thermometers	Toner Vision	\$8,318
Paper Towels	Logsdon	\$9,206
Tissues	Logsdon	\$4,020

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<u>Product</u>	<u>Vendor</u>	<u>Total Investment</u>
Hand Sanitizer	Creative Promotional	\$18,150
Hand Sanitizer	Local Disposable	\$15,000
Disinfectant Wipes	Almacen	\$237
Disinfectant Wipes	Creative Promotional	\$28,950
Thermometers	Toner Vision	\$3,240
Thermometers	Toner Vision	\$2,280
Disinfectant Spray	Almacen	\$6,231
Clear Safety Partition	Toner Vision	\$2,236
Medical Specimen Shipping	A-BCD Courier Services	\$15,405
Dispenser - Wall Mount	Cintas	\$5,650
Hand Sanitizer Refills	Cintas	\$101,700
Thermometers	Grainger	\$752
Defend Disinfectant Wipes	Creative Promotions	\$5,099
Disinfectant Wipes	Creative Promotions	\$19,595
Trigger Sprayers	Almacen	\$1,500
Trigger Sprayers	Logsdon	\$751
Paper Towels	Logsdon	\$1,841
Tissues	Logsdon	\$2,412
Disinfectant Spray	Creative Promotions	\$18,400
Disinfectant Wipes	Creative Promotions	\$46,840
Paper Towels	Logsdon	\$2,694
Tissues	Logsdon	\$6,431
Hand Sanitizer	Quality Logo Products	\$65,435
Disinfectant Spray	Almacen	\$12,005
Thermometers	Almacen	\$25,300
Hand Sanitizer	Almacen	\$53,648
Hand Sanitizer	Almacen	\$29,050
Bottles Proportioner	Grainger	\$32
Paper Towels	Almacen	\$3,720
Kleenex Tissue	Almacen	\$4,411
Bleach	Almacen	\$524
Bottles Proportioner	Grainger	\$137
CNA/EMT's	Several	\$149,997
Sign Holders – Safety measures for COVID	Branding Hawk	\$6,000
Plexi Glass Shields	Provar	\$5,433
Reusable Cloth Face Masks	AA Medical Supplies	\$47,400
Reusable Cloth Face	Elite Textile	\$12,000

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<u>Product</u>	<u>Vendor</u>	<u>Total Investment</u>
Masks		
Trigger Sprayers	Grainger	\$525
Trigger Sprayers	Logsdon	\$94
Hand Sanitizer	Creative Promotional	\$46,475
Disinfectant Wipes	Almacen	\$6,720

Total Invested in Office Safety Measures Goods and Services - \$814,027
Distribution and Shipping

DCFS very quickly established a distribution hub in Springfield IL to deliver critical goods to over 300 offices statewide using Procurement, Facilities, Mail Room, and Printshop staff. Over a period of several months, DCFS received dozens of semi-loads of bulk goods which then had to be repackaged into smaller quantities and combined with additional goods and reshipped to all other offices and residential facilities. This was an enormous effort that required a continuous supply of shipping materials and outside services to accomplish. A significant portion of the exempt purchases made were against CMS Master contracts, purchases with Small Business Set-a-side (SBSA) Vendors, purchases with Business Enterprise Program Vendors (BEP), and purchases with State Use Vendors.

<u>Product</u>	<u>Vendor</u>	<u>Total Investment</u>
Shipping Boxes	Grainger	\$395
Shipping Boxes	Grainger	\$196
Drawstring Bags	Grainger	\$838
One Gallon Resealable Bags	Grainger	\$44
Shipping Boxes and Bubble Wrap	Grainger	\$1,965
Shipping Boxes and Batteries	Grainger	\$465
Masks Packaging	SPARC	\$19,000

Total Invested Distribution and Shipping - \$22,903

Youth in Care Remote Learning Goods and Services

As soon as Illinois schools switched to remote learning, it became apparent the majority of school districts were not prepared for 100% remote learning. Using the State's master contract vendor and others, DCFS was able to secure critical equipment at the best possible rate and quickest availability to ensure DCFS youth in care that were not provided or could not afford equipment from their school district had the necessary tools to succeed with remote learning. Via an IGA with each individual school district, DCFS provided youth in care Chromebooks, cases, and in some cases WIFI to make sure the youth has access to school online.

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<u>Product</u>	<u>Vendor</u>	<u>Total Investment</u>
Verizon Jet Packs	Verizon Wireless	\$10,797
Chromebook – Youth in Care	CDW-G	\$494,875

Total Invested Youth in Care Remote Learning Goods and Services - \$505,672
COVID Testing Goods and Services

DCFS has operated COVID-19 testing one day per week in our largest offices statewide for over 6 months to test both staff and youth in care requiring testing prior to placement. Testing is on-going. The Department required goods and services to operate these testing sites for staff and youth to reduce spreading COVID-19 and ensure youth are able to receive placement. A significant portion of the exempt purchases made were against CMS Master contracts, purchases with Small Business Set-aside (SBSA) Vendors, purchases with Business Enterprise Program Vendors (BEP), and purchases with State Use Vendors.

<u>Product</u>	<u>Vendor</u>	<u>Total Investment</u>
Medical Specimen Shipping	A-BCD Courier Services	\$15,405
Refrigerators	Grainger	\$706
Utility Trunks	Grainger	\$36
Pad Locks	Grainger	\$484
Black Utility Trunk	Almacen	\$480
Utility Trunk and Pad Locks	Grainger	\$916
Medical Waste Supplies	Stericycle Inc.	\$7,821
Elevated Body Temperature Cameras	Antilia Systems	\$63,850
Change Order to Medical Specimen Shipping Contract	A-BCD Courier Services	\$10,000

Total Invested COVID Testing Goods and Services - \$99,699

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Continuation of In-Person Training Goods and Services

Early in the pandemic, DCFS required assistance switching our training curriculum from in-person to virtual. Later, DCFS determined in-person training is required for critical staff using our simulation training labs, and that we required goods and services to ensure the instructors, actors, and staff are safe during the trainings. A significant portion of the exempt purchases made were against CMS Master contracts, purchases with Small Business Set-a-side (SBSA) Vendors, purchases with Business Enterprise Program Vendors (BEP), and purchases with State Use Vendors.

Product	Vendor	Total Investment
Virtual Training for Trainers	Dale Carnegie	\$15,950
eSignature Software	CDW-G	\$121,804
Air Scrubber	Abatement Tech. Inc.	\$6,275

Total Invested Continuation of In-Person Training Goods and Services - \$144,028

Critical Communications to Youth, Clients, and the Public

In order to keep everyone safe DCFS required a way to communicate critical information with youth in care, clients, and the public to keep contact to a minimum and slow the spread of COVID-19. While the Department's Offices of Information Technology Services performed the vast majority of the required changes, they determined they required assistance to ensure the changes were completed in a timely manner. A significant portion of the exempt purchases made were against CMS Master contracts, purchases with Small Business Set-a-side (SBSA) Vendors, purchases with Business Enterprise Program Vendors (BEP), and purchases with State Use Vendors.

Product	Vendor	Total Investment
Evoque Services	BlueBolt	\$59,960
Developer Assistance	MedComps	\$160,000

Total Invested Critical Communications to Youth, Clients, and the Public - \$219,960