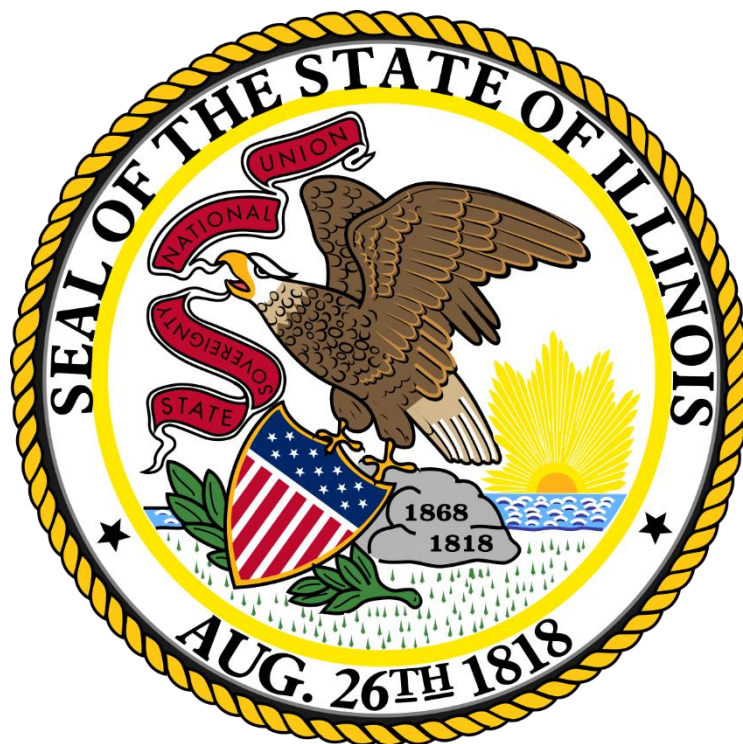


LEGISLATIVE AUDIT COMMISSION



Review of
Department of Juvenile Justice
Two Years Ended June 30, 2024

620 Stratton Office Building
Springfield, Illinois 62706
217/782-7097

REVIEW # 4609 DEPARTMENT OF JUVENILE JUSTICE FY23-24 COMPLIANCE

REVIEW: #4609 DEPARTMENT OF JUVENILE JUSTICE TWO YEARS ENDED JUNE 30, 2024

RECOMMENDATIONS – 29

IMPLEMENTED/PARTIALLY IMPLEMENTED – 28 UNDER STUDY - 1

REPEATED RECOMMENDATIONS – 18

PRIOR AUDIT FINDINGS/RECOMMENDATIONS – 25

This review summarizes the auditors' report of the Department of for the two years ended June 30, 2024, filed with the Legislative Audit Commission on June 17, 2025. The auditors conducted a compliance examination in accordance with state law and Government Auditing Standards.

Agency Narrative

The mission of the Illinois Department of Juvenile Justice is to build youth skills and strengthen families to promote community safety and positive youth outcomes.

DJJ operates six youth centers and provides education to students through schools within their facilities, which operate under Illinois State Board of Education (ISBE) School District #428. Youth are able to work toward and complete the requirements for high school graduation, and also have various Career & Technical Education opportunities. For youth who have completed high school graduation requirements, higher education courses and trade programs are available through partnerships with colleges and community partners.

The Aftercare program provides vital case management, support, and supervision as youth transition back into their communities. Aftercare Specialists receive training to work with youth, family, and community partners to help develop a continuum of service.

The primary goal of Aftercare is to provide comprehensive and individualized services to youth committed to IDJJ in order for them to successfully reintegrate back into their communities and reduce recidivism.

The Aftercare model creates a youth-focused intervention of rehabilitation and therapeutic services. These services may include the identification of substance abuse and mental health treatment and services, education and vocational programs, workforce development and job training, mentoring, and anger management counseling.

Robert Vickery is the current Director, serving in that position since March 2024. Previously, he served as Deputy Director of Programs at IDJJ from 2017 to 2024. Mr.

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Vickery also served as Executive Director of the Illinois Juvenile Justice Commission from 2014 to 2016. Heidi Mueller was the Director for most of the audit period.

Appropriations and Expenditures

| Appropriations (\$ thousands) | FY23 | | FY24 | |
|--|------------------|------------------|------------------|------------------|
| | Approp | Expend | Approp | Expend |
| GENERAL FUNDS | | | | |
| Personal Services & Fringe Benefits | 79,135.8 | 73,908.3 | 78,532.0 | 77,596.4 |
| Contractual Services | 30,806.8 | 29,286.2 | 34,778.9 | 32,947.0 |
| Other Operations & Refunds | 7,550.8 | 5,653.6 | 6,880.2 | 6,286.4 |
| Designated Purposes | | | | |
| Exp. Associated with High School Education Services for Incarcerated Individuals | 2,458.9 | 0.0 | 2,458.9 | 257.6 |
| Ombudsperson | 406.9 | 234.8 | 410.0 | 204.2 |
| Operational Expenses for IYC Lincoln | 0.0 | 0.0 | 987.1 | 918.2 |
| Positive Behavior Interventions & Supports | 60.8 | 55.0 | 62.8 | 25.9 |
| Statewide Hospitalization | 6.3 | 0.7 | 6.2 | 4.9 |
| Total Designated Purposes | 2,932.9 | 290.5 | 3,925.0 | 1,410.8 |
| Grants | | | | |
| Sheriffs' Fees | 4.2 | 1.5 | 2.6 | 2.0 |
| Tort Claims | 86.0 | 40.9 | 180.0 | 22.8 |
| Total Grants | 90.2 | 42.4 | 182.6 | 24.8 |
| Capital Improvements | | | | |
| Repair & Maintenance | 838.4 | 655.1 | 865.3 | 661.0 |
| TOTAL GENERAL FUNDS | 121,354.9 | 109,836.1 | 125,164.0 | 118,926.4 |
| OTHER STATE FUNDS | | | | |
| Designated Purposes | | | | |
| Federal Programs | 3,000.0 | 1,071.3 | 3,000.0 | 996.9 |
| Miscellaneous Programs | 5,000.0 | 6.0 | 5,000.0 | 2.5 |
| School District Programs | 5,000.0 | 1,405.8 | 5,000.0 | 984.5 |
| TOTAL OTHER STATE FUNDS | 13,000.0 | 2,483.1 | 13,000.0 | 1,983.9 |
| TOTAL | 134,354.9 | 112,319.2 | 138,164.0 | 120,910.3 |

Accountants' Findings and Recommendations

Condensed below are the 29 findings and recommendations included in the audit report. Of these, 18 are repeated from the previous audit. The following recommendations are classified on the basis of information provided by the Department of, via electronic mail received September 15, 2025.

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1. The auditors recommend the Department strengthen its controls over maintaining, recording, and reporting its state property and equipment by reviewing its inventory and recordkeeping practices to ensure compliance with State Laws and regulations. Further, they recommend the Department ensure all property transactions are accurately and timely recorded on the Department's property records.

FINDING: *(Inadequate Controls over State Property) – This finding has been repeated since 2008.*

The Department of Juvenile Justice (Department) did not maintain adequate documentation and control over its state property during the examination period.

- During their testing, the auditors requested the Department provide a population related to its state property. The Department provided a property listing as of Fiscal Years 2023 and 2024. However, from their review of the population for both fiscal years, they noted 410 equipment items amounting to \$91,184 were deemed unlocated property. While these items are segregated in the Department's equipment records and assigned its own location code, these should have been removed from the property records as these were determined to be unlocated.
- During the property forwards and backwards testing, they noted the following:
 - 13 of 60 (22%) equipment items selected from the property listing were unable to be located. These exceptions were noted at the Admin Office in Springfield, Youth Centers in St. Charles, Harrisburg, and Chicago, and the Aftercare Centers in Chicago and Chicago Heights.
 - Four of 120 (3%) equipment items selected from the property listing and from the various locations throughout the Department were not reported in the Annual Inventory Certification submitted to the Central Management Services (CMS). These items are below \$2,500 but considered high theft. These exceptions were noted at the Youth Centers in St. Charles and Harrisburg, and the Aftercare Centers in Chicago and Chicago Heights.
 - One of 60 (2%) equipment items selected from the property listing was determined obsolete. This exception was noted at the Youth Center in Chicago.
 - For two of 60 (3%) equipment items selected from the property listing, the tag number per listing did not match with the actual tag number on the equipment item. These exceptions were noted at the Youth Center in St. Charles and the Aftercare Center in Chicago.
 - Two of 60 (3%) equipment items selected from the property listing had a worn off and illegible tag number. These exceptions were noted at the

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Youth Center in Chicago.

- One of 60 (2%) equipment items selected from the property listing belongs to a different agency but was included in the Department's listing. This exception was noted at the Youth Center in St. Charles.
 - Seven of 120 (6%) equipment items selected from the property listing and from the various locations throughout the Department were found in a different location as compared to the property system record. These exceptions were noted at the Aftercare Centers in Chicago, Chicago Heights and Peoria.
 - One of 60 (2%) equipment items selected from the property listing was included in the property listing but is below \$2,500 and not considered high theft. This exception was noted at the Aftercare Center in Rockford.
 - One of 60 (2%) equipment items selected from the property listing was still included in the property listing but was already identified as unlocated and missing since September 2022. This exception was noted at the Aftercare Center in Peoria.
 - Seven of 60 (12%) equipment items selected from the various locations throughout the Department were physically found, but not reported on property records. These items are either above \$2,500 or considered high theft. These exceptions were noted at the Youth Center in St. Charles and Chicago, and the Aftercare Center in Chicago Heights.
- During the property observation at the Aftercare Center in Chicago, it was noted that many ceiling covers and panels in one of the cubicle areas of the facility are out of place and showed signs of water damage.
 - During the property observation at the Youth Center in St. Charles, the auditors noted four unused, condemned, or worn-down buildings in need of repairs, demolition, or significant improvement.

The State Property Control Act (Act) (30 ILCS 605/6.02) requires each responsible officer to maintain a permanent record of all items of property under his jurisdiction and control. The Act (30 ILCS 605/6.03) requires the record for each item of property to contain such information as will in the discretion of the administrator provide for the proper identification thereof. The Act (30 ILCS 605/4) further requires every responsible officer of state government to be accountable for the supervision, control, and inventory of all items under their jurisdiction.

The Illinois Administrative Code (Code) (44 Ill. Admin Code 5010.460(c)) requires the Department to provide an annual listing of all equipment items with an

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acquisition value of \$2,500 or more and equipment subject to theft with an acquisition value of less than \$2,500 to CMS' Property Control Division.

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 are safeguarded against waste, loss, unauthorized use, and misappropriation.

The Code (44 Ill. Admin. Code 5010.210 (c)) states equipment with a value that is greater than \$2,500 and equipment that is subject to theft with a value less than \$2,500 must be marked with a unique identification number to be assigned by the Department. The identification number shall be affixed to the property in a general area easily located by all and in no danger of being damaged.

- During testing of Agency Report of State Property (Form C-15) for Fiscal Year 2023, the auditors noted the following:
 - Inaccurate reporting of Additions in Fourth Quarter Form C-15, resulting in understatement of \$59,460. The correct amount should be \$66,067 but the reported amount is \$6,607.
 - Property transferred in were not reported in First Quarter and Fourth Quarter Form C-15, resulting in understatement of \$24,146 and \$1,042, respectively.
 - First Quarter Form C-15 Deletions amount not matching to total deletions per supporting documentation, resulting in overstatement of the deletions amount by \$7,941 in Form C-15.
- During testing of Agency Report of State Property (Form C-15) for Fiscal Year 2024, they noted the following:
 - For Third Quarter Form C-15, the Previous Quarter's Capital Development Board's (CDB) Transfers In amount was not reported in the Current Quarter's Net Transfers amount, resulting in understatement of \$343,437.
 - Property transferred out was not reported in First Quarter Form C-15, resulting in understatement of the deletions amount by \$36,845.

The Statewide Accounting Management System (SAMS) Manual (Procedure 29.20.10) requires property additions, deletions, and net transfers to be reported separately depending on the transaction type.

- During testing of Fiscal Year 2023 Annual Inventory Certification (Certification), it was noted the total Agency Inventory Items per the Certification did not agree with the supporting documentation, resulting in a difference of 661 items and

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overstatement of \$1,555,412 in the Certification.

The Code (44 Ill. Admin Code 5010.460(c)) requires the Department to provide an annual listing of all equipment items with an acquisition value of \$2,500 or more and equipment subject to theft with an acquisition value of less than \$2,500 to CMS' Property Control Division.

- During testing of Annual Real Property Utilization Report (ARPUR), it was noted the Fiscal Years 2023 and 2024 ARPUR were submitted 18 and 50 days late, respectively.

The State Property Control Act (30 ILCS 605/7.1(b)) requires the Department to submit an Annual Real Property Utilization Report, or annual update of such report, on forms required by CMS, by July 31 of each year.

- During property testing of 37 additions, the auditors noted the following:
 - For one (3%) equipment addition tested, the Department could not provide the supporting documentation. As such, they were unable to perform further testing.
 - Two (5%) equipment purchases amounting to \$2,800 and \$4,250 did not have supporting documentation that the Bidbuy System was utilized in the procurement.

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

The Department's Administrative Directive (Directive) (02.20.101) Section II (G.3) states all Department purchases \$2,000 or above, shall go through the Bidbuy Procurement System with all necessary approvals. This applies to purchases applicable to the Illinois Procurement Code. Additionally, the Department's Directive (02.20.106) Section II (G.1a) states if the purchase request amount is between \$2,001 and \$10,000, the Business Administrator shall obtain three informal bids whenever possible and prepare the appropriate paperwork and send to the selected vendor. The Bidbuy Procurement System must be used as requisition to the purchase order. Small business vendors shall be given priority.

- During property testing of 60 deletions, the auditors noted the following:
 - For 14 (23%) deletions tested, the Request for Change of Status of Equipment (DJJ 0013) was not signed. As such, they were unable to test timeliness of recording of the deletion.

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- For 35 (58%) deletions tested, the DJJ 0013 could not be provided. As such, they were unable to perform further testing.
- For two (3%) deletions tested, the Surplus Delivery Form from the CMS Asset Works System could not be provided.

The Code (44 Ill. Admin. Code 5010.400) requires the Department to adjust property records within 90 days of acquisition, change or deletion of equipment items.

The Department's Directive (02.70.150) Section II (E.1) states the DJJ 0013 shall be completed by the facility, office, or program site that is requesting a change of status of the property, including, but not limited to, vehicles and computers. Section II (E.6 to E.8) further states upon receipt of the approved DJJ 0013, the Physical Control Officer shall make arrangements for the physical removal, disposal, or transfer of the property and submit the approved DJJ 0013 to the Clerical Control Officer, who will then enter the transaction in ERP. The original approved DJJ 0013 shall be maintained on file for three years.

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

The Department's State Property Expenditures and Property Control Process Narrative states if the equipment is to be declared surplus, the person delivering the equipment to CMS Surplus Warehouse or being picked up by the Recycle Vendor ensures that the Surplus Delivery Form from CMS Asset Works System is signed by the receiving officer.

- During testing of two equipment vouchers, the auditors noted the following:
 - For two (100%), the equipment items were not reported on the Annual Inventory Certification submitted to the CMS. These items have an acquisition value of greater than \$2,500.
 - For one (50%), the equipment item was not found on the Department's property listing. The item has an acquisition value of greater than \$2,500.

The Code (44 Ill. Admin Code 5010.460(c)) requires the Department to provide an annual listing of all equipment items with an acquisition value of \$2,500 or more and equipment subject to theft with an acquisition value of less than \$2,500 to CMS' Property Control Division.

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The Act (30 ILCS 605/6.02) requires each responsible officer to maintain a permanent record of all items of property under his jurisdiction and control. The Act (30 ILCS 605/6.03) requires the record for each item of property to contain such information as will in the discretion of the administrator provide for the proper identification thereof. The Act (30 ILCS 605/4) further requires every responsible officer of state government to be accountable for the supervision, control, and inventory of all items under their jurisdiction.

This finding was first noted during the examination of the two years ended June 30, 2008. In subsequent years, the Department has been unsuccessful in implementing a corrective action plan. The Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

During the prior examination, Department officials indicated property control weaknesses were due to understaffing, lack of funds, and high employee turnover rates. During the current examination, Department officials stated the exceptions were due to error, competing priorities, employee oversight, and vacancy in property control coordinator/manager.

Failure to maintain accurate property and equipment records represents noncompliance with State laws and regulations and increases the potential for fraud and the possible loss or theft of State property. In addition, inaccurate property reporting reduces the reliability of Statewide capital asset information. Further, the failure to properly maintain buildings increases the risk of hazards to employees and youths, increases the risk of damage to commodities and equipment, and may cause disruption in operations.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department would like to note the Property Control Manager Position was vacant much of the engagement period. Additionally, the Department has recently filled the position and established a corrective action plan that includes removing all equipment items from the property records related to the closed facilities, retagging equipment items under \$2,500 and non-high theft, and updating the Administrative Directives accordingly.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation that includes strengthening controls over maintaining, recording and reporting its state property and equipment. To date and as part of the corrective action plan, the Agency hired a Property Control Manager in late 2024, is in the process of finalizing the updated Administrative Directives to comply with State Laws and Regulations, is procuring new tags for items under \$2,500 that are not considered high theft risk, and is working with DoIT to accurately remove items on the SAP report that are from closed facilities.

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2. **The auditors recommend the Department implement adequate internal controls and sufficient oversight to timely report vehicle accidents, properly maintain State vehicles, and ensure forms, certifications and reporting relating to individual assignment of State vehicles are fully completed, dated, submitted, and maintained.**

FINDING: *(Weaknesses over Operation of State Vehicles) – This finding has been repeated since 2008.*

The Department of Juvenile Justice (Department) had internal control weaknesses over its schedule of vehicles, reporting of vehicle accidents, vehicle maintenance, vehicle certifications, and individually assigned State vehicles.

- During testing, they requested for a schedule of automobiles in operation during the examination period, including the following details: (a) make and year of the automobile, (b) date purchased or sold (if not held throughout the examination period), (c) odometer reading at beginning and end of each fiscal year, (d) license plate number, and (e) the name of the operator or group of operators if the vehicle is assigned to an employee or a division. The Department provided the schedule. However, the schedule of automobiles did not include odometer reading at the beginning of each fiscal year.

The State Records Act (5 ILCS 160/8) requires the Department to make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the Department designed to furnish information to protect the legal and financial rights of the State and of the persons directly affected by the Department's activities.

- During testing of vehicle accident reports, the auditors noted the following:
 - One of 26 (4%) vehicle accidents was not reported to Central Management Services (CMS).
 - For 4 of 7 (57%) vehicle accidents tested, the Uniform Cover Letter and Motorist's Report of Illinois Motor Vehicle Accident Forms (Form SR-1) were submitted to CMS 61 to 191 days after the accident date.
 - For 2 of 7 (29%) vehicle accidents tested, the Uniform Cover Letter and Form SR-1 were submitted to the Vehicle Accident Coordinator 4 to 49 days after the accident date.

The Illinois Administrative Code (Code) (44 Ill. Adm. Code 5040.520) states a driver of a state-owned or leased vehicle which is involved in an accident of any type is to report the accident to the appropriate law enforcement agency and to CMS Auto Liability Unit, and if a State agency owns the

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vehicle, to that agency by completing the Form SR-1. Form SR-1 is to be completed, as nearly as possible, in its entirety including a clear description of the accident and the conditions surrounding the accident. The report is required to be completed within three days and must be received by CMS within 7 calendar days following the accident.

The Department's Administrative Directives (Directive) (02.75.149) Section II (F.1i) states when an employee is involved in an accident while driving a Department vehicle or while driving a privately owned, rented or leased vehicle on State business, the employee shall complete the Form SR-1 and the Auto Liability Cover Letter (IL 401-1579) and forward to the Vehicle Accident Coordinator within 3 calendar days of the accident.

- During testing of maintenance for 24 vehicles, the auditors noted the following:
 - Twenty-three (96%) vehicles did not receive routine oil changes on a timely basis.
 - For 14 (58%) vehicles, tire rotation was not performed every other oil change.
 - For 11 (46%) vehicles, Annual Preventive Maintenance check was not done at least once per year.
 - For one (4%) vehicle, the Department could not provide supporting documentation for oil changes and tire rotations conducted during the examination period.

The Code (44 Ill. Adm. Code 5040.400) states all state-owned or leased vehicles shall undergo regular service and/or repair in order to maintain the vehicles in road worthy, safe, operating condition and appropriate cosmetic condition.

The Code (44 Ill. Adm. Code 5040.410(a)) states agencies are to have vehicles inspected by CMS or an authorized vendor at least once per year and maintain vehicles in accordance with the schedules provided by CMS or with other schedules acceptable to CMS that provide for proper care and maintenance of special use vehicles. The CMS Vehicle Usage Program, effective July 1, 2012, requires agencies to follow prescribed maintenance intervals to keep fleet costs down.

The Department's Directive (01.02.106) Section II (K) states each vehicle, regardless of age or body condition, shall be mechanically maintained in full accordance with the manufacturer's recommendations in the owner's manual, CMS guidelines and in accordance with Department directives, policies and procedures. Further, it states oil changes shall be performed

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and tires shall be rotated according to CMS guidelines; and each vehicle shall be inspected by a CMS State Garage or authorized vendor on an annual basis, excluding those vehicles less than three years old or that have 25,000 miles or less.

The State Records Act (5 ILCS 160/8) requires the Department to preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the Department.

- During testing of 4 employees individually assigned a state vehicle, the auditors noted the following:
 - For two (50%), the Annual Certification of License and Vehicle Liability Coverage was filed 30 and 156 days late in Fiscal Years 2023 and 2024, respectively.
 - For one (25%), the Annual Commute Mileage Certification for Fiscal Year 2023 was submitted 30 days late.
 - The following documents required to be submitted to the Vehicle Coordinator were missing and could not be provided:
 - One (25%) Annual Certification of License and Vehicle Liability Coverage for Fiscal Year 2024.
 - One (25%) Annual Individually Assigned Tax Exemption Certificate for Fiscal Year 2023 and two (50%) for Fiscal Year 2024.
 - One (25%) Determination of Value for Individual Use of a State Vehicle for Fiscal Year 2023 and two (50%) for Fiscal Year 2024.
 - One (25%) Annual Commute Mileage Certification for Fiscal Year 2023 and two (50%) for Fiscal Year 2024.

The Illinois Vehicle Code (625 ILCS 5/7-601 (c)) requires every employee of a State agency, as that term is defined in the Illinois State Auditing Act, who is assigned a specific vehicle owned or leased by the State on an ongoing basis shall provide the certification described in this Section annually to the director or chief executive officer of his or her agency. The certification shall affirm that the employee is duly licensed to drive the assigned vehicle and that (i) the employee has liability insurance coverage extending to the employee when the assigned vehicle is used for other than official State business, or (ii) the employee has filed a bond with the Secretary of State as proof of financial responsibility, in an amount equal to, or in excess of the requirements stated within this Section. Upon request of the agency director or chief executive officer, the employee shall present evidence to support the certification. The certification shall be provided during the period July 1 through July 31 of each calendar year, or within 30

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days of any new assignment of a vehicle on an ongoing basis, whichever is later.

The Department's Directive (01.02.106) Section II (H.3) states upon assignment of a vehicle, the employee shall receive the Individually Assigned Vehicle Usage Packet, including instructions. The following forms shall be completed by the employee and submitted to the Statewide Vehicle Coordinator and copies shall be retained in the Business Office or for the general office by the Vehicle Coordinator:

- a) Annual Commute Mileage Certification (DJJ 0349) to be completed initially and between July 1st and July 31st
 - b) Annual Individually Assigned Vehicle Tax Exemption Certification (DJJ 0348) to be completed initially and between December 1st and December 31st
 - c) Annual Certification of License and Vehicle Liability Coverage (DJJ 0068) to be completed initially and between July 1st and July 31st
 - d) Determination of Value for Individual Use of a State Vehicle (DJJ 0346) to be completed initially and between December 1st and December 31st annually
 - e) Monthly Mileage Report (DJJ 0350)
- For four (100%) employees entitled to fringe benefits for the use of State Vehicle, the Department failed to pay and maintain documentation of the benefits for both Fiscal Years 2023 and 2024.

Federal rules require the State (an employer) to treat the fair market value of "personal use" of a state vehicle as a taxable fringe benefit, which should be included in the recipient State employee's income at year-end. Also, the State is required to withhold additional income taxes, FICA, and State retirement contributions, as related to the value of any fringe benefits

Further, the Internal Revenue Services' Employer's Tax Guide to Fringe Benefits (Publication 15- B) states any fringe benefit provided is taxable and must be included in the recipient's pay. The amount to be included in the recipient's pay is the amount by which the value of a fringe benefit is more than the sum of the following amounts: (a) any amount the law excludes from pay, and (b) any amount the recipient paid for the benefit.

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 to furnish information to protect the legal and financial rights of the State and persons directly affected by the Department's activities.

- During testing of Individually Assigned Vehicle (IAV) Reporting, it was noted the

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Department submitted its Fiscal Year 2022 and Fiscal Year 2023 IAV Reports to CMS 4 days late.

The Code (44 Ill. Admin. Code 5040.340) requires the Department to report the specific vehicle assigned to an individual annually and when any changes occur, including the name of each employee assigned a vehicle, the equipment number and license plate number of the assigned vehicle, employee's headquarters and residence, and any additional information requested by CMS.

This finding was first noted during the examination of the two years ended June 30, 2008. In subsequent years, the Department has been unsuccessful in implementing a corrective action plan. The Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

During the prior examination, Department officials indicated the exceptions noted were due to employee oversight and limited staffing resources. During the current examination, Department officials indicated the exceptions were due to oversight. Further, the Vehicle Coordinator responsibilities were recently transitioned to the Department from the Public Safety Shared Services Center (PSSSC) and such position became vacant in September 2023. The position had competing priorities, and some tasks were overlooked in the transition.

Having a complete vehicle schedule helps track the reasonableness of the Department's vehicle usage. Untimely submission of the forms for vehicle accidents could lead to unclear facts and make it more difficult to follow up on any possible liability to the Department or the State. Failure to complete and submit accident reports represent noncompliance with the Code. Failure to adequately maintain vehicles can cost the State significant amounts in future years through additional repair bills and shortened useful lives for vehicles. Untimely submission or failure to maintain and track submission of the forms and certifications for individually assigned vehicle usage may result in increased risk of loss or failure to report an employee's taxable vehicle usage income.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department would like to note the Vehicle Coordinator Position was vacant much of the engagement period. Additionally, the Department has recently filled the position, updated Administrative Directives, and implemented a corrective action plan that includes working with staff to maintain an accurate vehicle listing, obtaining all required vehicles forms from staff and completing quality reviews of the maintenance of vehicles.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation that includes implementing adequate internal controls and sufficient oversight in timely reporting vehicle accidents, and accurately completing and retaining all vehicle forms. To date and part of the corrective

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action plan, a vehicle listing has been established and the agency is in communication with CMS to obtain the telematics software system that will greatly help track vehicle data such as mileage and vehicle maintenance for staff. Additionally, the Department is in the process of finalizing updated administrative and fiscal directives related to state vehicles.

- 3. The auditors recommend the Department design and maintain internal controls to provide assurance its data entry of key attributes into ERP is complete and accurate. Further, they recommend the Department accurately record deposit data, timely deposit receipts into the State's treasury, and maintain accurate and complete listing and appropriate documentation of its receipt's transactions.**

FINDING: *(Receipt Processing Internal Controls Not Operating Effectively) – New*

The Department of Juvenile Justice's (Department) internal controls over its receipt processing function were not operating effectively during the examination period.

- Due to their ability to rely upon the processing integrity of the Enterprise Resource Planning System (ERP) operated by the Department of Innovation and Technology (DoIT), the auditors were able to limit their receipt testing at the Department to determine whether certain key attributes were properly entered by the Department's staff into the ERP. In order to determine the operating effectiveness of the Department's internal controls related to receipt processing, they selected a sample of key attributes (attributes) to determine if the attributes were properly entered into the ERP System based on supporting documentation. The attributes tested were (1) amount, (2) fund being deposited into, (3) date of receipt, (4) date deposited, and (5) SAMS Source Code.

Their testing noted five of 140 (4%) attributes were not properly entered into the ERP System. Therefore, the Department's internal controls over receipt processing **were not operating effectively**.

The State Officers and Employees Money Disposition Act (Act) (30 ILCS 230/2(a)) requires the Department to maintain a detailed record of all moneys received, which is to include date of receipt, the payor, purpose and amount, and the date and manner of disbursement. Additionally, Statewide Accounting Management System (Manual) (Procedure 25.10.10) requires the Department to segregate the moneys into funds and document the source of the moneys. Further, 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, expenditures, and transfers of assets, resources, or funds applicable to the 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.

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Due to this condition, the auditors qualified their opinion because they determined 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.

Even given the limitations noted above, they conducted an analysis of the Department's receipts data for fiscal years 2023 and 2024 to determine compliance with the Act. The auditors noted:

- The Department did not deposit 78 receipt items, \$10,000 or more, on the day received.
- The Department did not deposit 51 receipt items, exceeding \$500 but less than \$10,000, within 48 hours.
- The Department did not deposit 10 receipt items, less than \$500 on the 1st or 15th of the month, whichever was earlier.
- For one receipt between \$500 to \$10,000, amounting to \$9,360, the deposit date was incorrectly inputted into ERP.
- For two receipts, \$10,000 and over, the receipt dates were incorrectly inputted into ERP. These receipts amount to \$12,517 and \$20,905.

The Act (30 ILCS 230/2(a)) requires the Department to pay into the State treasury any single item of receipt exceeding \$10,000 on the day received. Additionally, receipt items totaling \$10,000 or more are to be deposited within 24 hours. Further, receipt items, in total exceeding \$500 but less than \$10,000, are to be deposited within 48 hours. Lastly, receipt items totaling less than \$500 are to be deposited once the total exceeds \$500 or on the 1st or 15th of the month, whichever is earlier.

- Further, during testing of receipts, for two of 28 (7%) receipt samples, the Department could not provide the supporting documentation. As such, the auditors were unable to perform testing.

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 to furnish information to protect the legal and financial rights of the State and persons directly affected by the Department's activities.

- During testing of refund receipts, they requested the Department to provide the population for Fiscal Years 2023 and 2024. According to Department's records, the Department collected total refund receipts of \$474 and \$1,911 during Fiscal Years 2023 and 2024, respectively. They noted differences of \$9,309 and \$9,433 between the Department's refund receipt records and the Office of Comptroller's

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refund receipts records as of June 30, 2023 and June 30, 2024, respectively. The Department was unable to provide explanation or reconciliation for the differences noted.

Due to these conditions, the auditors were unable to conclude whether the Department's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.36) to test the Department's refund receipts.

Even given the population limitation noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, they still performed testing and noted the following:

- For two of 3 (67%) refund receipts tested, the refund receipts were deposited 7 and 32 days late.
- For one of 3 (33%) refund receipts tested, the Department could not provide the Expenditure Adjustment Transmittal (EAT) (Form C-63) and deposit slip. As such, auditors were unable to perform further testing.

The Act (30 ILCS 230/2(a)) requires the Department to pay into the State treasury any single item of receipt exceeding \$10,000 on the day received. Additionally, receipt items totaling \$10,000 or more are to be deposited within 24 hours. Further, receipt items, in total exceeding \$500 but less than \$10,000, are to be deposited within 48 hours. Lastly, receipt items totaling less than \$500 are to be deposited once the total exceeds \$500 or on the 1st or 15th of the month, whichever is earlier.

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 to furnish information to protect the legal and financial rights of the State and persons directly affected by the Department's activities.

Department officials indicated the exceptions were due to human error, competing priorities and oversight.

Failure to establish and maintain internal controls over receipts and related reporting increases the risk that errors or other irregularities could occur and not be found within the normal course of operations, delays the recognition of available cash within the State treasury, and represents noncompliance with State laws, rules, and regulations.

DEPARTMENT RESPONSE:

The Department accepts this recommendation. The Department has established a corrective action plan and explore other methods and existing technology to increase compliance.

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UPDATED RESPONSE:

Under Study.

The Department accepts the recommendation of designing internal controls to assure data of key attributes are entered correctly into ERP. The Department would like to note that the Accounts Receivable function has not been fully transferred to the agency from Public Safety Shared Services Center (PSSSC) and relies on staff at PSSSC to complete part of the account receivable tasks. To date and as part of the corrective action plan, the Chief Financial Officer is working with PSSSC to obtain an accurate receipt listing and streamline the process of depositing and recording receipts.

4. The auditors recommend the Department strengthen controls to ensure the accuracy of its Youth transfer listing.

FINDING: *(Inaccurate Youth Transfer Listing)- This finding has been repeated since 2018.*

The Department of Juvenile Justice (Department) failed to maintain accurate information related to transfer and movement of Youths.

The Department utilizes the Youth 360 system to track Youth offender information, including location information. To test compliance with the Unified Code of Corrections (Code), they requested a listing of transfers made between Youth Centers.

During testing of 40 Youth transfers, the auditors noted the following:

- For 16 (40%), the origin institution recorded in Youth 360 is different compared to supporting documents.
- For three (8%), the destination institution recorded in Youth 360 is different compared to supporting documents.
- For two (5%), the Department could not provide supporting documentation. As such, they were unable to test whether the information per Youth 360 agrees to supporting documents.
- For one (3%), the Department inadvertently classified it as a transfer in the records.

This finding was first noted during the examination of the two years ended June 30, 2018. In subsequent years, the Department has been unsuccessful in implementing a corrective action plan. The Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

The Code (730 ILCS 5/3-10-4) requires when there is a transfer of committed persons between institutions or facilities of the Department, the Chief Administrative Officer of an institution or facility desiring to transfer a committed person to another institution or facility to notify the Director of Juvenile Justice or his delegate of the reason for the transfer. The

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Director or his delegate shall approve or deny such request.

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

The Department's memorandum on Youth Transfers effective 10/12/2021 states the process for non-emergency transfer requests includes: the youth's Youth & Family Specialist (YFS) completes a transfer memo documenting the reason(s) for the request and details about the youth's engagement in programming. The YFS shall also complete the Transfer Package in Youth 360 at this time. The Transfer Coordinator approves the transfer in Youth 360 and schedules the transfer.

During the prior examination, Department officials indicated the exceptions noted were due to understaffing. During the current examination, Department officials stated the exceptions were due to a possible programming error when entering data into the system, human error, and competing priorities.

Failure to maintain accurate documentation of transfers could result in improper or unnecessary transfers occurring between Youth facilities and represents noncompliance with the Code and Act.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department would like to note that we are currently working with Youth 360 programmers to determine and correct errors related to the origin and destination fields. Additionally, the Department has established a corrective action plan that includes working with staff to ensure an accurate transfer listing is maintained and data is entered accurately in Youth 360.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation of strengthening controls to ensure the accuracy of the youth transfer listing. To date and part of the corrective action plan, the Chief Records Officer has an ongoing review process to verify the origin and destination of the youth transfers documented in the software system (Youth 360). Additionally, the Chief Records Officer is working with programmers to resolve a potential software error within the system.

- 5. The auditors recommend the Department timely approve proper bills and obligations due and approve vouchers for payment of interest due to vendors.**

FINDING: (*Voucher Processing Weakness*) – *This finding has been repeated since 2018.*

The Department of Juvenile Justice (Department) did not timely submit its vouchers for payment to the Comptroller's Office and approve for payment all interest due to vendors

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during the examination period.

Due to their ability to rely upon the processing integrity of the Enterprise Resource Planning System (ERP) operated by the Department of Innovation and Technology (DoIT), the auditors were able to limit their voucher testing at the Department to determine whether certain key attributes were properly entered by the Department's staff into the ERP. In order to determine the operating effectiveness of the Department's internal controls related to voucher processing and subsequent payment of interest, they selected a sample of key attributes (attributes) to determine if the attributes were properly entered into the State's Enterprise Resource Planning (ERP) System based on supporting documentation. The attributes tested were 1) vendor information, 2) expenditure amount, 3) object(s) of expenditure, and 4) the later of the receipt date of the proper bill or the receipt date of the goods and/or services.

The auditors then conducted an analysis of the Department's expenditures data for fiscal years 2023 and 2024 and noted the following:

- The Department owed 25 vendors interest totaling \$18,603 in fiscal year 2024; however, the Department had not approved these vouchers for payment to the vendors.

The State Prompt Payment Act (Act) (30 ILCS 540) requires agencies to pay vendors who had not been paid within 90 days of receipt of a proper bill or invoice interest.

- The Department did not timely approve 5,721 of 14,510 (39%) vouchers processed during the examination period, totaling \$36,348,283. They noted these vouchers were approved between 31 and 400 days after receipt of a proper bill or other obligating document.

The Illinois Administrative Code (Code) (74 Ill. Admin. Code 900.70) requires the Department to timely review each vendor's invoice and approve proper bills within 30 days after receipt. The Code (74 Ill. Admin. Code 1000.50) also requires the Department to process payments within 30 days after physical receipt of Internal Service Fund bills.

The Fiscal Control and Internal Auditing Act (FCIAA) (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that revenues, expenditures, and transfers 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.

This finding was first noted during the examination of the two years ended June 30, 2018. In subsequent years, the Department has been unsuccessful in

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implementing a corrective action plan. The Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

During the prior examination, Department officials indicated the issues noted were due to the ERP System not having a field to capture the approval date of the bill as a proper bill. During the current examination, Department officials stated the issue on prompt pay interest was due to staff turnover, a lack of training, and oversight, while the issue on untimely approvals was due to different interpretation of the Code in determining proper approval.

Failure to timely process proper bills and obligations due may result in noncompliance, unnecessary interest charges, and cash flow challenges for payees. Further, failure to approve vouchers for payment of interest due represents noncompliance with the Act.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department has implemented a corrective action plan that includes training staff and implementing a more stringent quality review process.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation that includes timely approving proper bills and approving prompt pay vouchers. To date and as part of the corrective action plan, the Chief Financial Officer and fiscal staff in the preliminary stages of creating checklists, establishing training materials to training staff on the process of timely approving proper bills and processing prompt pay vouchers. The Agency also continues to review the budget to increase the resources in the accounts-payable unit.

- 6. The auditors recommend the Department maintain accurate and complete listing of its employees. Further, they recommend the Department strengthen controls to ensure adequate maintenance of personnel, payroll, and timesheet records and documentation.**

FINDING: *(Failure to Maintain Required Personnel Documentation) – This finding has been repeated since 2018.*

The Department of Juvenile Justice (Department) failed to maintain adequate controls over its personnel, payroll, and timekeeping records and documentation.

During their testing, the auditors requested the Department provide various populations related to its employees. The Department provided an employee listing as of Fiscal Year 2023, and listing of new hires and terminations for Fiscal Years 2023 and 2024. However, the Department was unable to provide a complete employee listing as of Fiscal Year 2024. The listings provided were employee listing as of January 1, 2024 and employee transactions log as of June 20, 2024.

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Due to these conditions, they were unable to conclude whether the Department's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.36) to test the Department's employees.

Even given the population limitations noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, they performed testing and noted the following:

- During testing of personnel files for 60 employees, they auditors noted:
 - For one (2%) employee, the Department could not provide the personnel file. As such, they were unable to perform testing.
 - One (2%) employee was missing the Personnel/Position Action Form (CMS 2). As such, they were unable to validate gross pay and personnel transactions.

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

The Department's Administrative Directive (Directive) (03.02.104) Section II (D.1a) states all personnel action requests shall be typed on the designated forms, accompanied by the necessary documentation, approved by the appropriate supervisory staff and appropriate Deputy Director and, when required, approved by the Director prior to final processing by the Agency Personnel Office. The CMS 2 or the Personnel Action Form, DC-2, shall be used to initiate personnel actions.

- Seven (12%) employees were missing the Employment Eligibility Verification Form (Form I-9).
- Three (5%) new employees' Form I-9 were completed and signed by the employee 2 to 237 days after hire date.
- Two (3%) new employees' Form I-9 were completed and signed by the Department 12 and 237 days after hire date.
- For one (2%) current and active employee, the Form I-9 was not found on personnel files during their initial review. Subsequently, the form was completed and furnished by the Department. However, they noted the form was signed by the employee 5,091 days from hire date and the employer's portion was not signed by the Department.

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United States Citizenship and Immigration Services (USCIS) Handbook for Employers M-274, Section 10 states for all employees hired after November 6, 1986, the Department must retain a Form I-9 for each person three years after the date of hire, or one year after the date employment ends, whichever is later.

The Code of Federal Regulations (CFR) (8 CFR § 274a.2) designates the Form I-9 as the means of documenting verification identity and employment authorization. CFR requires the Department to ensure that the individual properly completes Section 1 "Employee Information and Verification" on the Form I-9 at the time of hire and signs the attestation with a handwritten or electronic signature. CFR further states the Department, as an employer, must complete Section 2 "Employer Review and Verification" on the Form I-9 within three business days of the hire and sign the attestation with a handwritten signature or electronic signature.

- For seven (12%) employees, the gross pay per personnel file did not match the actual gross pay paid.

The Statewide Accounting Management System (SAMS) Manual (Procedure 23.10.30) states agencies are responsible for completing the payroll voucher each pay period and attesting to the employee's rate of pay, gross earnings, deductions, net pay, and other required information on the voucher and file.

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: (a) funds, property, and resources are safeguarded against waste, loss, unauthorized use, and misappropriation, and assurance and (b) expenditures 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.

- During testing of employee deductions for 60 employees, the auditors noted:
 - Eight (13%) employees' federal withholding tax deductions did not agree with the Employee's Federal Withholding Certificate Form (Form C-25 and/or Form W-4) within the employee's personnel file, difference ranging from \$17 to \$310.
 - One (2%) employee's State withholding tax deduction did not agree with the Form C-25 and/or Illinois Form W-4 within the employee's personnel file, difference of \$11.
 - For two (3%) employees, the Form C-25 and/or Form W-4 could not be

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provided by the Department. As such, they were unable to ascertain the accuracy of federal and State withholding tax deductions.

The SAMS Manual (Procedure 23.10.10) states deductions from gross pay reflected on the payroll voucher file must in turn be supported by a deduction authorization maintained by the employing agency.

The Voluntary Payroll Deductions Act of 1983 (Act) (5 ILCS 340/4) states an employee may authorize the withholding of a portion of his or her salary or wages for contribution to any qualified organization as defined by the Act, and the agency may direct the State Comptroller to deduct, upon written request of a State employee, for each regular payroll period, from the salary or wages of the employee the amount specified in the written request for payment to the organization designated by the employee.

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

- During testing of timesheets for 60 employees, the auditors noted:
 - For seven (12%) employees tested who were absent from work, the Department was unable to provide the supporting Notification of Absence (DJJ 0126).
 - For one (2%) employee tested, the actual overtime hours paid did not agree with overtime hours per timesheet, resulting in underpayment of \$28.
 - For one (2%) employee tested, the overtime hours were inadvertently paid in Cash, instead of Compensatory Time Earned.
 - For one (2%) employee tested, the Compensatory Time Earned per the approved Report of Overtime, Compensatory Time or Other Adjustments to Pay (DJJ 0129) did not agree with the Compensatory Time Earned per timesheet.

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

The Department's Directive (02.65.170) Section II (E.4) states that all absences shall be recorded on the daily attendance record used and

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supported by a Notification of Absence. The appropriate absence code shall be recorded on the daily attendance record.

The Department's Directive (02.65.131) provides a written procedure of recording overtime and paying it based on applicable overtime form or documentation submitted.

This finding was first noted during the examination of the two years ended June 30, 2018. In subsequent years, the Department has been unsuccessful in implementing a corrective action plan. The Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

During the prior examination, Department officials indicated the exceptions were due to improper filing, clerical oversight, and human error. During the current examination, Department officials indicated the exceptions were due to oversight, human error, competing priorities, and some documentation damaged during the fire at Warrenville Youth Center.

Inadequate maintenance of personnel, payroll, and timekeeping files could result in improper payroll amounts and potential employment issues. Failure to complete and maintain Form I-9s within the required timeframe could result in unauthorized individuals being employed by the Department and could subject the State to unnecessary legal costs and penalties. Failure to accurately calculate and review employee payroll withholding amounts may result in inaccurate deductions from Department employees and misuse of State funds.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. During the engagement period, two Human Resource Directors were hired but became vacant. Additionally, the Department utilized Public Safety Shared Services Center (PSSSC) to perform these services and has since transitioned two units to the agency as of February 1, 2025. Additionally, the Department would like to note that State is working toward implementing a centralized Human Capital Management (HCM) system to improve the processes and minimize errors. Further, a corrective action plan which includes transitioning personnel files from Shared Services, training applicable staff and completing quality review.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation that includes maintaining an accurate employee listing and strengthening controls to ensure adequate maintenance of personnel, payroll and timesheet records. To date and as part of the corrective action plan, the Department has filled the vacancy of the Human Resource Director in May of 2025, transferred all personnel files from the Public Safety Shared Services (PSSS), is working with CMS to transition to the HCM system, and frequently reminds staff of the

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importance of completing and maintaining I-9's. Also, the Human Resource Director has established an interim employee listing until HCM is fully implemented.

- 7. The auditors recommend the Department maintain accurate and complete listing of its employees. Further, they recommend the Department follow the Code and the established Directive and hold management accountable for completing employee performance evaluations on a timely basis.**

FINDING: *(Inadequate Controls over Performance Evaluations) – This finding has been repeated since 2008.*

The Department of Juvenile Justice (Department) failed to conduct performance evaluations as required.

During they testing, the auditors requested the Department provide various populations related to its employees. The Department provided an employee listing as of Fiscal Year 2023, and listing of new hires and terminations for Fiscal Years 2023 and 2024. However, the Department was unable to provide a complete employee listing as of Fiscal Year 2024. The listings provided were employee listing as of January 1, 2024 and employee transactions log as of June 20, 2024.

Due to these conditions, they were unable to conclude whether the Department's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.36) to test the Department's employees.

Even given the population limitations noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, they performed testing of 60 employees and noted the following:

- Nine (15%) employees were missing an annual performance evaluation document for Fiscal Year 2023 and 17 (28%) employees were missing an annual performance evaluation document for Fiscal Year 2024.
- Twenty-six (43%) employees had evaluations administered between 1 to 219 days late for Fiscal Year 2023 and 19 (32%) employees had evaluations administered between 1 to 105 days late for Fiscal Year 2024.

This finding was first noted during the examination of the two years ended June 30, 2008. In subsequent years, the Department has been unsuccessful in implementing a corrective action plan. The Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

The Illinois Administrative Code (Code) (80 Ill. Admin. Code 302.270) requires performance records to include an evaluation of employee performance prepared by the

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Department not less often than annually.

The Department's Administrative Directive (Directive) (03.03.110) Section II (E) states a formal job performance evaluation shall be conducted by supervisory staff on each employee prior to the completion of any probationary period and annually thereafter. For a bargaining unit employee, the evaluation (CMS-201) shall be submitted no later than seven days after the employee's annual date or the last day of the probationary period. For a merit compensation employee, the evaluation (CMS-201MC) shall be submitted at least 30 days prior to the employee's annual date.

During the prior examination, Department officials attributed the exceptions were due to employee turnover and staffing shortages. During the current examination, Department officials stated progress has been made on building out the Human Resources Department however, there were still staffing vacancies that contributed to the exceptions.

Good internal controls dictate the annual evaluation be performed in a timely manner as it is an important component of the communication between the employee and employer on the performance and future expectations of the employee in the workplace. Employee evaluations support administrative personnel decisions by documenting regular performance measures. Late evaluations could cause delays in communicating positive and negative qualities of the employee's work performance.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. During the engagement period, two Human Resource Directors were hired but became vacant. Additionally, the Department would like to note that State is working toward implementing a centralized Human Capital Management (HCM) system to improve the processes and minimize errors. The Department established a corrective action plan that includes creating a tracking log of due dates and reminding supervisory staff the importance of completing the performance evaluations for all employees on a yearly basis in a timely manner.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation that includes maintaining an accurate employee listing and holding management accountable for timely completing performance evaluations. To date and as part of the corrective action plan, the Department has established an email address for Supervisors to submit performance evaluations and created a centralized storage location to retain performance evaluations. The Human Resource Director and Staff is also working with CMS to utilize the HCM system, and has established an interim employee listing until HCM is fully implemented. Lastly, The Human Resource Staff is in the preliminary stages of creating a tracking log for performance evaluations, and establishing training materials for Supervisors.

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8. The auditors recommend the Department maintain accurate and complete listing of its employees. Further, they recommend the Department maintain appropriate documentation and ensure requirements related to employee training as set forth in the Act are followed by Department employees.

FINDING: *(Inadequate Controls over Employee Training) – This finding has been repeated since 2020.*

The Department of Juvenile Justice (Department) did not maintain adequate controls for the administration of employee training.

During their testing, the auditors requested the Department provide various populations related to its employees. The Department provided an employee listing as of Fiscal Year 2023, and listing of new hires and terminations for Fiscal Years 2023 and 2024. However, the Department was unable to provide a complete employee listing as of Fiscal Year 2024. The listings provided were employee listing as of January 1, 2024 and employee transactions log as of June 20, 2024.

Due to these conditions, they were unable to conclude whether the Department's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.36) to test the Department's employees.

Even given the population limitations noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, the auditors performed testing of employee training records and noted the following:

- One of 15 (7%) newly hired employees tested did not complete initial training for ethics, sexual harassment, and security awareness, cybersecurity, and confidentiality training.
- Two of 15 (13%) newly hired employees tested did not complete initial training for ethics, sexual harassment, and security awareness, cybersecurity, and confidentiality training within 30 days from hire date.
- Ten of 60 (17%) employees tested did not complete the annual training for ethics and sexual harassment in calendar year 2022.
- Eleven of 60 (18%) employees tested did not complete the annual training for security awareness, cybersecurity, and confidentiality in calendar year 2022.
- One of 60 (2%) employees tested did not complete the annual training for ethics, sexual harassment, and security awareness, cybersecurity, and confidentiality training in calendar year 2023.

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This finding was first noted during the examination of the two years ended June 30, 2020. In subsequent years, the Department has been unsuccessful in implementing a corrective action plan. The Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

The State Officials and Employees Ethics Act (5 ILCS 430/5-10 to 10.5) states each officer, member, and employee must complete, at least annually, an ethics training program and a sexual harassment training program. A person who fills a vacancy in an elective or appointed position that requires training under this Section must complete his or her initial ethics training program and sexual harassment training program within 30 days after commencement of his or her office or employment.

The Identity Protection Act (5 ILCS 179/37) states employees of the State agency identified as having access to social security numbers in the course of performing their duties shall be trained to protect the confidentiality of social security numbers. Training should include instructions on proper handling of information that contains social security numbers from the time of collection through the destruction of the information.

The Data Security on State Computers Act (20 ILCS 450/25) states employees under the executive branch shall annually undergo training by the Department of Innovation and Technology concerning cybersecurity. The training shall include, but need not be limited to, detecting phishing scams, preventing spyware infections and identity theft, and preventing and responding to data breaches.

During the prior examination, Department officials indicated competing priorities and employee oversight were contributing factors to these exceptions. During the current examination, Department officials indicated the exceptions were due to employee log in issues, employee being on leave, and oversight.

Failure to complete trainings may lead to employees being unaware of State policies and their obligations regarding ethics, harassment, security awareness, cybersecurity, and confidentiality. In addition, this may reduce the effectiveness of implemented policies and governmental oversight.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department would like to note that we have made significant progress in this area and will continue to make progress to come into compliance with the Illinois Compiled Statute. The corrective action plan includes working with applicable staff to ensure emails for new staff are obtained in a timely manner and quarterly quality review will be completed.

UPDATED RESPONSE: **Partially Implemented.**

The Department accepts the recommendation that includes maintaining an accurate employee listing and maintaining the required training documentation. To date and as

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part of the corrective action plan, the Chief of Professional Development and Training completed an effective communication process to streamline training for all new hires and address the gaps of staff not completing annual trainings. Additionally, the Human Resource Director has established an interim employee listing until HCM is fully implemented.

- 9. The auditors recommend the Department maintain accurate and complete listing of its employees. Further, they recommend the Department strengthen procedures to ensure maintenance of complete documentation and accurate calculation of accrued benefit time.**

FINDING: *(Inadequate Controls over Leave Accruals) – New*

The Department of Juvenile Justice (Department) did not maintain adequate controls over leave accruals.

During their testing, the auditors requested the Department provide various populations related to its employees. The Department provided an employee listing as of Fiscal Year 2023, and listing of new hires and terminations for Fiscal Years 2023 and 2024. However, the Department was unable to provide a complete employee listing as of Fiscal Year 2024. The listings provided were employee listing as of January 1, 2024 and employee transactions log as of June 20, 2024.

Due to these conditions, they were unable to conclude whether the Department's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.36) to test the Department's employees.

Even given the population limitations noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, the auditors performed testing of accrued leave balances for 60 employees and noted the following:

- Three (5%) employees did not have a complete Employee Monthly Time Report for Fiscal Year 2023. As a result, they were unable to verify if vacation, sick, personal, holiday, and compensatory time accruals were properly calculated.
- For one (2%), differences were noted in the recalculation of accrued leave balances. Vacation time accrual was understated by 6 hours and sick time accrual was overstated by 13 hours.
- For one (2%), the compensatory time accrual was understated by 48 hours.

The State Records Act (5 ILCS 160/8) requires the Department to make and preserve records containing adequate and proper documentation of essential transactions of the agency designed to furnish information to protect the legal and financial rights of the

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State and of persons directly affected by the agency's activities.

Good internal controls over time and attendance include ensuring accrued benefit time is properly calculated. 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 that accrued benefit time is properly calculated.

Department officials stated the exceptions noted were due to oversight.

Failure to ensure accrued leave balances are properly calculated can result in employees using benefit time they do not have and reduces the overall reliability of Statewide financial reporting of the compensated absences liability.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. During the engagement period, two Human Resource Directors were hired but became vacant. Additionally, the Department would like to note that State is working toward implementing a centralized Human Capital Management (HCM) system to improve the processes and minimize errors. The Department would like to note the small error rates on the miscalculation of benefit time. Further, the Department has established a corrective action plan to develop a process to maintain an accurate employee listing, maintain the required documentation and complete a quality review on the calculation of benefit time.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation that includes maintaining an accurate employee listing and to strengthen procedures to ensure the accurate calculation of benefit time and maintain documentation. The Department would like to note the small error percentage related to the leave accruals and is working with CMS to utilize the HCM system. To date and as part of the corrective action plan, the Human Resource Director has established an interim employee listing until HCM is fully implemented. Additionally, the Chief Financial Officer is in the preliminary stages of establishing a central shared location to maintain documents and complete a quality review that will verify the calculation of benefit time.

- 10. The auditors recommend the Department maintain accurate and complete listing of its employees. Further, we recommend the Department enhance internal controls over census data and perform census reconciliation timely.**

FINDING: *(Inadequate Internal Controls over Census Data) – First reported 2022, Last reported 2024.*

The Department of Juvenile Justice (Department) did not maintain adequate controls over census data.

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Census data is demographic data (date of birth, gender, years of service, etc.) of the active, inactive, or retired members of a pension or other post-employment benefits (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.

The auditors noted the Department's employees within the Fund 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, they noted these plans have characteristics of different types of pensions and OPEB plans, including single employer plans and cost-sharing multiple-employer plans. Finally, they noted CMS' actuaries use SERS' census data records to prepare the OPEB actuarial valuation.

During their testing, they requested the Department provide various populations related to its employees. The Department provided an employee listing as of Fiscal Year 2023, and listing of new hires and terminations for Fiscal Years 2023 and 2024. However, the Department was unable to provide a complete employee listing as of Fiscal Year 2024. The listings provided were employee listing as of January 1, 2024 and employee transactions log as of June 20, 2024.

Due to these conditions, the auditors were unable to conclude whether the Department's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.36) to test the Department's employees.

Even given the population limitations noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, they performed testing and noted the following:

- During review of the census data reconciliation for 60 employee samples, the auditors noted:
 - For two (3%) employees, the salary per census data did not match employee's salary per personnel file.
 - Two (3%) employees were active employees during the census data period, but were not included in the census data.

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- Three (5%) employees were already separated from the Department but were still shown as an active employee in the Fiscal Year 2023 census data.
- Two (3%) employees were shown as inactive in the Fiscal Year 2022 census data but per personnel files, their separation dates were in a different fiscal year.
- The Fiscal Year 2022 census data reconciliation was submitted 6 days late from the extended due date.

For employers participating 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.

Based on the Fiscal Year 2022 SERS Guidance, the Department was requested that the reconciliation be performed and submitted prior to November 1, 2022. The Department requested and was granted an extension of December 1, 2022.

Department officials stated the exceptions were due to oversight.

Ineffective and untimely reconciliation of census data hinders the process to ensure census data is accurate to reduce payroll errors and risks of financial misstatements.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. During the engagement period, two Human Resource Directors were hired but became vacant. Additionally, the Department utilized Public Safety Shared Services Center (PSSSC) to perform these services and has since transitioned two units to the agency as of February 1, 2025. Further, the Department would like to note that State is working toward implementing a centralized Human Capital Management (HCM) system to improve the processes and minimize errors. Going forward, the Department has established a corrective action plan which includes hiring a Human Resource Director, setting Calendar Reminders to file the report timely and maintain a list of updated employees.

UPDATED RESPONSE:

Partially Implemented.

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The Department accepts the recommendation that includes establishing an accurate employee listing and strengthening the internal controls over the census data and timely filing the reconciliation. The Department would like to note we relied on Public Safety Shared Services Center (PSSSC) until 2/1/25. The Department hired two Human Resource (HR) Directors but they became vacant. As of 5/1/2025, the Agency has filled the vacancy for the HR Director. Since his hiring, he has established an interim employee listing until HCM can be fully utilized and is working with the HR Transaction Manager to complete quality reviews on verifying salary amounts and separation dates of employees.

- 11. The auditors recommend the Department ensure Youth Center staff are aware of the laws and Directive governing the process of program and case review of Youth admissions. Further, they recommend the Department implement controls to ensure timely review and reassessments, and adequate maintenance of supporting documentation for Youth admissions.**

FINDING: *(Inadequate Controls over Review of Youth Files) – New*

The Department of Juvenile Justice (Department) did not maintain adequate controls over the review of Youth files upon entry of the Youth in the facility.

During testing of 40 Youths, the auditors noted the following:

- For seven (18%), the Department could not provide any form of supporting documentation. As such, they were unable to determine whether initial and subsequent assessments and reviews were made. These exceptions were noted at Harrisburg, St. Charles, and Warrentville Youth Centers.
- For six (15%), the Department could not provide the Initial Assessment Form from Youth Assessment and Screening Instrument (YASI) System. As such, they were unable to test whether initial assessment was done within 30 days after admission to the Department. These exceptions were noted at St. Charles and Warrentville Youth Centers.
- For nine (23%), the Department did not perform timely reviews of the Youth's files upon admission. Reviews were conducted 35 to 517 days after admission. These exceptions were noted at Harrisburg, St. Charles, and Warrentville Youth Centers.
- For ten (25%), the Department could not provide supporting documentation showing the program of education, employment, training, treatment, care and custody appropriate to the sampled individual. These exceptions were noted at St. Charles Youth Center.
- For four (10%), the staff member designated as counselor was not indicated on the form. These exceptions were noted at St. Charles Youth Center.
- For two (5%), the Initial Assessment Form was not dated. As such, they were

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unable to determine the timeliness of initial and subsequent assessments. These exceptions were noted at St. Charles Youth Center.

- For eight (20%), the program assignment was not reviewed timely. Reviews were conducted beyond 3 months from initial or previous assessments. These exceptions were noted at Harrisburg Youth Center.
- For ten (25%), the Department could not provide supporting documentation that program assignment was reviewed at least once every 3 months. These exceptions were noted at St. Charles and Warrenville Youth Centers.
- For two (5%), the program reassessment was done prior to admission date. These exceptions were noted at St. Charles and Warrenville Youth Centers.

The Unified Code of Corrections (Code) (730 ILCS 5/3-10-3 (b)) states as soon as practicable after the Youth is admitted, and in any case no later than the expiration of the first 30 days, the Youth's file shall be studied and Youth shall be interviewed and a determination be made as to the program of education, employment, training, treatment, care and custody appropriate for the Youth. A record of such program assignment shall be made and shall be a part of the Youth's master record file. A staff member shall be designated for each person as the Youth's staff counselor. The program assignment shall be reviewed at least once every 3 months and the Youth shall be interviewed if it is deemed desirable or if the Youth so requests. After review, such changes in the Youth's program of education, employment, training, treatment, care and custody may be made as is considered necessary or desirable and a record thereof made a part of the Youth's file.

The Department's Administrative Directive (Directive) (04.01.130) Section II (F.3b) states a Program Assignment Committee shall initiate the assessment and assignment process within ten working days after a Youth is placed at a Youth center and shall complete the process within 30 days of admission to the Youth center.

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

Department officials indicated the exceptions noted were due to oversight, YASI system being down, and some records destroyed during the fire at Warrenville Youth Center.

Failure to timely review and maintain complete documentation of Youth's file upon admission and failure to perform reassessments throughout the Youth's stay in the facility represent noncompliance with the Code and the Department's Directive. Further, this affects the Department's mission to build and strengthen Youth skills and promote positive Youth outcomes.

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DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department has established a corrective action plan that includes documenting and training of applicable staff on the requirements of the Initial Assessments, Case Plans and Quarterly Re-Assessments. This will improve processes and minimize errors.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation that includes ensuring staff is aware of the laws concerning the youth admissions along with ensuring timely completion of assessments and reassessments along with maintaining the documentation. To date and as part of the corrective action plan, the Interim Deputy Director of Programs frequently meets and reminds the Superintendents to work with applicable staff to accurately complete and maintain the initial assessment, case plan(s) and re-assessment(s) of youth.

12. The auditors 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 conduct independent internal control reviews for all of its service providers.**
- **Monitor and document the operation of the CUECs relevant to the Department's operations.**
- **Either obtain and review SOC reports for subservice organizations or perform alternative procedures to satisfy itself that the usage of the subservice organizations would not impact the Department's internal control environment.**
- **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.**

FINDING: *(Lack of Controls over Service Providers) – This finding has been repeated since 2020.*

The Department of Juvenile Justice (Department) did not obtain or conduct timely independent internal control reviews over its service providers.

The auditors requested the Department provide the population of service providers utilized in order to determine if the Department had reviewed the internal controls over the service providers. In response to their request, the Department provided a listing of four service providers utilized during the examination period.

The Department utilized these service providers to provide:

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- Hosting of its servers and application systems, maintenance of network and infrastructure, and security administration of user access.
- Hosting of a cloud-based major application.
- Development of an electronic medical health system and its maintenance.
- Provision of hardware that would run an educational system for the youth offenders.

During testing of the four service providers, the auditors 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.
- Did not obtain System and Organization Control (SOC) reports or conduct independent internal control reviews for all of its service providers.
- Did not conduct an analysis of the SOC reports to determine the impact of the modified opinions or the noted deviations.
- Had not conducted an analysis of the Complementary User Entity Controls (CUECs) documented in the SOC reports.
- Had not obtained and reviewed SOC reports for subservice organizations or performed alternative procedures to determine the impact on its internal control environment.

The Department is responsible for the design, implementation, and maintenance of internal controls related to information systems and operations to assure its critical and confidential data are adequately safeguarded. This responsibility is not limited due to the processes being outsourced.

This finding was first noted during the examination of the two years ended June 30, 2020. In subsequent years, the Department has been unsuccessful in implementing a corrective action plan. The Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

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 transfers 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.

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, Maintenance and System and Service Acquisition sections, require 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.

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During the prior examination, Department officials indicated they depended on the Department of Innovation and Technology for the review of SOC reports. However, they were not provided a copy of the review. During the current year examination, Department officials indicated the lack of available resources and competing priorities led to the weakness.

Without having obtained and reviewed SOC reports or another form of independent internal control review, the Department does not have assurance the service providers' internal controls are adequate and operating effectively and weaknesses do not impact the Department's processes.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department would like to mention that staff is working internally and with the Department of Innovation and Technology to improve its accountability and controls over service providers. The Department established a corrective action plan that includes compiling a list of external service providers, obtaining the SOC Reports, and reviewing the SOC Reports for internal control deficiencies.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation that includes developing a process for identifying service providers and subservice organizations along with obtaining, reviewing and documenting the review of the Service Organization Controls (SOC's) reports and Complementary User Entity Controls (CUEC's). To date and as part of the corrective plan, the Agency's Procurement Officer and Chief Information Officer (CIO) are determining the service providers required to provide the SOC Reports. The Chief of Performance and Innovation is in the initial stages of establishing a process to review and document the SOC Report and CUEC's along with following up on corrective action.

13. The auditors recommend the Department:

- **Ensure to obtain and maintain appropriate documentation of all system access requests for each user and ensure that application user access requests are properly authorized and documented prior to granting.**
- **Ensure access rights are disabled upon an individual's separation from the Department or upon determination that access is no longer required.**
- **Maintain an accurate and complete listing of application users and rights or privileges.**
- **Conduct annual reviews of users' access rights to the Department's applications to ensure user accounts are appropriate based upon job responsibilities.**

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FINDING: *(Computer Security Weaknesses) – New*

The Department of Juvenile Justice (Department) failed to establish adequate controls over its computing environment.

The Department processed and maintained critical, medical, confidential, and financial information. The auditors requested the Department provide the population of application users for five applications utilized by the Department. During testing, they noted the Department:

- Did not provide adequate and complete documentation of user access request and approval forms for 23 of 31 (74%) sampled new users;
- Did not follow appropriate procedures and controls related to proper review and approval of system access requests for 2 of 31 (6%) samples;
- Did not timely remove the access of 29 system users across sampled applications;
- Did not provide documentation to determine if the users' access levels were appropriate for 50 of 60 (83%) sampled users;
- Had not conducted a periodic review (at least, annually) of user access rights to its computer systems to ensure the access are still appropriate.

Further, upon review of applicable Department of Innovation and Technology (DoIT) systems user listings, the auditors noted 2 of 4 (50%) active user accounts were assigned to separated employees. One of these accounts assigned to a former employee is currently still in use and shared by two Department employees to perform their tasks.

The *Framework for Improving Critical Infrastructure and 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), Access Control section, sanctions the development of policies and procedures and ensuring appropriateness of access rights, including periodic access reviews, requires entities to obtain approval for individuals access to the environment and applications, and to terminate access upon separation.

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 to maintain accountability over the State's resources.

Finally, the Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

Department officials indicated the weaknesses were due to management oversight and competing priorities.

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Without the implementation of adequate controls and procedures for computer resources, there is an increased risk that unauthorized individuals may gain access to these resources. These deficiencies could result in unauthorized access, manipulation, and misuse of the Department's computer systems.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department utilizes the DoIT Service Now Onboarding and Offboarding to activate and deactivate users along with assigning specific roles for most of the systems used. Additionally, the Department completes quarterly reviews of the DoIT Dormant listing to remove inactive users. A corrective action plan has been established to hire a Human Resource Director, improve the Onboarding and Offboarding process and to complete an annual review of the user access listing of systems.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation which includes documenting the approval of the users of all systems, ensuring access rights of inactive employees are timely disabled, maintaining a listing of all users and their rights/privileges and completing an annual review of user accounts are appropriate based on job responsibilities. To date and as part of the corrective action plan, DJJ's Chief Information Officer (CIO) reviews the quarterly dormant listings and promptly removes inactive users. Additionally, The Department has recently created an Administrative Directive on User Access and is working with the Human Resource Unit to implement the process as stated in the Administrative Directive.

- 14. The auditors recommend the Department ensure Youth Center staff are aware of the required notification related to escape and apprehension of the escapee. Further, they recommend the Department implement controls to ensure adequate maintenance of supporting documentation in the event of a Youth escape and apprehension.**

FINDING: *(Noncompliance with the Rights of Crime Victims and Witnesses Act) – New*

The Department of Juvenile Justice (Department) did not adhere to the provisions of the Rights of Crime Victims and Witnesses Act (Act).

During testing of three Youths, they noted the following:

- For two (67%), the Notification of Escape or Attempted Escape (DJJ 0310) was not given to the Prisoner Review Board.
- For one (33%), the Department could not provide supporting documentation that Prisoner Review Board was notified about the apprehension.
- For three (100%), the DJJ 0310 was not given to the victim.

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The Act (725 ILCS 120/4.5(d)(3)) states in the event of an escape from State custody, the Department shall immediately notify the Prisoner Review Board of the escape and the Board shall notify the victim. When the escapee is apprehended, the Department immediately shall notify the Prisoner Review Board and the Board shall notify the victim. Further, the Department shall inform the victim of any order of discharge pursuant to Section 3-2.5-85 or 3-3-8 of the Unified Code of Corrections.

The Department's Administrative Directive (05.01.130) Section II (F.2b) requires immediate notification of confirmed escapes to the Prisoner Review Board and the Victim Information and Notification Everyday (V.I.N.E.) system Communication Center.

Department officials indicated the exceptions noted were due to oversight.

Failure to make the proper notifications regarding escape and apprehension of the escapee represents noncompliance with the Act and may result in failure to timely detect and respond to Youth escapes.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. Going forward, the Department will work with staff to properly complete the Notification Forms forwarded to the States Attorney and V.I.N.E. system Communication Center with the emphasis on documenting the date and time they are alerted of the youth escape and apprehension.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation which includes documenting the approval of the users of all systems, ensuring access rights of inactive employees are timely disabled, maintaining a listing of all users and their rights/privileges and completing an annual review of user accounts are appropriate based on job responsibilities. To date and as part of the corrective action plan, DJJ's Chief Information Officer (CIO) reviews the quarterly dormant listings and promptly removes inactive users. Additionally, The Department has recently created an Administrative Directive on User Access and is working with the Human Resource Unit to implement the process as stated in the Administrative Directive.

15. The auditors recommend the Department retain all travel vouchers and adequate supporting documentation. They also recommend the Department ensure travel vouchers are submitted timely.

FINDING: *(Inadequate Controls over Travel Voucher Processing) – This finding has been repeated since 2018.*

The Department of Juvenile Justice (Department) did not exercise adequate controls over travel voucher processing.

During testing of 40 travel vouchers, they noted the following:

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- For two (5%), the supporting documentation was not provided. As such, the purpose of travel, signature of traveler, and approval of voucher could not be determined and verified.

The State Records Act (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 to furnish information to protect the legal and financial rights of the State and persons directly affected by the Department's activities.

- For two (5%), the out-of-state travel requests submitted to the Governor's Office of Management and Budget (GOMB) were not provided.

The Illinois Administrative Code (Code) (80 Ill. Admin. Code 2800.700) states travel outside of Illinois (including travel outside the contiguous United States) requires the approval of the GOMB prior to the travel. All requests shall be submitted to GOMB's on-line travel system (eTravel) at least 30 days in advance of the departure date.

- Nine (23%) were not submitted timely from the last date of travel, ranging from 2 to 209 days late.

The Internal Revenue Service (IRS) Publication 463 requires employee travel expense reimbursements to be considered taxable wages if the travel expenses are not submitted within a reasonable period, typically within 60 days of the expense being incurred.

This finding was first noted during the examination of the two years ended June 30, 2018 and the Department officials took steps to implement corrective actions, however, exceptions still persist. In addition, the Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

During the prior examination, Department officials indicated the issues noted were mainly due to conflicting priorities, oversight, and changes in staffing. During the current year examination, Department officials indicated the exceptions were due to oversight and multiple revisions needed during the review process. Further, the fiscal office performed due diligence working with the traveler to ensure accurate travel rules and reimbursements, which can cause delay in timely processing.

Inadequate controls over travel voucher processing could result in untimely approval or improper payments and could subject the Department to unnecessary interest charges. In addition, the propriety of disbursements may be questioned due to missing supporting documentation.

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DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department has updated Administrative Directives and implemented a corrective action plan to obtain timely approvals for out of state travel, training to more accurately complete the Travel Voucher (Form C-10) package, allow for electronic signature and submission, and ensure submission within 60 days after the last day of travel.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation of maintaining all travel vouchers, obtaining supporting documentation and submitting them timely. To date and as part of the corrective action plan, the Chief Financial Officer has provided all staff a "travel package" that includes updated forms and instructions along with the time requirements to submit their travel vouchers. She has met and discussed the new processes with senior leadership and supervisors and continues to have a stringent review process at the time the voucher is processed in SAP. Lastly, The Chief Financial Officer is in the initial stages of developing a process to remind the accounts payable staff to attached the documentation in the SAP system.

- 16. The auditors recommend the Department implement controls to ensure compliance with the State Records Act regarding the maintenance of supporting documentation for the postage meter balances.**

FINDING: *(Inadequate Controls over Postage Inventory)- This finding has been repeated since 2022.*

The Department of Juvenile Justice (Department) did not have adequate controls over postage inventory.

The Department maintains postage meters in 13 locations. During testing, they noted the following:

- Two (15%) locations did not maintain supporting documentation for postage balances during Fiscal Year 2023. These exceptions were noted in Harrisburg and Van Buren.
- Two (15%) locations did not maintain supporting documentation for postage balances during Fiscal Year 2024. These exceptions were noted in St. Charles and Van Buren.

The State Records Act (5 ILCS 160/8) states the head of each agency shall cause to be made and preserved records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency designed to furnish information to protect the legal and financial rights of the State and of persons directly affected by the agency's activities. In addition, 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

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provide reasonable assurance that resources are used efficiently and effectively.

Department officials indicated the exceptions noted were due to competing priorities and resource constraints.

Inadequate controls over postage inventory may result in unnecessary costs to the State.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department has established a corrective action plan which includes working with staff to strengthen controls over maintaining records and establishing a consistent reporting process for monitoring postage meter balances.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation of implementing internal controls regarding the maintenance of the supporting documentation for the postage meter balances. To date and as part of the correction action, The Chief Financial Officer is in the preliminary stages of establishing training, creating reminders to print out the monthly reports and determining a centralized storage location. She has an estimated completion date of the end of FY'26.

- 17. The auditors recommend the Department ensure requirements related to the locally held fund administration, as set forth in the Directives, are followed by Youth Center staff. Further, they recommend the Department improve controls over Benefit Funds to ensure all necessary documentation in regard to receipts, disbursements, and expenditures are retained, and the Committee Members are fully seated.**

FINDING: *(Inadequate Controls over the Employee and Resident Benefit Funds) – This finding has been repeated since 2008.*

The Department of Juvenile Justice (Department) did not maintain adequate controls over its Employee and Resident Benefit Funds.

- During testing of receipts and disbursements, the auditors noted the following:
 - Seventeen of 36 (47%) receipts tested under the Employee Benefit Fund, totaling \$1,225, from 2 of 3 (67%) Youth Centers (Chicago and St. Charles), were deposited 6 to 24 days after receipt date. The Department's Administrative Directive (Directive) (02.40.110) Section II (E.2) states deposits shall be made at least once a week. Cash accumulated in the amount of \$1,000 or more on any Business Office working day shall be deposited no later than 12:00 a.m. the next working day.

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- For five of 24 (21%) disbursements tested under the Employee Benefit Fund, totaling \$1,681, from 2 of 3 (67%) Youth Centers (Chicago and Harrisburg), the disbursement was not approved by the majority of the members of the Employee Benefit Fund Committee.

The Department's Directive (02.45.102) Section II (H.1 to H.2) states requests for all expenditures and transactions from the Employee Benefit Funds shall be submitted in writing to a local Committee member. Local Committee members shall present received requests to members either in a meeting, or convene a majority of the local Committee members, via telephone, electronically, email, or vote sheet approvals, to vote on the specific request.

- Two of 24 (8%) disbursements tested under the Employee Benefit Fund, totaling \$1,814, from 1 of 3 (33%) Youth Centers (Harrisburg), did not have prior approval of the Employee Benefit Fund Committee.

The Department's Directive (02.45.102) Section II (H.6b) states any expenses must have prior approval and any employee seeking reimbursement without prior approval may not receive reimbursement.

- One of 36 (3%) disbursements tested under the Resident Benefit Fund, from 1 of 3 (33%) Youth Centers (Chicago), exceeded the amount allowed as set forth by the Department's Directive. The disbursement was for replacement of Youth property loss amounting to \$97.

The Department's Directive (02.43.102) Section II (F.4g) states the Resident Benefit Fund may be used for reimbursement of Youth property loss up to \$50.

- During testing of Committee Members, the auditors noted the following:
 - The Chicago Youth Center Employee Benefit Fund Committee was not fully seated during Fiscal Years 2023 and 2024. The Committee consisted only of four out of the minimum five members required.
 - The Harrisburg Youth Center Employee Benefit Fund Committee was not fully seated during two months of the Fiscal Year 2024. The Committee consisted only of four out of the minimum five members required. This was noted in months of May to June 2024.

The Department's Directive (02.45.101) Section II (G.3b) states the local Committees shall consist of at least five but not more than eight employees.

- The Harrisburg Youth Center Resident Benefit Fund Committee was not fully seated during four months of the Fiscal Year 2024. The Committee consisted only of two out of the minimum three members required. The

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missing member was the Chairperson. This was noted in months of July 2023, and April to June 2024.

The Department's Directive (02.43.101) Section II (F.3a-b) states the Committee shall consist of a minimum of three members, including the Leisure Time Activities Supervisor, an Assistant Chief Administrative Officer (CAO), and a representative of the Business Office. Further, the CAO shall appoint the chairperson.

This finding was first noted during the examination of the two years ended June 30, 2008. In subsequent years, the Department has been unsuccessful in implementing a corrective action plan. The Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

During the prior examination, Department officials indicated the exceptions noted with the Benefit Funds were due to understaffing. During the current year examination, Department officials indicated the exceptions were due to staffing shortage, the time it takes to obtain complete supporting documents and to reconcile cash received to the documents prior to deposit, lack of awareness of the Department's policy, and employee oversight.

It is important to properly administer locally held funds as they are not subject to appropriation and are held outside the State Treasury. Failure to timely deposit receipts is noncompliance with the Directives and reduces the amount of cash available to pay current costs. Failure to properly administer the disbursements could result in unnecessary spending. Failure to establish complete Committee weakens the authorization process and may result in inappropriate expenditures not being prevented.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department established a corrective action plan that includes training applicable staff on the requirement of the Administrative Directives and ensuring all necessary supporting documentation is accurate and retained.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation of following the requirements of locally held fund, improving internal controls and maintaining documentation. To date and as part of the corrective action plan, the Deputy Director of Operations frequently reminds Superintendents to appoint and maintain a full committee overseeing each locally held fund. Also, the Chief Financial Officer is working with fiscal staff to update the fiscal and administrative directives. Once they are completed, she will provide training to applicable staff.

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- 18. The auditors recommend the Department take action to establish its own Directives to reflect the General Assembly's policy to address the unique needs of the juvenile offender population.**

FINDING: *(Administrative Process Not Fully Segregated) – This finding has been repeated since 2008.*

The Department of Juvenile Justice (Department) still has not fully implemented its split from the Department of Corrections (DOC), which occurred over 18 years before the end of this examination period.

During testing, the auditors noted the Department's activities had not been segregated from the activities of the DOC. Since it was separated from the DOC, the Department has been utilizing the Administrative Directives (Directives) originally established by DOC. The Directives established the Department's operating policies and procedures to help ensure uniformity throughout the Department. While the Department has made some progress towards updating the Directives to reflect the Department's unique purpose and mission, several Directives require updating. They noted 51 of 382 (13%) of the Department's Directives have an effective date prior to the establishment of the Department. In addition, 24 of 382 (6%) of the Department's Directives have been effective or amended since the Department's separation from the DOC; however, the new and/or amended Directives are still DOC's or have DOC's headings and details.

This finding was first noted during the examination of the two years ended June 30, 2008 and the Department officials took steps to implement corrective actions, however, exceptions still persist. In addition, the Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

Effective June 1, 2006, an amendment to the Unified Code of Corrections (Code) (730 ILCS 5/3-2.5-5) established the Department. The Department is authorized by the Code (730 ILCS 5/3-2.5-15(e)) to share certain administrative services with either the DOC or a shared services center, including budgeting, accounting-related functions, auditing, human resources, legal, procurement, training, data collection and analysis, information technology, internal investigations, legislative services, and general office support. An interagency agreement between the Department and the DOC, effective July 1, 2006, enumerated these services in a written document.

During the prior examination, Department officials indicated these problems persist due to other competing priorities and resource constraints. During the current examination, Department officials indicated these problems were still due to other competing priorities and resource constraints.

Failure to fully implement the intent of the Code to segregate the Department from the DOC represents noncompliance with State law and hinders the operating effectiveness of the Department's internal control environment.

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DEPARTMENT RESPONSE:

Department would like to note significant strides have been made in this area that resulted in a small error rate. Going forward, the Department has established a corrective action plan that includes working with applicable staff to update outdated Administrative and Fiscal Directives and to distribute them agency wide.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation of establishing its own administrative directives and fiscal directives. The Department would like to note 81% of the administrative and fiscal directives are updated and another 8% will be finalized within the next 30 days. To date and as part of the corrective action plan, the North Region Assistant Chief Legal Officer and Chief Financial Officer is working with staff to have all administrative and fiscal directives. The estimated completion date is the end of 2026.

- 19. The auditors recommend the Department ensure the requirements related to discipline, as set forth by the Code, are known and followed by all Youth Center staff. Further, they recommend the Department adopt controls to provide assurance proper documentation is maintained for all Youth discipline reports and procedures.**

FINDING: *(Inadequate Administration of Discipline Policies) – This finding has been repeated since 2014.*

The Department of Juvenile Justice (Department) failed to maintain adequate administration of discipline policies at the Youth Centers.

During testing of 40 disciplinary tickets, the auditors noted the following:

- For seven (18%), the Adjustment Committee Summary and Recommendations (DJJ 0544) were approved by the Chief Administrative Officer (CAO) within 4 to 8 days after hearing.

The Department's Administrative Directive (Directive) (04.01.140) Section II (L.1) states within three days of receiving the request for expungement or Adjustment Committee recommendation, the Administrative Reviewer shall recommend the Chief Administrative Officer of the youth center take one of the following actions: a. Approve the recommendations of the Adjustment Committee or the request for expungement of the Behavior Tracking record; b. Remand for additional or new proceedings or further documentation; or c. Modify the consequences assigned, within the guidelines of this Directive, and amend the basis for particular consequences.

- For six (15%), the Notice of Disciplinary Decision (DJJ 0545) was not signed by the Youth nor by the Department staff.

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The Department's Directive (04.01.140) Section II (L.7) states upon approval of the Chief Administrative Officer and Director, the youth's Youth and Family Specialist shall print the DJJ 0545 form from Youth 360 and ensure it is provided to and signed by the youth.

- For one (3%), the Behavior Report (DJJ 0541) was not signed by the Youth 360 entry staff indicating printing of behavior report to the system and notifying CAO.
- For four (10%), the time and date of completion of DJJ 0541 were not determinable. As such, auditors were unable to test timeliness of preparation of the form.
- For one (3%), the Department was unable to provide the DJJ 0541. As such, they were unable to test the timeliness and existence of report.
- For two (5%), the Department was unable to provide the Notice of Disciplinary Hearing (DJJ 0543). As such, auditors were unable to test timeliness of preparation of the form.
- For two (5%), the DJJ 0541 did not include the time and date of completion. As such, the timeliness of preparation could not be determined.

The Unified Code of Corrections (Code) (730 ILCS 5/3-10-8 (c)) states all disciplinary action imposed upon persons in institutions and facilities of the Department of Juvenile Justice shall be consistent with this Section and Department rules and regulations adopted hereunder. Further, 730 ILCS 5/3-10-8 (e) states a written report of any infraction for which discipline is imposed shall be filed with the chief administrative officer within 72 hours of the occurrence of the infraction or the discovery of it and such report shall be placed in the file of the institution or facility.

The Department's Directive (04.01.140) Section II (F.3h) states each DJJ 0541 shall include the signature of the reporting staff member and the date and time of completion. Further, Section II (F.4) states that completed DJJ 0541 shall be submitted by the end of the shift to the shift Supervisor.

The Department's Directive (04.01.140) Section II (I.2) states that the Reviewing Officer shall ensure the youth is served with the DJJ 0543, Notice of Disciplinary Hearing, and the DJJ 0522, Youth hearing Preparation Form, within 12 hours after completion and submission of DJJ 0541, Behavior Report.

The State Records Act (Act) (5 ILCS 160/8) requires the Department to make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the Department designed to furnish information to protect the legal and financial rights of the State and of the persons directly affected by the

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Department's activities.

This finding was first noted during the examination of the two years ended June 30, 2014. In subsequent years, the Department has been unsuccessful in implementing a corrective action plan. The Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

During the prior examination, Department officials indicated the exceptions were due to competing priorities. During the current examination, Department officials indicated the exceptions were due to employee oversight and limited staffing resources.

Failure to properly complete and maintain records of Youth discipline represents noncompliance with the Department's Directives, the Code and the Act and may lead to inaccurate documentation and improper imposition of discipline upon Youths.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. Going forward, the Department has established a corrective action plan that includes working with staff on strengthening controls on youth discipline reports and procedures along with completing quality reviews.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation of ensuring the requirements are being followed along with adopting internal controls to provide the assurance the proper documentation is maintained. To date and as part of the corrective action plan, the Deputy Director of Operations frequently meets and reminds the Superintendents and the Adjustment Committee's to accurately complete forms and to follow the time requirements. The Quality Assurance and Research Manager is also in the process of working with facility staff to review the applicable forms for accuracy and timeliness.

20. The auditors recommend the Department strengthen procedures to ensure all required reports are timely submitted to the Governor and General Assembly and all required elements are included in the reports.

FINDING: *(Required Reports did not Contain Required Elements) – This finding has been repeated since 2018.*

The Department of Juvenile Justice (Department) did not properly complete and submit annual and quarterly reports to the Governor and General Assembly.

During testing, they noted the following:

- The Fiscal Year 2022 and Fiscal Year 2023 Annual Reports were submitted to the Governor, 12 and 26 days late, respectively.

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- The Fiscal Year 2023 annual report was submitted to the General Assembly 3 days late. For the Fiscal Year 2022 annual report, the Department could not provide documentation indicating when the report was filed with the General Assembly.
- Eight (100%) quarterly reports were submitted to the Governor and General Assembly 87 to 542 days late.
- Two of eight (25%) quarterly reports (Second and Fourth Quarters of Fiscal Year 2024) were not posted on the Department's website. Subsequently and upon notification by the auditors, the Department uploaded both reports on its website.
- For eight (100%) quarterly reports, the required information were not included in the report:
 - First Quarter Fiscal Year 2023 Report did not have the required information, namely, but not limited to: the number of reported assaults on staff, number of reported incidents of youth sexual aggression towards staff and number of staff injuries resulting from youth violence at each facility (730 ILCS 5/3-2.5-61 b(6) to b(8)).
 - Second to Fourth Quarter Fiscal Year 2023 Reports and all Quarterly Reports for Fiscal Year 2024 did not have the required information, specifically the number of staff injuries requiring medical treatment at the facility and the number of staff injuries requiring outside medical treatment (730 ILCS 5/3-2.5-61 b(8)).

This finding was first noted during the examination of the two years ended June 30, 2018. In subsequent years, the Department has been unsuccessful in implementing a corrective action plan. The Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

The Unified Code of Corrections (Code) (730 ILCS 5/3-2.5-61(a-b)) requires the Director to make an annual report to the Governor and General Assembly concerning persons committed to the Department, its institutions, facilities, and programs of all moneys expended and received, and on what accounts expended. The Code further requires the reports to be received no later than January 1 of each year. The report shall include the ethnic and racial background data, not identifiable to an individual, of all persons committed to the Department, its institutions, facilities, programs, and outcome measures established within the Juvenile Advisory Board. It also requires the Department to, by January 1, April 1, July 1, and October 1 of each year, transmit a report to the Governor and General Assembly that includes, but is not limited to, the following information: (1) the number of youth in each of the Department's facilities and the number of youth on aftercare; (2) the demographics of sex, age, and geographic location where the offense occurred; (3) the educational and vocational programs

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provided at each facility and the number of residents participating in each program; (4) the present capacity levels in each facility; (5) the ratio of security staff to residents in each facility by federal Prison Rape Elimination (PREA) Act definitions; (6) the number of reported assaults on staff at each facility; (7) the number of reported incidents of youth sexual aggression towards staff at each facility; and (8) the number of staff injuries resulting from youth violence at each facility.

The State Records Act (5 ILCS 160/8) states the head of each agency shall cause to be made and preserved records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency designed to furnish information to protect the legal and financial rights of the State and of persons directly affected by the agency's activities.

During the prior examination, Department officials indicated the exceptions noted were due to competing priorities. During the current examination, Department officials indicated the exceptions noted were due to staff turnover, unfamiliarity with the required information to be included in the report, and competing priorities.

Failure to timely submit and include all the required information is noncompliance with the Code and limits oversight from the Governor and the General Assembly.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department has filled the vacant position of Legislature Liaison, updated the process of completing the quarterly report to include the required information and posted the Annual and Quarterly Reports to the Department's website. Going forward, the Department has established a corrective action plan to establish filing protocols and complete a quality review of the filing process.

UPDATED RESPONSE:

Implemented.

The Department accepts the recommendation to strengthen procedures to ensure the quarterly and annual reports are accurately and timely filed. To date and as part of the corrective action plan, the Quality Assurance and Research Manager has worked with the applicable staff to capture the required data for the quarterly and annual report and established a written process to timely file all reports.

21. The auditors recommend the Department ensure a full-time program of internal auditing is in place and functioning, and to perform audits of major systems of internal accounting and administrative controls on a periodic basis, as required by the Act.

FINDING: *(Noncompliance with the Fiscal Control and Internal Auditing Act) – This finding has been repeated since 2012.*

The Department of Juvenile Justice (Department) did not adhere to provisions of the Fiscal Control and Internal Auditing Act (Act).

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During testing, the auditors noted the following:

- The Department failed to maintain a full-time program of internal auditing during the two years ended June 30, 2024. The Chief Internal Auditor (CIA) position was vacant during the compliance examination period. Further, the Office of Internal Audit was vacant from March 1, 2024 to June 30, 2024. Consequently, the Fiscal Year 2024 Annual Audit Report was not submitted to the Executive Director by September 30, 2024.
- In the Two-year Audit Plan for Fiscal Years 2023 and 2024, they noted there were allocated hours for biennial audit activities and annual audit activities, however, no internal audits were completed.

This finding was first noted during the examination of the two years ended June 30, 2012 and the Department officials took steps to implement corrective actions, however, exceptions still persist. In addition, the Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

The Act (30 ILCS 10/2001(a)) requires the Department to maintain a full-time program of internal auditing. To accomplish this program, the Act (30 ILCS 10/2002) requires the Department to appoint a Chief Internal Auditor, who does not perform operational functions, to a five-year term.

Further, the Act (30 ILCS 10/2003(a)) states an internal auditing program includes: (1) a two-year plan, identifying audits scheduled for the pending fiscal year, approved by the chief executive officer before the beginning of the fiscal year, and by September 30 of each year the chief internal auditor shall submit to the chief executive officer a written report detailing how the audit plan for that year was carried out; (2) audits of major systems of internal accounting and administrative control conducted on a periodic basis, including tests of (a) the Department's obligation, expenditure, receipt, and use of public funds of the State and of funds held in trust to determine whether those activities are in accordance with applicable laws and regulations and (b) the Department's grants received or made to determine that the grants are monitored, administered, and accounted for in accordance with applicable laws and regulations; (3) reviews of major new electronic data processing systems and any major modifications of those systems before their installation to ensure the systems provide for adequate audit trails and accountability; and (4) special audits of the Department as directed by the Director.

During the prior examination, Department officials indicated the exceptions noted were due to lack of available qualified staff. During the current examination, Department officials indicated the exceptions noted were due to lack of resources.

Failure to establish an internal audit program in accordance with the requirements of the Act where the internal audit function develops a deep understanding of the Department's functions and processes, performs audits of the Department's major systems of internal

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accounting and administrative controls on a periodic basis, and submits a written report by September 30 to the Director detailing how the audit plan for that year was carried out, represents noncompliance with State law and weakens the Department's ability to assess its overall internal control environment.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department recognizes the importance of having a full-time audit program in place include completing all required annual and biennial audit. A corrective action plan has been established that includes evaluating the feasibility of hiring an Internal Auditor I which will allow additional hours to complete the audits on major systems as required by the Act and file the Annual Report timely.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation to establishing a full-time program of internal auditing and perform audits of major systems. To date and as part of the corrective action plan, the Chief Internal Auditor has drafted policies, procedures and forms and is striving to have them finalized the end of September 2025. Once the Policies, Procedures and Forms are finalized, the process of auditing all major systems, and pre-implementation of IT developments and modifications will be established.

22. The auditors recommend the Department:

- **Perform a detailed assessment to determine if any of the unused or missing IT equipment contained confidential information.**
- **Establish policies and procedures to immediately notify security personnel of any missing or stolen IT equipment to allow them to assess if a computer may have contained confidential information, and document the results of the assessment.**
- **Ensure all data is properly and timely removed from unused IT equipment.**
- **Establish policies and procedures to wipe data from disposed IT equipment and establish documentation requirements for each.**

FINDING: *(Weaknesses Regarding Security and Control of Confidential Information) – This finding has been repeated since 2014.*

The Department of Juvenile Justice (Department) had weaknesses related to the security and control of personal and confidential information.

In order to carry out its mission, the Department maintains several computer systems which contain confidential or personal information, such as names, addresses, and Social Security numbers. In addition, the Department maintains protected health information that is considered confidential and required to be protected under the Health Insurance Portability and Accountability Act (HIPAA).

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During the examination, the Department failed to provide documentation to substantiate that personal, medical, and confidential information on all Information Technology (IT) equipment was adequately protected. In the Department's Fiscal Years 2023 and 2024 Certification of Inventory, the Department reported missing EDP equipment that store data, including 34 pieces of equipment totaling \$16,781 and 6 pieces of equipment, totaling \$4,461, respectively. The Department did not provide information or documentation for 16 (100%) of sampled missing equipment, showing the missing equipment had been assessed for the type of data contained therein, and where applicable, whether proper action was taken by the Department as required by the Personal Information Protection Act.

Further, the Department did not provide documentation to support the destruction or appropriate removal of data contained in disposed EDP magnetic storage media for 5 of 7 (71%) samples. As a result, they were unable to determine if appropriate removal of sensitive or confidential data was carried out by the Department.

This finding was first noted during the examination of the two years ended June 30, 2014. In subsequent years, the Department has been unsuccessful in implementing a corrective action plan. The Department's management team is responsible for implementing timely corrective action on all of the findings identified during a state compliance examination.

The Personal Information Protection Act (815 ILCS 530/12) requires any State agency that collects personal information to notify such persons at no charge if there has been a breach of security of the system data or written materials following discovery of the breach.

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), Media Protection Section, requires entities' security and privacy programs collaborate on the development of media protection policy and procedures.

During the prior examination, Department officials indicated the lack of staffing and resources contributed to the weaknesses. During the current examination, Department officials stated there was still a lack of staffing and resources and this contributed to the weaknesses.

Failure to maintain adequate internal controls could result in the accidental or unauthorized disclosure of confidential or sensitive data.

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DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department would like to mention that although accepting the recommendation, the Department maintains a highly secure computer environment that safeguards confidential and personal information. The Department works with Department of Innovation and Technology (DoIT) to maintain multiple layers of security including, but not limited to, a firewall and continuous vulnerability scanning. The Department has a corrective action plan to continue efforts to work internally with DoIT to remove and shred hard drives, obtain copies of the Certificate of Destructions/Sanitation, and complete an assessment of confidential information.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation of performing assessments on unused or missing equipment that contain confidential information and establishing policies and procedures related to notifying security personnel, properly wiping data and disposing of equipment. To date and as part of the corrective action plan, the Southern Region Assistant Chief Legal Officer has reached out to other State Agencies and DoIT to obtain information on the definition and handling of data breaches. Once the agency receives the information/guidance, he will be able to update the current administrative directives or establish a new administrative directive and train staff on the process notifying security personnel, wiping the data and disposing of equipment.

23. The auditors recommend the Department to develop a disaster recovery plan. They further recommend the Department conduct detailed recovery testing at least annually.

FINDING: *(Lack of Disaster Contingency Planning or Testing) – New*

The Department of Juvenile Justice (Department) had not developed a disaster recovery plan or conducted recovery testing to ensure the timely recovery of its applications and data.

During the examination period, the Department did not provide the disaster recovery plan and evidence of disaster recovery testing performed during Fiscal Years 2023 and 2024.

Further, the Department did not perform periodic reviews of its back-ups to ensure these were done successfully and recoverable when needed.

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 funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation.

Additionally, the *Contingency Planning Guide for Information Technology Systems*

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published by the National Institute of Standards and Technology requires entities to have an updated and regularly tested disaster contingency plan to ensure the timely recovery of applications and data.

Department officials indicated competing priorities and lack of resources contributed to the weaknesses noted.

Failure to develop and test disaster recovery plans leaves the Department exposed to the possibility of major disruptions of service.

DEPARTMENT RESPONSE:

The Department accepts recommendation. The Department has established a corrective action plan that includes updating and testing the Disaster Recovery Plan along with obtaining and reviewing the backup data. Additionally, the corrective action plan includes establishing a central storage location for the applicable documents to review for compliance and scheduling meetings with Department Management.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation of developing a disaster recovery plan and testing the disaster recovery plan. To date and as part of the corrective action plan, the Chief of Performance and Innovation is working with the DoIT and the Chief Information Officer to update and test the disaster recovery plan along with reviewing the backups to the server and other critical systems used.

24. The auditors recommend the Department:

- **Determine and document the Department management's roles and responsibilities in ensuring cybersecurity controls are in place.**
- **Document a risk assessment methodology and evaluate and document risk reducing internal controls.**
- **Perform a business impact analysis.**
- **Develop a data classification methodology and classify its data to identify and ensure adequate protection of information.**
- **Obtain and review vulnerability reports and document planned actions for critical and high vulnerabilities.**
- **Update its proxy form with DoIT after the change in Department management.**

FINDING: *(Weaknesses in Cybersecurity Practices) – New*

The Department of Juvenile Justice (Department) had not implemented adequate internal controls related to cybersecurity programs and practices.

As a result of the Department's mission of serving justice and maintaining public safety, the Department maintains computer systems which contain volumes of confidential,

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personal, and medical information.

The Illinois State Auditing Act (30 ILCS 5/3-2.4) 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, the auditors noted the Department:

- Had not determined the Department management's roles and responsibilities in ensuring cybersecurity controls are in place.
- Had not documented a risk assessment methodology and had not evaluated and documented risk reducing internal controls.
- Had not performed a business impact analysis.
- Had not developed a data classification policy.
- Had not obtained and reviewed vulnerability scan reports and documented planned actions for critical and high vulnerabilities.

Further, the Department had not updated its proxy form with Department of Innovation and Technology (DoIT) after the change in Department management.

The *Framework for Improving Critical Infrastructure and 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 requires entities to consider risk management practices, threat environments, legal and regulatory requirements, mission objectives and constraints in order to ensure the security of their applications, data, and continued business mission.

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 funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and to maintain accountability over the State's resources.

Department officials indicated the weaknesses were due to competing priorities and lack of staff.

Weaknesses in cybersecurity programs and practices could result in unidentified risk and vulnerabilities and ultimately lead to the accidental or unauthorized disclosure of confidential or personal information.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department currently works in conjunction with DoIT and will continue to work in conjunction with DoIT to have adequate internal controls for Cybersecurity Programs and Practices. Additionally, the Department has established a corrective action plan to update the Business Impact Analysis, establish a Risk Assessment Methodology and review Vulnerability Scans.

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UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation that includes determining management's roles and responsibilities, documenting the risk assessment methodology, updating the business impact analysis, developing a data classification methodology, and reviewing the vulnerability reports. To date and as part of the corrective action plan, the Chief of Performance and Innovation is in preliminary stages of working with DoIT and the Chief Information Officer to determine managements roles responsibilities and completing the risk assessment methodology along with reviewing the vulnerability reports. Additionally, the Southern Region Assistant Chief Legal Officer has reached out to other state agencies on their Data Classification Policy and is working towards establishing our own.

25. The auditors recommend the Department strengthen controls to ensure Youth Center staff properly complete and retain the required documentation relating to Youth releases.

FINDING: *(Inadequate Controls over Release Documents) – This finding has been repeated since 2022.*

The Department of Juvenile Justice (Department) failed to maintain accurate and complete documentation upon the release of Youths.

During testing of 40 Youths from five Youth Centers, they noted the following:

- Two (5%) Youths do not have signature on the Certification of Receipt for HIV Services – AIDS Handout (DJJ 0214). These exceptions were noted at the Chicago and Pere Marquette Youth Centers.
- For 40 (100%) Youths, documentation showing the Department verified the Youth's birth date and social security number prior to discharge could not be provided. These exceptions were noted at Chicago, Harrisburg, Pere Marquette, Warrenville, and St. Charles Youth Centers.

The Unified Code of Corrections (Code) (730 ILCS 5/3-2.5-75 (d)) requires the Department to provide released Youths with information concerning programs and services of the Department of Public Health to ascertain whether that Youth has been exposed to the Human Immunodeficiency Virus (HIV) or any identified causative agent of Acquired Immunodeficiency Syndrome (AIDS). In addition, the Code (730 ILCS 5/3-2.5-75 (e)) requires the Department, upon the release of a Youth on aftercare or who has been wrongfully imprisoned, to verify the Youth's full name, date of birth, and social security number.

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

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Department officials indicated the issues noted were due to oversight and improper monitoring of required information.

Failure to ensure documentation is complete upon the release of Youths represents noncompliance with the Code.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department is able to verify the social security number and date of birth through the Integrated Eligibility System (IES) but unfortunately most youth do not have a social security card or birth certificate when they arrive. A corrective action plan has been established to work with staff to obtain the youth signature on the Certification of Receipt for HIV Series and also to work with the Social Security Administration to establish a Memorandum of Understanding (MOU) to meet the requirements of the Unified Code of Corrections.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation that includes strengthening controls to ensure youth center staff properly completes and retains the required documentation relating to youth releases. To date and as part of the corrective action plan, the Interim Deputy Director of Programs is currently working to establishing a Memorandum of Understanding (MOU) with the Social Security Administration (SSA). Recently, The SSA has reassigned the task to other staff due to original staff retiring. Once the MOU is finalized, the agency will implement the process and train applicable staff to verify social security numbers and date of births. Additionally, she will also remind applicable staff to obtain accurate documentation on HIV Testing.

26. The auditors recommend the Department establish adequate policies and procedures regarding parental notification of sexual misconduct as required by law and ensure the Department staff is aware and complies.

FINDING: *(Noncompliance with the School Code Regarding Parental Notification of Sexual Misconduct) - New*

The Department of Juvenile Justice (Department) did not adhere to the provisions of the School Code (Code) regarding parental notification of sexual misconduct.

During testing, we noted the following:

- For two (100%) Youths tested, the notice given to the Youth does not include information that the student's parents or guardian will be notified of the alleged sexual misconduct, and the information to be included in the notice to the parents or guardians.

The Code (105 ILCS 5/22-85.10(a)) item (2) states the Department shall implement a procedure under which notice is provided to the student and the

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procedure shall include: prior to notification of the student's parents or guardians, notification must first be provided to the student in a developmentally appropriate manner and include the following but not limited to: (a) that notice will be given to the student's parents or guardians; and (b) what information will be included in the notice to the student's parents or guardians.

- For one of 2 (50%) Youths tested, the Department had no notification to the student's parents or guardians.

The Code (105 ILCS 5/22-85.10(a)) item (3) states the Department shall implement a procedure under which notice is provided and the procedure shall include: after notification of the student as required under paragraph (2), the student's parents or guardians shall be notified in writing of the following but not limited to: (a) the alleged misconduct; and (b) available resources for the student.

- The Department's policy on Parental Notification of Sexual Misconduct did not include the procedures enumerated in the Code (105 ILCS 5/22-85.10) subsection (a) items 1-4.

The Code (105 ILCS 5/22-85.10(a)) requires the Department to implement a procedure under which notice is provided to the parents or guardians of an enrolled student, unless the student is at least 18 years of age or emancipated, with whom an employee, agent of the school, or a contractor of the school is alleged to have engaged in sexual misconduct. The procedure shall include the following: Consideration of the time frame for providing notice to the student and the student's parents or guardians if the alleged sexual misconduct is also being investigated by the Illinois Department of Children and Family Services (IDCFS) or law enforcement; (2) Prior to notification of the student's parents or guardians, notification must first be provided to the student in a developmentally appropriate manner; (3) After notification of the student, the student's parents or guardians shall be notified in writing; and (4) Notification must be provided as soon as feasible after the employing entity becomes aware that alleged misconduct may have occurred.

- The Department's policy on Parental Notification of Sexual Misconduct did not include procedures in providing notice to the parents or guardians of a student when any formal action has been taken by the governing body relating to the employment of the alleged perpetrator following the investigation of sexual misconduct, including whether employment was terminated or whether the governing body accepted the resignation of the employee. Furthermore, the policy does not include the procedures enumerated in Code (105 ILCS 5/22-85.10) subsection (b) items 1-5.

The Code (105 ILCS 5/22-85.10(b)) requires the Department to implement a procedure under which notice is provided to the parents or guardians of student, subject to subsection (a), when any formal action has been taken by the

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governing body relating to the employment of the alleged perpetrator following the investigation of sexual misconduct, including whether employment was terminated or whether the governing body accepted the resignation of the employee. The procedure shall include the following: (1) Consideration of the time frame for providing notice to the student and the student's parents or guardians if the alleged sexual misconduct is also being investigated by the IDCFS or law enforcement; (2) Prior to notification of the student's parents or guardians, notification must first be provided to the student in a developmentally appropriate manner; (3) After notification of the student as required in paragraph (2), the student's parents or guardians shall be notified in writing; (4) Notification must be provided as soon as feasible after the board action is taken, subject to the requirements of subsection (f) of Section 22-85 of this Code; and (5) For the purposes of subsection (b), if the student is no longer enrolled at the time formal action is taken, sending written notice to the last known address in the student's file fulfills notification requirements.

Department officials stated the exceptions were due to having no record of parental notification for one of the Youths tested and the Department has been following the notification requirements from the Prison Rape Elimination Act.

Failure to implement proper procedures for notification of sexual misconduct hinders transparency and represents noncompliance with the Code.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department has consistently followed the parent notification requirements of the Prison Rape Elimination Act (PREA). The Department facilities have been thoroughly audited by an external PREA auditor 19 times since 2016, including nine audits between 2021 – 2023. These audits have found the Department to be compliant with PREA standards every time. In this finding, the Department did not follow the specific notification steps in the School Code, which are slightly different from the steps in PREA standards. Further, the Department has established a corrective action plan that includes updating the policy, training applicable staff, and developing a standardized method of providing the required notification in accordance with the School Code.

UPDATED RESPONSE:

Implemented.

The Department accepts the recommendation that includes establishing policies and procedures and ensuring staff complies with the parental notification act of the School Code. The Department would like to note that the Department has consistently followed the parent notification requirements of the Prison Rape Elimination Act (PREA). The Department facilities have been thoroughly audited by external PREA auditor's 19 times since 2016, including nine audits between 2021-2023. These audits have found the Department is compliant with PREA standards every time. In this audit finding, the Department did not follow the specific notification steps in the School Code, which is slightly different from the steps in the PREA standards. To date and as part of the

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corrective action plan, the Department has established an administrative directive and ensured staff is complying with the School Code.

- 27. The auditors recommend the Department strengthen controls over sentence credits to ensure credits are awarded accurately and the statutorily required reports are completed and submitted timely as required by State law. Further, they recommend the Department retain the required documentation relating to awarding of sentence credits.**

FINDING: *(Noncompliance with the Unified Code of Corrections Regarding Sentence Credit) – New*

The Department of Juvenile Justice (Department) failed to comply with the Unified Code of Corrections (Code) regarding the awarding of sentence credit for persons committed to the Department.

During testing, the auditors noted the following:

- For 4 of 9 (44%) Youths awarded with earned sentence credits tested, the Department could not provide supporting documentation indicating the award of earned sentence credit was in accordance with the State law.

The Code (730 ILCS 5/3-6-3(a)(1)) states the Department shall prescribe rules and regulations for awarding and revoking sentence credit for persons committed to the Department. Further the Code (730 ILCS 5/3-6-3(a)(3)) states the rules and regulations shall provide that the Director of Juvenile Justice may award up to 180 days of earned sentence credit for prisoners serving a sentence of incarceration of less than 5 years, and up to 365 days of earned sentence credit for prisoners serving a sentence of 5 years or longer.

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

- The Department did not have an annual written report to the Governor and the General Assembly on the award of earned sentence credit.

The Code (730 ILCS 5/3-6-3(a)(3.5)) requires the Department to provide annual written reports to the Governor and the General Assembly on the award of earned sentence credit no later than February 1 of each year. The Department must publish both reports on its website within 48 hours of transmitting the reports to the Governor and the General Assembly. The reports must include (a) the number of inmates awarded earned sentence credit, (b) the average amount of

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earned sentence credit awarded, (c) the holding offenses of inmates awarded earned sentence credit, and (d) the number of earned sentence credit revocations.

- The Department did not provide a copy of report to the Governor and the General Assembly by September 30th of each year to determine whether it included data relating to the recidivism rate among program participants.

The Code (730 ILCS 5/3-6-3(a)(4(E))) states educational, vocational, substance abuse, behavior modification programs, life skills courses, re-entry planning, and correctional industry programs under which sentence credit may be earned shall be evaluated by the Department on the basis of documented standards. The Department shall report the results of these evaluations to the Governor and the General Assembly by September 30th of each year. The reports shall include data relating to the recidivism rate among program participants.

- For one of three (33%) Youths released earlier due to a grant of earned sentence credit tested, the Notification of Release was given to the State's Attorney of the county where the prosecution of the inmate took place and the State's Attorney of the county of release, less than 14 days prior to the date of release.

The Code (730 ILCS 5/3-6-3(a)(5)) states whenever the Department is to release any inmate earlier than it otherwise would because of a grant of earned sentence credit given at any time during the term, the Department shall give reasonable notice of the impending release not less than 14 days prior to the date of the release to the State's Attorney of the county where the prosecution of the inmate took place, and if applicable, the State's Attorney of the county into which the inmate will be released.

Department officials indicated the exceptions noted were due to oversight and lack of awareness of the reporting requirements.

Failure to properly complete and maintain records of awarded sentence credit represents noncompliance with the Code and may lead to inaccurate documentation and improper awarding of sentence credit to Youths. Failure to submit and include all the required reports and information limits oversight from the Governor and the General Assembly and is a noncompliance with the Code.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department recognizes the importance of strengthening its controls related to Earned Program Sentence Credits. A corrective action plan has been established to review the Administrative Directives on a regular basis with applicable staff, create and file required reports to the Governor's Office and General Assembly along with timely notifying the States Attorney when a youth is being released.

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UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation that includes ensuring the sentence credits are awarded accurately and documentation is retained. To date and as part of the corrective plan, the Interim Deputy Director of Programs has met and reminded applicable staff of the importance of calculating and retaining the documentation required. Additionally, the Quality Assurance and Research Manager is in the preliminary stages of developing a process to capture the data and timely file the required reports to the Governor's Office and General Assembly.

28. The auditors recommend the Department strengthen controls to ensure movement of Youth is properly authorized and approved. Further, they recommend the Department retain the required documentation relating to Youth Day releases.

FINDING: *(Noncompliance with the School Code Regarding Day Releases) – New*

The Department of Juvenile Justice (Department) did not adhere to the provisions of the School Code (Code).

During testing of day releases for 40 Youths, they noted the following:

- For five (13%), the Department was unable to provide the Day Release Activity Approval Form (DJJ 0554) to determine if appropriate approval was granted by the Department.
- For two (5%), the DJJ 0554 was not signed by the Chief Administrative Officer.

The Code (105 ILCS 5/13-44.5) states in all cases where an inmate or ward is to leave the institution or facility where he or she is confined for educational furloughs, vocational training, for field trips or for any other reason herein stated, authority must first be granted by the Department of Juvenile Justice and the said authority shall be discretionary with the Department of Juvenile Justice. The question of whether or not the said inmate or ward or group of inmates or wards shall be accompanied or not accompanied by security personnel, custodial agent or agents or only educational personnel shall be in the discretion of the Department of Juvenile Justice. All transfers must be approved by the Department of Juvenile Justice.

The Department's Administrative Directive (05.03.108) Section II (F.7) states the Chief Administrative Officer shall establish a written procedure for day release, including: a minimum staff/youth ratio to be determined for each day release activity requiring supervision and the names of all staff and youth involved in the day release activity to be documented on the DJJ 0554.

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

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agency designed to furnish information to protect the legal and financial rights of the State and of persons directly affected by the agency's activities.

Department officials indicated the exceptions noted were due to oversight.

Failure to ensure documentation is complete upon the movement of Youth represents noncompliance with the Code and may result to unauthorized day releases.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department recognizes the importance of strengthening internal controls on the Day Release Activity process. A corrective action plan has been established that includes training staff on proper completion and filing of the applicable forms along with completing quality reviews.

UPDATED RESPONSE:

Partially Implemented.

The Department accepts the recommendation that includes strengthening controls over youth movement. To date and as part of the corrective action plan, the Department has provided frequent reminders on accurately completing the day release forms and property filing the day release forms in the youth master file. The Chief of Performance and Innovation is currently in the process of verifying the accuracy of the forms through facility reviews.

- 29. The auditors recommend the Department strengthen its controls to ensure documentation supporting the discharge of Youths are maintained and transactions are accurately entered in Youth 360.**

FINDING: *(Noncompliance with Juvenile Court Act of 1987) – New*

The Department of Juvenile Justice (Department) did not adhere to the provisions of the Juvenile Court Act of 1987 (Act).

During testing of 39 discharged Youths, the auditors noted the following:

- For two (5%), the Department was unable to provide Aftercare Progress Review/Final Discharge Recommendation and Discharge Plan (DJJ 0158).
- For one (3%), the Department had inadvertently entered the Youth as Aftercare Discharge in Youth 360. The actual discharge relates to a Court Discharge.

The Act (705 ICS 405/5-750 (3.5)) states unless sooner discharged, the Department shall discharge a minor from aftercare release upon completion of the following aftercare release terms: (a) One and a half years from the date a minor is released from a Department facility, if the minor was committed for a Class X felony; (b) One year from the date a minor is released from a Department facility, if the minor was committed for a

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Class 1 or 2 felony; and (c) Six months from the date a minor is released from a Department facility, if the minor was committed for a Class 3 felony or lesser offense.

The Department's Administrative Directive (04.50.150) Section II (F.2s) states as part of Post-Release Requirements, the Aftercare Specialist shall prepare an Aftercare Progress Review/Final Discharge Recommendation and Discharge Plan (DJJ 0158) for Youth discharged.

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

Department officials stated the exceptions were due to oversight.

Failure to maintain accurate documentation of discharge could result in improper or unauthorized discharge of Youth and represents noncompliance with State laws.

DEPARTMENT RESPONSE:

The Department accepts the recommendation. The Department would like to note the small error rates related to the audit finding. A corrective action plan has been established which includes conducting monthly reviews of case files and overall case management, supervisor peer reviews and quality reviews of each office. Additionally, the Department will update the applicable Aftercare Directive Policy on Case Management and train staff.

UPDATED RESPONSE:

Implemented.

The Department accepts that recommendation that includes ensuring documentation supporting the discharge of youths are maintained and transactions are accurately entered in Youth 360. To date and as part of the corrective action plan, the Department has trained staff on accurately completing the required forms and correctly entering the information into the Y360 system. Additionally, the Deputy Director of Community Services Division and the Chief Records Officer continues to complete quality reviews to verify the accuracy of the completed forms and the data entered into Y360.

Emergency Purchases

The Illinois Procurement Code (30 ILCS 500/) states, "It is declared to be the policy of the state that the principles of competitive bidding and economical procurement practices shall be applicable to all purchases and contracts...." The law also recognizes that there will be emergency situations when it will be impossible to conduct bidding. It provides a general exemption when there exists a threat to public health or public safety, or when immediate expenditure is necessary for repairs to state property in order to protect against further loss of or damage to state property, to prevent or minimize serious disruption in critical state services that affect health, safety, or collection of substantial state revenues,

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or to ensure the integrity of state records; provided, however that the term of the emergency purchase shall not exceed 90 days. A contract may be extended beyond 90 days if the chief procurement officer determines additional time is necessary and that the contract scope and duration are limited to the emergency. Prior to the execution of the extension, the chief procurement officer must hold a public hearing and provide written justification for all emergency contracts. Members of the public may present testimony.

Notice of all emergency procurement shall be provided to the Procurement Policy Board and published in the online electronic Bulletin no later than five business days after the contract is awarded. Notice of intent to extend an emergency contract shall be provided to the Procurement Policy Board and published in the online electronic Bulletin at least 14 days before the public hearing.

A chief procurement officer making such emergency purchases is required to file a statement with the Procurement Policy Board and the Auditor General to set forth the circumstance requiring the emergency purchase. The Legislative Audit Commission receives quarterly reports of all emergency purchases from the Office of the Auditor General. The Legislative Audit Commission is directed to review the purchases and to comment on abuses of the exemption.

The Department did not have any emergency purchases during the audit period.

Headquarters Designations

The State Finance Act requires all state agencies to make semiannual headquarters reports to the Legislative Audit Commission. Each state agency is required to file reports of all its officers and employees for whom official headquarters have been designated at any location other than that at which official duties require them to spend the largest part of their working time.

As of July 2024, the Department had 58 employees assigned to locations others than official headquarters.