

2020 ANNUAL REPORT



**LEGISLATIVE
AUDIT
COMMISSION**

**SIXTY-SECOND ANNUAL REPORT
of the
LEGISLATIVE AUDIT COMMISSION**

Submitted to the Members of the
General Assembly of the State of Illinois



**2020 MEMBERSHIP
Co-Chairs
Senator Jason Barickman
Representative Robert Rita**

Senate Members

Senator Thomas Cullerton
Senator Laura Ellman
Senator Iris Martinez
Senator Chapin Rose
Senator Dale Righter

House Members

Representative Jaime Andrade
Representative Mark Batinick
Representative Marcus Evans Jr.
Representative Randy Frese
Representative Tony McCombie

Room 622
William G. Stratton Building
Springfield, Illinois 62706

Legislative Audit Commission



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To the Members of the General Assembly:

Given the responsibility of appraising the stewardship of State government, it is appropriate that the Audit Commission submits to the General Assembly each year a self-assessment of its activities.

This report, submitted in accordance with the Act creating the Commission, presents a summary of the Commission's activities and accomplishments as the legislature's oversight agency during 2020. This document also presents a number of areas in which State government could improve its performance to achieve greater efficiency, improve effectiveness, and comply with statutory directives.

The ability to make government more effective and more efficient is attributable to the members of the Legislative Audit Commission who are dedicated to meeting the challenges of government. The Covid-19 pandemic has had an enormous and long-lasting effect on many aspects of life in Illinois. The pandemic necessitated changes in the way the Legislative Audit Commission worked to take action on 152 financial/compliance reports, the FY16, FY17 and part of the FY18 statewide single audit reports, and ten performance audits during 2020.

The Audit Commission exists by and for the legislative branch of government. The Commission encourages your suggestions on becoming of greater service to the General Assembly.

Respectfully,

A handwritten signature in black ink that reads "Jason A. Barickman". The signature is written in a cursive style with a large initial "J".

Jason A. Barickman, State Senator
Co-Chair

A handwritten signature in black ink that reads "Robert A. Rita". The signature is written in a cursive style with a large initial "R".

Robert Rita, State Representative
Co-Chair

LEGISLATIVE AUDIT COMMISSION SIXTY-SECOND ANNUAL REPORT CONTENTS

	Page
Overview.....	2
Commission’s Home Page.....	3
Commission Membership.....	3
Audit Review Program.....	5
Compliance Examinations.....	6
Audit Review Highlights.....	7
Performance Audits.....	14
Legislative Program.....	17
Other Duties and Responsibilities.....	17
Office of the Legislative Audit Commission.....	24
Appendix A.....	25
Appendix B.....	29
Appendix C.....	30
Appendix D.....	31

62nd Annual Report

Report Highlights

The Legislative Audit Commission is a support services agency having the principal responsibility for the oversight of the State audit program. Major accomplishments during the past year include:

- Review of 152 financial audits and compliance examinations, part of one statewide single audit, and ten performance audits.
- Support and enactment of remedial and other legislation.
- Review of all emergency purchases, travel reports, and awards to other than the lowest bidder made by State agencies.
- Maintenance of a web page as a source of up-to-date information about Audit Commission activities. This site includes publications, reports, and forms associated with the Commission.
- Distribution of booklets on revised Purchasing Laws and University Guidelines.

Overview

The Legislative Audit Commission is mandated by law (25 ILCS 150/0.01-0.06) to review all audits conducted by the State Auditor General. Primary responsibilities of the Commission are:

- Conduct public meetings on all major audits of State agencies to review problems, assess agency stewardship, and secure remedial action.
- Initiate and review management and program audits and investigations.
- Make recommendations to the General Assembly and agency management for corrective legislation and other measures to remedy weaknesses disclosed through audits or at Commission meetings.
- Monitor agency progress in implementing corrective action.

The statutory direction is made clear in this excerpt from the Commission's enabling legislation from 25 ILCS 150/1 and 150/3:

The Commission shall ascertain facts, review reports and take action thereon, and make recommendations and reports to the General Assembly and to the houses thereof concerning the audit, revenue and expenditures of the State....The Commission shall receive the reports of the Auditor General and other financial statements and shall determine what remedial measures, if any, are needed, and whether special studies and investigations are necessary.

The Commission works closely with the Office of the Auditor General. Although separate agencies, the two have many common interests. The Commission makes use of the Auditor General's specialized staff to minimize unnecessary duplication of effort and expenditure of tax funds. Nevertheless, the Commission also recognizes the specific separation of responsibilities between the conduct and the review of audits.

This report is one means used to inform the General Assembly, State agencies, the accounting profession, and the public of the Commission's activities and concerns. In addition, the Commission's membership and staff maintain open and active communication with the legislature and its staff and service agencies through personal contact and other means.

Information about the Commission's work and findings is supplied to individual members of the General Assembly upon request. This service can include supplying available information, reviewing proposed legislation, or assisting in the analysis of fiscal matters.

A final and important means of communicating with the members of the General Assembly is the support or sponsorship of legislation. The Legislative Audit Commission has a structured process for identifying and acting upon matters requiring new or amendatory legislation.

Commission's Home Page

Information about the Legislative Audit Commission is also available on a home page on the Internet. The information includes Commission authority and membership, the agenda of the Commission's next scheduled meeting, the recording of the Commission's most recent meeting, reviews of audits for the next scheduled meeting, a list of audit reports passed on the Commission's Consent Calendar since January 2006, the most recent Annual Report and Audit Report, the Purchasing Laws publication, the University Guidelines publication, and the Headquarters designation (TA-2) form. Reviews of all audit reports heard by the Commission in the current audit cycle are also available. The home page enhances public access to information concerning the Commission's activities.

To reach the Commission's home page, go to **www.ilga.gov** and click on "Legislative Support Services" then follow the link to the Legislative Audit Commission.

Commission Membership

The Commission consists of 12 members who are appointed by the legislative leadership. Membership is equally apportioned between the two chambers and the two political parties. Finally, the co-chairs may not be members of the same political party, nor may they serve in the same chamber of the General Assembly.

The members receive no compensation for the substantial amount of time devoted to Legislative Audit Commission activities, but are reimbursed for travel expenses incurred.

The Commission maintains a full-time staff of three persons in the William G. Stratton Building in Springfield.

Appearing on the next page are lists of legislators now serving and those who have served on the Legislative Audit Commission.

**Commission Membership and
Date of Appointment
at December 31, 2020**

Senate Members

Senator Jason Barickman	January 2013
Senator Thomas Cullerton	December 2015
Senator Laura Ellman	January 2019
Senator Dale Righter	September 2015
Senator Chapin Rose	January 2019

House Members

Representative Jamie Andrade	February 2019
Representative Mark Batinick	January 2017
Representative Marcus Evans Jr.	February 2019
Representative Randy Frese	January 2019
Representative Tony McCombie	January 2019
Representative Bob Rita	February 2011

Former Members

Raymond E. Anderson	Miguel A. Del Valle	Chris Lauzen	Dennis Reboletti
Victor Arrigo	Deanna Demuzio	Ted E. Leverenz	David Reis
W. Russell Arrington	Vince Demuzio	Ellis B. Levin	Walter J. Reum
Louis E. Beckman	Kirk Dillard	James P. Loukas	Dale A. Righter
Robert A. Biggins	Brian B. Duff	Eileen Lyons	Dale E. Risinger
Kenneth Boyle	Dan Duffy	Andy Manar	Ron Sandack
Bill Brady	Thomas Dunn	Lynn Martin	Calvin W. Schuneman
Michael I. Brady	George W. Dunne	Iris Martinez	Penny Severns
Rich Brauer	Paul F. Elward	Sidney Mathias	George P. Shadid
Richard H. Brummer	Dwight P. Friedrich	Frank J. Mautino	W. Timothy Simms
George M. Burditt	Zeke Giorgi	Jeffrey D. Mays	Cal Skinner, Jr.
Linda Chapa LaVia	John S. Graham	David B McAfee	Fred J. Smith
Robert E. Cherry	Harber H. Hall	Edward McBroom	Joe Sosnowski
Clyde L. Choate	Kenneth Hall	Dean McCulley	Arthur W. Sprague
Terrel E. Clarke	Julie Hamos	Andrew J. McGann	George F. Stastny
Earlean Collins	Gary Hannig	Robert F. McPartlin	Celeste M. Stiehl
Jacqueline Collins	Dennis Hastak	Robert Mitchler	Arthur Tenhouse
Philip W. Collins	Jay Hoffman	John Mulroe	Judy Baar Topinka
Marlow H. Colvin	Linda Holmes	Edward A. Nedza	Donne E. Trotter
John Connolly	Sheri Jesiel	Clarence E. Neff	Sam Vadalabene
Fred Crespo	Gene Johns	Dawn Clark Netsch	Louis S. Viverito
Michael D. Curran	Timothy V. Johnson	Jim Oberweis	Thomas J. Walsh
Barbara Flynn Currie	Nancy Kaszak	Daniel J. O'Brien	Frank Watson
Julie A. Curry	James F. Keane	Mary K. O'Brien	Jerry Weller
John M. Daley	Dan Kotowski	John T. O'Connell	Rick Winkel
Richard M. Daley	Jack L. Kubick	Frank M. Ozinga	Anne Zickus
C.D. Davidsmeyer	Bob Kustra	Margaret R. Parcels	
Corneal A. Davis	Leo D. LaFleur	Sandra Pihos	
Jack Davis	Darin LaHood	Glenn Poshard	
Aldo A. DeAngelis	John J. Lanigan	Paul Powell	
Terry W. Deering	Richard R. Larson	Kwame Raoul	

Audit Review Program

Audits are, by their nature, a look at the past. Transactions are reviewed, statistical and compliance tests are performed, and an evaluation is made of conditions during the period covered by the report. The Commission's audit review activities seek to change this focus by involving legislators, agency directors and managers, and members of the audit team in a structured process, which emphasizes implementation of corrective action to remedy existing weaknesses and to prevent lapses of control in the future. While the audit report cites deficiencies at the time of the examination, the Commission looks forward, seeking to view the audit report as a blueprint for improved agency service and accountability. In this way, the Commission maximizes the value of these reports as management tools.

Two important benefits result from frequent meetings on major audits:

1. Legislators are directly involved in the audit process, increasing communication within government and supplying feedback to the legislative and appropriations processes; and
2. Opportunities are increased for both administrative and legislative action to correct weaknesses and deficiencies disclosed in the audit reports.

Basic elements of the Commission's review include:

- Disclosure and public scrutiny of weaknesses and illegal or improper conduct in the use of public funds and the management of public business.
- Study, development, and introduction of legislation to correct weaknesses and improve the statutory framework of Illinois government.
- Initiate management and program audits and other studies as required.
- Review of the delivery of State services, based both on audit findings and on members' contact with their constituents and the various agencies.

The participation of the Office of the Auditor General and accounting profession enhances discussion of accountability issues by both the agency and the Commission. In many instances, their comments help to clarify complex accounting issues. The Commission extends its appreciation to the accounting professionals who have participated during the past year. Hopefully they have found their association with the audit program rewarding, and have gained an appreciation of legislative oversight concerns as the result of their participation in Commission meetings. A listing of these individuals, by accounting firm name, appears on the following page.

Adelfia
Annabelle Abueg
Andrew Guerrero
Carl Ong
Jennifer Roan
Stella Marie Santos
Joseph Tan
Maria Divina Valera

Borschnack, Pelletier
Paul Pelletier

KPMG
Cathy Baumann

E.C. Ortiz & Co.
Elda Arriola
Marites Sy

Sikich
Amy Sherwood

Compliance Examinations

Compliance audits, or compliance examinations, stress the fundamentals of governmental accountability—compliance with statutes and regulations, sound business practices, safeguarding of assets and property, and proper expenditure of State funds. The Commission took action on 152 financial and compliance reports during 2020, ranging from reports disclosing no material findings to reports containing as many as 46 recommendations. Obviously, this large number of reports represents the foundation of the Commission’s workload. A listing of these audits is included in Appendix A on pages 25-28.

Prior to a Commission meeting, an audit review is prepared by Commission staff, summarizing all of the recommendations made by the auditors and pertinent financial data. The recommendations are classified as to implementation and acceptance status based on current information requested from the agency involved.

The Commission’s public hearings stress implementation of corrective action, review of disputed findings, and an assessment of the fiscal and programmatic achievements of the agency. Corrective action is stressed to minimize the repetition of adverse findings in future reports. The Commission expects that each recommendation accepted by an agency will be implemented within a reasonable time. Priority attention is devoted to correcting past problems so that they will not recur. The Commission considers no audit recommendation fully disposed of until:

- it has been accepted by the agency;
- equally acceptable procedures have been implemented; and
- the Commission members are convinced that the position taken by the agency in not accepting a given recommendation is proper in the circumstances involved.

If implementation is not feasible, the Legislative Audit Commission may urge elimination of the recommendation in future reports.

Although infrequent, the Commission may be dissatisfied with an agency's lack of progress implementing audit recommendations and require the State agency to return to the Commission to report on the status of implementing audit report recommendations. As well, the Commission may notify the Governor if an executive agency or department refuses to comply with an audit recommendation. The Audit Commission may request an opinion from the Attorney General for the interpretation of statute and whether an agency is operating within statutory requirements. The Audit Commission requested no opinions from the Attorney General during 2020.

The Office of the Auditor General contracts with an independent auditor to perform a Statewide Single Audit of federal funds. This Statewide Single Audit fulfills the mandate for accepting federal funding. It includes all State agencies that are part of the primary government and expend federal awards. In total, 44 State agencies expended almost \$29 billion in federal financial assistance in FY18. The various universities, the bonding authorities, and the Conservation Foundation are not included in the Statewide Single Audit. Federal findings are noted in the State compliance audit reports of these agencies.

The Statewide Single Audit for FY18 contained 80 findings with 59 repeat findings. The audit noted for the eighteenth time that the State does not have an adequate process in place to permit the timely preparation of a complete and accurate Schedule of Expenditures of Federal Awards (SEFA).

Seventy-nine findings in the Statewide Single Audit were characterized as material weaknesses in internal control and/or material noncompliance with laws and regulations. These findings focused on deficiencies within agencies such as improperly drawing and reporting cash advances made under the Aging Cluster program at the Department on Aging. The Department of Human Services and the Department of Healthcare and Family Services did not have appropriate controls over the Integrated Eligibility System used to determine eligibility for SNAP, TANF, CHIP, and the Medicaid Cluster program. The Department of Children and Family Services did not maintain complete provider licensing files, including documentation of required background checks for foster care service providers. Auditors were unable to obtain sufficient audit evidence from the Department of Employment Security to determine whether the State complied with applicable requirements of the Unemployment Insurance program. At least eleven of the audit report's 80 findings related to agencies' deficiencies in monitoring subrecipients such as inadequate review of subrecipient audit reports or inadequate monitoring of programs.

Audit Review Highlights

During 2020, the Legislative Audit Commission reviewed 152 compliance examinations and financial audit reports. Obviously, this statistic is of limited significance because there are wide variations in the reports regarding length, complexity of agency operations, and other factors. This figure, however, is not without meaning because it does reflect the wide range of the State's fiscal activities subjected to review by the General Assembly during this period.

The Commission is concerned with the timely review of compliance, financial, and performance audits. As a post-facto examination, there is a certain delay in the completion and review of audits. However, it is important that the process be concluded in a timely fashion to maximize the benefits of the audit program.

The Commission attempts to reach a satisfactory agreement regarding the disposal of each audit recommendation. However, many findings contained in the audit reports are not addressed in a timely manner by agency officials and thus repeat in subsequent audits. For the FY19 audit cycle, there were a total of 656 findings and 396 repeat findings (60.39%). Agencies identified various reasons for repeated findings. The most common causes of repeat findings in the audit reports were a lack of effective oversight/poor internal controls or lack of staffing and/or funding to implement the corrective action. Occasionally a finding may repeat in the same category such as property control or grant monitoring. The agency works to remedy that specific finding only to have another issue appear as a finding in the same category.

The Fiscal Control and Internal Auditing Act requires 36 designated State agencies plus the State colleges and universities and the public retirement systems to maintain a full-time program of internal auditing. Recent audits found that as many as seven of these agencies, required to have a Chief Internal Auditor, instead had entered into intergovernmental agreements with CMS to provide internal auditing services and together shared the Chief Internal Auditor appointed by CMS. This practice decreased from seven to four agencies by the end of 2020. For designated State agencies, not appointing a chief internal auditor and not having a full-time internal audit program is a violation of State law. Further, the Audit Commission is concerned that establishing a program of internal audit by interagency agreement and sharing a chief internal auditor weakens an agency's ability to assess its overall internal control environment. The chief internal auditor develops a deep understanding of the Agency's functions and processes; oversees and performs audits of the Agency's major system of internal accounting and administrative controls; and oversees and reviews major new information systems and modifications made to existing systems prior to implementation.

A strong internal audit function can be of great value to State government. In particular, the chief internal auditors commonly assist management in monitoring the design and proper functioning of internal control policies and procedures. In this capacity, internal auditors function as an additional level of control. A formal internal audit function is particularly valuable for those activities involving a high degree of risk such as complex accounting systems and contracts with outside parties. The Attorney General issued an opinion on the issue dated August 9, 2019 stating "...multiple designated State agencies may not appoint the same individual as their chief internal auditor through an intergovernmental agreement." Designated State agencies should appoint a Chief Internal Auditor and ensure a full-time program of internal auditing is in place and functioning.

The Commission desires that State government operate efficiently and effectively and improve its economic standing. Due to the effects of the Covid-19 pandemic, Illinois' unemployment was at 7.6%, and the national average was 6.7% in December of 2020. The State's general funds decreased about \$133 million in 2020 compared to calendar 2019 when there was a \$3.1 billion increase. A new law effective January 1, 2018 required agencies to report on the

amount of outstanding bills held at the agency. The State had a backlog of \$5.08 billion in unpaid bills at the end of 2020; however, this amount does not include \$4.3 billion in borrowing.

Appendix B, appearing on page 29, summarizes the audits considered at Legislative Audit Commission hearings during 2020, the number of audit recommendations, and the number of recommendations that were repeated from prior audits.

During 2020, the Commission gave special attention in its review activity to the topics which follow. The various departments and agencies listed usually agreed to implement specific audit recommendations or other changes, so that these weaknesses would no longer exist. In most instances, the findings were for FY18 or FY19.

Failure of Internal Controls

The following agencies did not properly prepare reconciliations, accounting records, financial statements, or GAAP packages; or had inadequate control over invoices, expenditures, budget approval, returned checks, unclaimed property, refunds, reserve funds, liabilities, reappropriation, unexpended funds, voucher processing, close-outs, petty cash, disbursement of funds, receipts, locally held funds, accounts receivable, interest payments, subsidies, payment of fees, fraud risk, or transfer of funds:

Capital Development Board	Illinois Housing Development Authority
Chicago State University	Illinois Law Enforcement Training and Standards Board
Department on Aging	Illinois Power Agency
Department of Agriculture	Illinois Racing Board
Department of Corrections	Illinois State Board of Education
Dept. of Innovation and Technology	Illinois State University
Department of Revenue	Joint Committee on Administrative Rules
Department of Transportation	Legislative Reference Bureau
Department of Veterans' Affairs	Office of the State Comptroller
Environmental Protection Agency	Office of the State Fire Marshal
Illinois Arts Council	Office of the Treasurer - Secure Choice Savings Program
Illinois Community College Board	Prisoner Review Board
Illinois Conservation Foundation	Southern Illinois University
Illinois Criminal Justice Information Authority	State Board of Investment
Illinois Finance Authority	Western Illinois University
Illinois Gaming Board	Workers' Compensation Commission
Illinois Grain Insurance Corporation	

The following agencies had inadequate controls over timesheets, payroll, overtime rules, segregation of duties, personnel policies, personal services, vehicle use/maintenance, ethics training, employee training, employee evaluations, telecommunication devices, employee

records, employee documentation, medical consent waivers, leaves of absence, supervision of field offices, exit counseling, appointment vacancies, and board meetings:

Capital Development Board	Illinois Criminal Justice
Chicago State University	Information Authority
Commission on Government	Illinois Gaming Board
Forecasting and Accountability	Illinois Law Enforcement
Department on Aging	Training and Standards Board
Department of Children	Illinois Power Agency
and Family Services	Illinois Racing Board
Department of Corrections	Illinois State University
Department of Innovation	Legislative Ethics Commission
and Technology	Legislative Reference Bureau
Department of Revenue	Office of the Lieutenant Governor
Department of Transportation	Office of the State Fire Marshal
Department of Veterans' Affairs	Prisoner Review Board
Drycleaner Environmental Response	Property Tax Appeal Board
Trust Fund Council	Southern Illinois University
General Assembly Retirement System	State Board of Investment
Illinois Community College Board	State Employees' Retirement System
	Western Illinois University

The following agencies had inadequate control over property, inventory, equipment, capital assets, recordkeeping, reports, depreciation calculations, and leases:

Commission on Governmental	Illinois Finance Authority
Forecasting and Accountability	Illinois Law Enforcement Training
Department on Aging	and Standards Board
Department of Children	Illinois Literacy Foundation
and Family Services	Illinois State University
Department of Corrections	Joint Committee on Administrative
Department of Innovation and	Rules
Technology	Office of the State Fire Marshal
Department of Revenue	Prisoner Review Board
Department of Veterans' Affairs	Property Tax Appeal Board
Illinois Community College Board	Southern Illinois University State
Illinois Conservation Foundation	Board of Elections
	Western Illinois University

The following agencies did not properly follow administrative directives, agency policies and procedures, or reporting requirements; or had inadequate control over documentation, recordkeeping, customer notification, reports, documents, economic interest statements, emergency purchases, loan methodology, planning, distribution schedule, student loan repayments, management processes; publication of information, program compliance, or hearings:

Capital Development Board
Chicago State University
Department on Aging
Department of Children
and Family Services
Department of Corrections
Department of Innovation
and Technology
Department of Revenue
Department of Transportation
Department of Veterans' Affairs
Illinois Arts Council
Illinois Community College Board
Illinois Conservation Foundation
Illinois Criminal Justice
Information Authority
Illinois Finance Authority
Illinois Gaming Board

Illinois Housing Development
Authority
Illinois Power Agency
Illinois State Board of Education
Illinois State University
Judges' Retirement System
Legislative Ethics Commission
Legislative Reference Bureau
Office of the Architect
of the Capitol
Office of the Legislative
Inspector General
Property Tax Appeal Board
Southern Illinois University
State Board of Elections
State Employees' Retirement System
Western Illinois University

The following agencies did not properly draft or adhere to contractual agreements, interagency agreements, intergovernmental agreements, or grant agreements; or had improper grant reporting or grant award information:

Department on Aging
Department of Agriculture
Department of Children
and Family Services
Department of Corrections
Department of Innovation
and Technology
Illinois Arts Council
Illinois Criminal Justice
Information Authority

Illinois Housing Development
Authority
Illinois Law Enforcement Training
and Standards Board
Illinois Racing Board
Office of the Architect of the Capitol
Office of the Lieutenant Governor
Office of the State Fire Marshal
State Board of Elections

The **Department of Corrections** did not ensure that the fiscal requirements of the Offender 360 inmate record tracking system were controlled and documented. More than \$69 million was paid for vendor services since FY11. Also, the Department did not comply with the requirement to transfer profits from the Commissary Fund to the Inmate Benefit Fund and the Employee Benefit Fund.

The **Department of Innovation and Technology** did not complete the transfer of personnel and property as required by Executive Order creating the Department.

Failure to Monitor Computer Systems

The following agencies had inaccurate system descriptions or unsuitably designed controls; or inadequate controls over computer security, computer system access, system changes and tracking, disaster recovery, disposal of confidential information, website management, system documentation, data reporting, software licenses, detailed user agreements, or data conversion:

Chicago State University
Department on Aging
Department of Children
and Family Services
Department of Corrections
Department of Innovation
and Technology

Department of Revenue
Department of Transportation
Department of Veterans' Affairs
Illinois Community College Board
Illinois Gaming Board
Illinois State University
State Board of Elections
Workers' Compensation Commission

Failure to Adequately Monitor Subrecipients, Contractors, or Sites

The following agencies had inadequate controls over contractual service expenditures, site monitoring, subrecipient monitoring, or the review of external service providers:

Chicago State University
Department on Aging
Department of Children
and Family Services
Department of Corrections
Department of Innovation
and Technology
Department of Veterans' Affairs

Illinois Criminal Justice
Information Authority
Illinois Housing Development Authority
Office of the State Treasurer
Southern Illinois University
Supreme Court of Illinois
Western Illinois University

Failure to Operate Within Statutory Authority

The following agencies did not comply with all statutes required for their operations, or did not seek legislative remedy to correct inadequate agency statutes:

Department on Aging
Department of Agriculture
Department of Children
and Family Services
Department of Corrections
Department of Transportation
Illinois Criminal Justice
Information Authority
Illinois Gaming Board
Illinois Grain Insurance Corp.

Illinois Power Agency
Illinois Racing Board
Illinois State Board of Education
Illinois State University
Metro East Police District
Commission
Office of the State Fire Marshal
Prison Review Board
State Board of Elections
Western Illinois University

The following agencies did not comply with the Fiscal Control and Internal Auditing Act; did not perform internal audits timely; did not have a chief internal auditor as required; did not maintain a full-time internal audit program; did not perform audits of major systems; or did not certify review of internal controls:

Civil Service Commission
Department on Aging
Department of Corrections

Department of Innovation and Technology
Department of Veterans' Affairs
Illinois Finance Authority

Failure to Protect the State's Interest

The **Department of Children and Family Services** did not notify the Department of Defense Family Advocacy Program with suspected abuse or neglect involving children of military personnel.

The **Department of Corrections**, the **Office of the State Fire Marshal**, and **Southern Illinois University** did not ensure payment card security.

The **Department of Revenue** did not safeguard taxpayer information.

The **Department of Transportation** did not inspect bridges timely.

The **Illinois Gaming Board** did not ensure security of confidential information.

Illinois State University did not ensure protection of confidential information or financial aid information.

The **Office of the State Fire Marshal** did not perform all inspections of schools, maintain a statewide arsonist database, or timely perform boiler inspections.

Collection of Receivables

Accounts receivable are a valuable asset to the State and, as such, must be effectively accounted for and pursued for collection. Each agency must maintain an accounting system that enables them to establish, record, follow-up, collect, and possibly write off individual receivables.

Total gross receivables as of December 31, 2020 approximated \$16.1 billion. Of this amount, \$6.0 billion was deferred/installment receivables and approximately \$5.6 billion was estimated to be uncollectible. Thus, \$4.5 billion (27.9%) was estimated to be collectible.

Performance Audits

Performance audits, a category that includes program, management, and efficiency audits, provide a more detailed and thorough examination of a topic than is possible in a compliance examination. The Auditor General is authorized to conduct performance audits when directed by either chamber of the Illinois General Assembly or by the Legislative Audit Commission. A performance audit means a post audit which determines:

- Whether the audited agency is managing or utilizing its resources in an economical and efficient manner;
- Causes of inefficiencies or uneconomical practices;
- Whether the objectives and intended benefits are being achieved, and whether efficiently and effectively;
- Whether the program is performed or administered as authorized or required by law; and
- Whether the program duplicates, overlaps, or conflicts with another State program.

One of the methods by which performance audits may be initiated is through the adoption of a resolution by the Legislative Audit Commission. There were three resolutions adopted in 2020 by the Legislative Audit Commission requesting performance audits of the Illinois State Police's administration of the Firearm Owners' Identification Card Act and the Firearm Concealed Carry Act; the Illinois Renewable Portfolio Standard and the Illinois Power Agency's management of the Renewable Energy Credit procurement process and the Adjustable Block Grant Program; and the Prescription Monitoring Program operated by the Department of Human Services.

The Commission approved nine performance audits on the consent calendar involving the FY16, FY17, and FY18 Covering All Kids Health Insurance Program; Legionnaires Disease at the Quincy Veterans' Home; Follow-Up Audit of the Health Facilities Service and Review Board and Certificate of Need Processes; Medicaid Eligibility Determinations for Long-Term Care; CMS Multiple Choice Exams; Procurement and Administration of the State Employees' Health Care Contract with Morneau Shepell; and Road Fund Revenue and Expenditures.

The Departments of Veterans' Affairs, Public Health, Central Management Services, and Commerce and Economic Opportunity and the Governor's Office of Management and Budget, the Health Facilities and Services Review Board, and the Office of the Secretary of State reported that all recommendations were implemented related to the performance audits of the Quincy Veterans' Home, Multiple Choice Exams, Health Care Contract with Morneau Shepell, Health Facilities and Services Review Board, and the Road Fund. DHS and DHFS implemented or partially implemented all recommendations regarding Long-Term Care determinations and the Covering All Kids Health Insurance Program. Auditors will follow-up on all unimplemented recommendations with each agency and report on whether the recommendations were implemented in the agency's individual compliance examination. The following is a summary of the performance audit reviewed by the Legislative Audit Commission during 2020.

Performance Audit of the Department of Children and Family Services Investigations of Abuse and Neglect

House Resolution Number 418, adopted June 25, 2017, directs the Auditor General to conduct a performance audit of the Department of Children and Family Services (Department) to review and assess the Department's protocols for investigating reports of child abuse and neglect. The audit was to include a review of abuse and neglect investigations conducted by the Department in FY15, FY16, and FY17. The audit resolution asks the Auditor General to determine:

- 1) the status of abuse and neglect investigations;
- 2) the final determination or findings made by the Department for abuse and neglect investigations;
- 3) the time frame within which the Department completed or closed abuse and neglect investigations;
- 4) for sampled cases, recommendations made by the Department to families who were the subject of an abuse or neglect investigation, including any services provided by the Department to the child or family; and
- 5) demographic information on abuse and neglect investigations, including the age, race, and gender of children who were subjects of the abuse or neglect investigations, and, if available, the zip code and county where the abuse or neglect was alleged to have occurred.

Additionally, the audit resolution asked the Auditor General to compile a detailed report that includes a full summary on the number of lawsuits or other legal actions filed against the Department within the past three fiscal years that concern an abuse or neglect investigation and the number of lawsuits the Department settled within the past three fiscal years that concern an abuse or neglect investigation.

The Abused and Neglected Child Reporting Act (ANCRA or the Act) charges the Department of Children and Family Services with the responsibility of receiving reports of child abuse and neglect (325 ILCS 5/2). After a report is received, the Department is statutorily mandated "to protect the health, safety, and best interests of the child in all situations in which the child is vulnerable to child abuse or neglect, offer protective services in order to prevent any further harm to the child and to other children in the same environment or family, stabilize the home environment, and preserve family life whenever possible" (325 ILCS 5/2).

During 2017, there were several high profile child abuse and neglect cases in which children died shortly after the Department closed investigations into their alleged mistreatment, as well as the case of a 17-month-old who was found deceased in Joliet Township after prior Department probes into alleged mistreatment. There were also other news/media reports that Department investigators were overwhelmed by high caseloads and were being pressured to quickly close cases, even when they had not performed basic tasks such as contacting police and doctors.

In this audit of the three-year period FY15-FY17, auditors reported that:

- The number of abuse and neglect investigations increased significantly, going from 67,732 in FY15 to 75,037 in FY17, or 10.8%. Within the three-year timeframe there was a notable spike

in FY16 to 78,572 investigations, a 16.0% increase compared to FY15.

- The hotline was unable to take calls as they were received, resulting in call backs. The number of call backs increased substantially during FY15-FY17, from 39.6% of total calls in FY15 to 55.7% in FY17.
- Investigator caseloads were not in compliance with the B.H. Consent Decree. For FY15-FY17, 78.7% of investigators (729 of 926) had at least one month during the audit period in which they received more than 15 new assignments.
- Indication rates (the percentage of cases where there was credible evidence that the incident occurred) decreased during FY15-FY17, from 28.3% in FY15 to 24.8% in FY17.
- The Department did not always follow procedures in conducting investigations.
- The overall timeliness of completion for investigations declined significantly over the three-year period FY15-FY17. In FY15, 7.6% of investigations were not completed within 60 days. For FY17, 12.4% of investigations were not completed within 60 days.
- Investigators did not always accurately document that they assessed the need for services by completing the Level of Intervention field in the Department's information system known as SACWIS. Of indicated investigations sampled, 16 investigations (10.7%) had no Level of Intervention listed (services recommended). Further, 39 indicated investigations (26.0%) had "No Service Needed" as the Level of Intervention. Additionally, of the investigations sampled, for 64 (42.7%) we found that the Level of Intervention was inaccurate.
- For 65.3% of indicated investigations sampled, there was a lack of documentation regarding whether any services were received by the families involved and the duration of those services. The Department could not provide basic information for Intact Family Service cases, such as referral forms, to document that a formal referral for services was made.

The audit report contained a total of 13 recommendations to the Department. According to updated responses, the Department had accepted and partially implemented 10 recommendations and implemented three recommendations.

Regional Offices of Education

The Commission reviewed 38 annual financial audits from the 32 **Regional Offices of Education** and two of the three **Intermediate Service Centers**. The most common finding concerned financial reporting and the financial reporting process. Most responded that they would implement the recommendations.

Special Inquiries

The State Auditing Act also provides for several different types of audits, including special reports and investigations. The Act defines an investigation as an inquiry into specified acts or allegations of impropriety, malfeasance, or nonfeasance in the obligation, expenditure, receipt, or use of public funds. Investigations are initiated by resolution of the General Assembly or by the Legislative Audit Commission. Also, the Auditor General may make

at any time informal inquiries of a State agency. Such inquiries are not in the nature of an audit, and are usually initiated at the request of a member of the General Assembly.

Legislative Program

One of the purposes of the audit review program is to identify and act on problems requiring a legislative solution. The Governor signed the following bills changing the statutes as recommended by audit reports or Audit Commission members.

Senate Bill 690—removes an inconsistent provision in the Riverboat Gambling Act. (PA101-31)

Senate Bill 1864—makes the Illinois Health Information Exchange Authority an office within DHFS and makes a single pay stub sufficient for income verification for CHIP and Covering All Kids. (PA101-649)

Other Duties and Responsibilities

The General Assembly has assigned the Legislative Audit Commission a variety of duties and responsibilities in addition to its principal duty to review the post audit program in Illinois.

Review of 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, or to ensure the integrity of State records; provided, however that the term of the emergency purchase shall not exceed 90 calendar 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 calendar 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 calendar 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 circumstances requiring the emergency purchases. Agencies may also make Quick Purchases to procure items available at a discount for a limited period of time. 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.

An annual analysis is also performed to detect trends and possible patterns of abuse. A summary of emergency purchases reported during 2020 appears on page 30 in Appendix C.

Each emergency transaction is reviewed to establish that:

- An “emergency,” as defined under Emergency Purchases in the Procurement Code, actually existed;
- The action taken by the agency was appropriate under the circumstances; and
- Steps were taken whenever possible to obtain bids or competitive quotations in order to obtain the most favorable terms for the State.

There were 190 statements for emergency purchases filed in 2020 totaling approximately \$149.7 million, an increase of \$108.8 million, or 265.9%, from calendar year 2019. COVID-19 related emergency procurements represented \$73.1 million, or 49% of the total cost. Presented below is a compilation of 2020 emergency purchases in dollar categories.

\$10,000 or Less	9
\$10,001 to \$100,000	61
\$100,001 to \$500,000	73
\$500,001 to \$1,000,000	23
\$1,000,001 or More	24

Included in the above summary were 24 emergency purchases exceeding \$1,000,000 as follows:

Estimated Cost - \$6,800,000.00 for the **Department of Corrections** to ensure continued IT infrastructure and applications for the Offender 360 Tracking System (System). The vendor selected is already performing these tasks and was selected by emergency purchase to ensure no disruption in the System while the new contract is out for competitive bid. This is the second emergency purchase for these services since the second quarter of FY20. Completion and execution of a competitive solicitation is expected in January of 2021.

Estimated Cost - \$3,672,500.00 for the **Department of Human Services** to purchase 10,000 gloves, 15,000 face shields, 1 million surgical masks, and 1 million KN95 masks or equivalent from an established vendor in a relatively short timeframe.

Estimated Cost - \$1,370,000.00 for the **Department of Human Services** to pay an established vendor to provide crisis communication, manage media relations, direct communications strategies that includes paid media purchases, and produce messaging, content, and collateral for internal and external audiences for the State related to the COVID-19 pandemic.

Estimated Cost - \$1,207,500.00 for the **Department of Human Services** to procure nitrile gloves from an established vendor to help prevent spread of the Novel Corona Virus.

Estimated Cost - \$14,000,000.00 for the **Department of Innovation and Technology** to extend the Emergency Purchase request to buy hardware, support, and maintenance related to the State's enterprise VoIP system, which includes an existing contract with Cisco WebEx Conferencing. The extension increased to \$14 million from \$5 million on March 31, 2020. This emergency purchase was crucial to prevent or minimize serious disruption to the State's 30,000 plus phones, 280 video conferencing systems, and multiple emergency and non-emergency call centers.

Estimated Cost - \$10,000,000.00 for the **Department of Innovation and Technology** to purchase products and services available under the existing Agreement. This includes value added services such as reporting and on-line tracking for all governmental units and not-for-profit agencies. This emergency procurement is necessary to prevent or minimize serious disruption in critical State services.

Estimated Cost - \$1,125,000.00 for the **Department of Innovation and Technology** to enable the Department, governmental units, and qualified not-for-profit agencies to continue services under the previous master contract for annual maintenance and support of hardware and software. This emergency contract will ensure that services will continue while awaiting the new contract to be executed. Failure to purchase ongoing maintenance on this software places the State at risk for the product to stop working or for extended service interruptions.

Estimated Cost - \$4,000,000.00 for the **Department of Innovation and Technology** to enact a third emergency contract to enable governmental units and qualified not-for-profit agencies to purchase the Oracle lines of products, services and training. This contract will ensure that services will continue while awaiting the new contract to be negotiated and executed. Failure to purchase ongoing maintenance on this software places the State at risk for the product to stop working or extended service interruptions.

Actual Cost - \$1,722,210.00 for the **Department of Transportation** to purchase an estimated 78 attenuators to substitute for several taken out of service for repair. The vendor has held previous attenuator contracts and is compliant with the Department's required specifications. With certain weather conditions, there are pavement failures that cannot be fixed without attenuators to protect DOT personnel.

Actual Cost - \$1,441,818.14 for the **Capital Development Board**, on behalf of the **Department of Human Services**, to provide isolation spaces at the Choate Mental Health and Developmental Center located in Anna, in preparation for patients who may be potentially diagnosed with COVID-19. The selected vendor would provide an assessment, guidance, and potentially design services for isolation spaces at these facilities.

Estimated Cost - \$5,700,000.00 for the **Capital Development Board**, on behalf of the **Department of Human Services**, to renovate space at the Shapiro Developmental Center in Kankakee, in preparation for patients who may potentially be diagnosed with COVID-19. The vendor would provide construction services for isolation spaces in Building 603 at the Center.

Estimated Cost - \$6,200,000.00 for the **Capital Development Board**, on behalf of the **Department of Human Services**, to provide isolation spaces at the Ludeman Development Center located in Park Forest, in preparation for patients who may be potentially diagnosed with COVID-19. The vendor would provide construction services for the implementation of isolation space in five homes.

Estimated Cost - \$2,055,675.00 for the **Capital Development Board**, on behalf of the **Department of Veterans' Affairs**, to provide isolation rooms at the Manteno Veterans' Home for patients who may be diagnosed with COVID-19. The vendor would provide construction services of isolation space to meet the needs of the facility.

Actual Cost - \$1,349,758.72 for the **Capital Development Board** to provide construction services to create isolation rooms at the Madden Mental Health Center. This emergency purchase was in response to the possible diagnosis of COVID-19 patient(s) at the Health Center.

Estimated Cost - \$4,200,000.00 for the **Capital Development Board**, on behalf of the **Department of Corrections**, to replace eight industrial sized hot water heaters that have exceeded their life expectancy at the Stateville Northern Reception Center. This emergency procurement was combined with another emergency procurement in order to improve efficiency of the project and to ensure timeliness of project completion.

Estimated Cost - \$5,403,000.00 for the **Emergency Management Agency** to procure a vendor to provide expertise and assistance to units of State and local government impacted by Covid-19 with disaster recovery planning and related services. These services include assistance in preparation of documents for FEMA Grants, Coronavirus Relief Funds, and any other federal funds awarded as the result of the pandemic.

Estimated Cost - \$3,075,736.64 for the **Housing Development Authority** (Authority) to supplement the use of the Authority's Loan Origination System in order to process applications related to \$396 million in Coronavirus Relief Funds that were appropriated by the Federal government to the State to assist low income renters and homeowners struggling to make payments during the Covid-19 pandemic. Emergency procurement was imperative to ensuring the Authority could process enough applications to disburse all the funds before the December 31, 2020 deadline.

Estimated - \$1,304,000.00 for **Chicago State University** to provide daily meal service for approximately 153 students and possibly staff and faculty while the University continues the solicitation for a permanent vendor.

Estimated Cost - \$3,777,582.25 for the **University of Illinois** to contract a vendor to provide temporary clinical and non-clinical staff services to support the emergency operations of the Hospital and Clinics related to the disaster declaration regarding COVID-19. Additionally, temporary staff may be necessary as labor union negotiations were ongoing.

Estimate Cost - \$1,245,000.00 for the **University of Illinois** to quick purchase a vendor to clean and sanitize UIC campus facilities during the COVID-19 health crisis. This emergency quick purchase is necessary to protect the health and safety of any person on the campus.

Actual Cost – \$5,000,000.00 for the **University of Illinois** to purchase on-line course proctoring. This service meets the University’s need to accommodate continuing the spring semester classes virtually. This system will integrate with the learning management system and be available to instructors to use on quizzes and exams.

Actual Cost - \$18,778,528.00 for the **University of Illinois** to sell the Certificate of Participation Series 2016 certificates in order to refund the 2004 certificates at a low fixed rate. This opportunity is time sensitive due to the current economic downturn resulting in lower available interest rates. This emergency procurement is expected to avoid a potentially large, future increase in liabilities related to these certificates.

Estimated Cost - \$10,000,000.00 for the **University of Illinois** to contract a vendor to provide temporary clinical and non-clinical staff services to support the emergency operations of the Hospital and Clinics related to the disaster declaration regarding COVID-19. Additionally, temporary staff were necessary earlier in the year due to union strikes. This is the second emergency purchase related to these services since the third quarter of FY20.

Estimated Cost - \$1,735,750.00 for the **University of Illinois** to relocate a high voltage electrical vault owned by ComEd that is located in the footprint of the Computer Design Research and Learning Center (CDRLC) scheduled to begin construction in April of 2021 on the UIC campus. This will be funded by UIC’s institutional funds which were immediately available as part of UIC’s contribution to the total overall cost of the project. The State appropriated \$98 million and UIC is contributing \$19.8 million for completion of the CDRLC.

Travel Control

The Legislative Audit Commission has the responsibility to monitor the quarterly reports of the various travel control boards established pursuant to statute. There are 10 separate boards governing the employees of the legislative branch, each constitutional officer, the State Board of Education, and higher education institutions. The chairs of the 10 travel control boards together comprise the Travel Regulation Council. The Travel Regulation Council establishes the State travel regulations and reimbursement rates, which shall be applicable to all personnel

subject to the jurisdiction of the various travel control boards. These 10 travel control boards have the duty to establish the maximum rate permitted for the reimbursement of their respective employee travel expenses which may be more restrictive than those established by the Council.

Each State agency is required to file reports of all of its officers and employees for whom official headquarters have been designated at a location other than that at which official duties require them to spend the largest part of their working time. Such reports are to be filed semi-annually with the Legislative Audit Commission and the Commission is to comment on all such reports.

A summary of travel headquarter reports for 2020 and the number of individuals who spend the largest part of their working time away from their designated headquarters appears in Appendix D on pages 31-33.

Bids Awarded to Other Than the Lowest Bidder

As a result of PA 96-795, the Legislative Audit Commission reviews information on the awarding of contracts to other than the lowest bidder. The statute states that a contract shall be awarded to the lowest responsible and responsive bidder except when a State purchasing officer determines it is not in the best interest of the State and by written explanation determines another bidder shall receive the award. The written explanation shall appear in the Illinois Procurement Bulletin and be filed with the Legislative Audit Commission and the Procurement Policy Board. The Audit Commission received no notices that agencies awarded contracts to other than the lowest bidders in 2020.

University Guidelines

The University Guidelines is a document authored by the Legislative Audit Commission and used at the public universities for auditing purposes. The Guidelines assure the fidelity, accountability, and conformity of the financial practices of the universities necessitated by the use of a wide range of financial instruments at the various universities. The universities agreed to abide by the University Guidelines in 1982 and again in 1998. The Legislative Audit Commission may amend the Guidelines; they are not statutory. With the agreement of the universities, the Audit Commission amended the Guidelines in 2020 to provide a one-year exemption for FY2021 from expenditure restrictions for indirect cost recovery to provide a way for the universities to better manage the financial challenges caused by the COVID-19 pandemic.

Audit of the Office of the Auditor General

The Legislative Audit Commission is responsible for the biennial compliance examination of the Office of the Auditor General, which is performed by independent certified public accountants under a contract with the Commission. The auditors follow the same instructions and standards applicable to all audits performed pursuant to the Illinois State Auditing Act. To assure the independence of the examination, the Commission requires that the contract auditor cannot participate in the audit program administered by the Auditor General. In addition, after the completion of three examinations, a different firm must be selected. The most recent compliance examination covered the two years ended June 30, 2019. There were no material or immaterial findings of noncompliance disclosed during the auditors' tests.

Rules and Regulations of the Office of the Auditor General

The Legislative Audit Commission has oversight responsibility for rulemakings of the Auditor General. The Commission is given an opportunity, by statutory authority, to comment on all proposed rules of the Office. The Auditor General's Office adopted no new rulemakings in 2020.

Office of the Legislative Audit Commission

Audit Commission members monitor all expenditures of the Audit Commission. The following is a summary of expenditures made from appropriations for Fiscal Year 2020 and an interim report as of January 1, 2021.

I. Financial Statement - Year Ended June 30, 2020

<u>Expenditure Object</u>	<u>Appropriation</u>	<u>Expended</u>	<u>Lapsed</u>
Personal Services		\$ 221,703.30	
Retirement, Employer		8,306.95	
Social Security		16,182.76	
Contractual Services		163,278.54	
Travel		1,085.45	
Commodities		1,518.02	
Printing		395.00	
Equipment		870.89	
Electronic Data Processing		-	
Telecommunications		520.84	
*Interest Prompt Payment (included in above line items)		<u>385.77</u>	
TOTAL	\$ <u>426,900.00</u>	\$ <u>413,861.45</u>	\$ <u>13,038.55</u>

II. Status of FY21 Appropriation at January 1, 2021

<u>Expenditure Object</u>	<u>Appropriation</u>	<u>Expended</u>	<u>Balance</u>
Personal Services		\$ 111,618.20	
Retirement, Employer		4,205.44	
Social Security		7,976.80	
Contractual Services		3,564.01	
Travel		1,164.00	
Commodities		585.85	
Printing		-0-	
Equipment		-0-	
Electronic Data Processing		-0-	
Telecommunications		291.58	
*Interest Prompt Payment (included in above line items)		<u>-0-</u>	
TOTAL	\$ <u>275,600.00</u>	\$ <u>129,405.88</u>	\$ <u>146,194.12</u>

There were no material findings of noncompliance disclosed in the compliance examination of the Legislative Audit Commission performed by the Office of the Auditor General for the two years ended June 30, 2019.

APPENDIX A
**Financial Audits, Compliance Examinations, Performance Audits,
Single Audits, and Other Reports**

CONSTITUTIONAL OFFICERS

Office of the Comptroller

 Fiscal Officer Responsibilities (FY19)

Office of the Legislative Inspector General (FY18)

Office of Lieutenant Governor (FY18-19)

Office of the State Treasurer

 Fiscal Officer Responsibilities (FY18-19)

 Fiscal Officer Responsibilities—Securities Lending Schedule (FY19)

 The Illinois Funds (FY17-18)

 College Savings Program (FY19)

 Illinois Achieving a Better Life Experience Program (FY19)

 Illinois Secure Choice Savings Program (FY19)

JUDICIAL

Supreme Court of Illinois (FY18-19)

Judges' Retirement System (FY19)

CODE DEPARTMENTS

Department on Aging (FY17-18)

Department of Agriculture

 Illinois State Fair (FY18-19)

Department of Central Management Services

 Community College Health Insurance Security Fund (FY19)

 Bureau of Communications & Computer Services (FY16)

 Local Government Health Insurance Reserve Fund (FY19)

 Teacher Health Insurance Security Fund (FY19)

 University Benefits Schedule Examination (FY19)

Department of Children and Family Services (FY17-18)

Department of Corrections (FY17-18)

Department of Innovation & Technology (FY17-18)

 Service Organization Control Report (FY18) (FY19)

Department of Revenue (FY17-18)

Department of Transportation (FY17-18)

Department of Veterans' Affairs (FY17-18)

LEGISLATIVE AGENCIES

Commission on Government Forecasting and Accountability (FY18-19)

Executive Ethics Commission (FY18)

General Assembly, House of Representatives (FY18-19)
General Assembly Retirement System (FY19)
General Assembly Senate (FY18-19)
Joint Committee on Administrative Rules (FY17-18)
Legislative Audit Commission (FY18-19)
Legislative Ethics Commission (FY17-18)
Legislative Reference Bureau (FY18-19)
Legislative Research Unit (FY18)
Office of the Architect of the Capitol (FY18-19)

OTHER AGENCIES

Capital Development Board (FY17)
Chicago Transit Authority
 Employees Retirement Plan (FY19)
 Retiree Health Care Trust (FY19)
Civil Service Commission (FY18-19)
Criminal Justice Information Authority (FY16-17) (FY18-19)
DryCleaner Environmental Response Trust Fund Council (FY19)
Illinois Arts Council (FY18-19)
Illinois Arts Council Foundation (FY18-19)
Illinois Conservation Foundation (FY19)
Illinois Criminal Justice Information Authority (FY18-19)
Illinois Environmental Protection Agency
 Fund 270 - Water Revolving Fund (FY17) (FY18)
Illinois Finance Authority (FY18-19)
Illinois Gaming Board (FY17-18)
 Fund 129 (FY17) (FY18)
Illinois Grain Insurance Corporation (FY18-19)
Illinois Health Information Exchange Authority (FY17)
Illinois Housing Development Authority (FY18)
Illinois Law Enforcement Training and Standards Board (FY17-18)
Illinois Literacy Foundation (FY18-19)
Illinois Mathematics and Science Academy (FY18-19)
Illinois Power Agency (FY17-18)
Illinois Prisoner Review Board (FY17-18)
Illinois Racing Board (FY17-18)
Illinois State Board of Education (FY17-18)
Illinois State Board of Elections (FY18-19)
Illinois State Board of Investment (FY19)
IMSA Fund for Advancement of Education (FY18-19)
Judges' Retirement System (FY19)
Metro East Police District Commission (FY16) (FY18) (FY19)
Property Tax Appeal Board (FY17-18)
Public School Teachers' Pension and Retirement Fund of Chicago (FY18-19)

State Employees' Retirement System (FY19)
 Report on Allocation of Pension Amounts (FY19)
State Fire Marshal (FY18)
Teachers' Retirement System (FY19)
 Allocation of Pension Amounts (FY19)
Workers' Compensation Commission (FY16-17)
 Self-Insurers' Security Fund (FY16) (FY17)

HIGHER EDUCATION

Chicago State University (FY18)
Illinois Community College Board (FY17-18)
Illinois State University (FY18) (FY19)
Southern Illinois University (FY17) (FY18)
State Universities Retirement System (FY19)
 Allocation of Pension Amounts (FY19)
Western Illinois University (FY18)

REGIONAL OFFICES OF EDUCATION

Adams, Brown, Cass, Morgan, and Pike Counties, No. 1 (FY19)
Bond, Christian, Fayette, Effingham and Montgomery Counties, No. 3 (FY19)
Boone and Winnebago Counties, No. 4 (FY16)
Calhoun, Greene, Jersey, and Macoupin Counties, No. 40 (FY18) (FY19)
Carroll, Jo Daviess, and Stephenson Counties, No. 8 (FY18) (FY19)
Champaign and Ford Counties, No. 9 (FY19)
Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, and Shelby Counties, No. 11
 (FY19)
Clay, Crawford, Jasper, Lawrence, and Richland Counties, No. 12 (FY19)
DeKalb County, No 16 (FY18)
DuPage County, No. 19 (FY17)
Edwards, Gallatin, Hamilton, Hardin, Pope, Saline, Wabash, Wayne, and White Counties,
 No. 20 (FY19)
Franklin, Johnson, Massac, and Williamson Counties, No. 21 (FY18)
Fulton, Hancock, McDonough, and Schuyler Counties, No. 26 (FY19)
Grundy and Kendall Counties, No. 24 (FY18)
Henderson, Knox, Mercer, and Warren Counties, No. 33 (FY18)
Kane County, No. 31 (FY19)
Iroquois and Kankakee Counties, No. 32 (FY19)
Lake County, No. 34 (FY17)
LaSalle, Marshall and Putnam Counties, No. 35 (FY19)
Madison County, No. 41 (FY18) (FY19)
Mason, Tazewell, and Woodford Counties, No. 53 (FY19)
McHenry County, No. 44 (FY18)
Monroe and Randolph Counties, No. 45 (FY19)
Peoria County, No. 48 (FY19)

Rock Island County, No. 49 (FY19)
St. Clair County, No. 50 (FY19)
Sangamon and Menard Counties, No. 51 (FY16) (FY17)
Vermillion, No. 54 (FY19)
Will County, No. 56 (FY18) (FY19)
Intermediate Service Center No 1 (FY18) (FY19)
Intermediate Service Center No. 4 (FY18) (FY19)

OTHER

Covering All Kids Health Insurance Program (FY16) (FY17) (FY18)
Management Audit – Road Fund Revenue and Expenditures (2013)
Program Audit of DCFS Investigations of Abuse and Neglect (2019)
Performance Audit – CMS Multiple Choice Exams (2019)
Performance Audit – Health Facilities and Services Review Board and the Certificate of
Need Processes (2017)
Program Audit - Legionnaires' Disease at the Quincy Veterans' Home (2019)
Performance Audit – Medicaid Eligibility Determinations for Long-Term Care (2019)
Performance Audit – Procurement and Administration of the Contract with Morneau
Shepell (2019)
State Actuary's Report (2019)
Statewide Single Audit (FY16, FY17)

APPENDIX B

Agencies Appearing Before the Commission

CODE DEPARTMENTS	<u>Audit Recommendations</u>	
	<u>Total</u>	<u>Repeated</u>
Department on Aging		
FY17-18 Compliance Examination	16	9
Department of Children and Family Services		
FY17-18 Compliance Examination	23	12
FY18 Single Audit	10	9
Program Audit of DCFS Investigations of Abuse and Neglect	13	
Department of Corrections		
FY17-18 Compliance Examination and Financial Audit	46	36
Department of Innovation & Technology		
FY17-18 Compliance Examination (First Audit)	30	
Department of Veterans' Affairs		
FY17-18 Compliance Examination	15	7

APPENDIX C
Emergency Purchase Transactions
Calendar Year 2020

	Purchases	Estimated/Updated Cost
Constitutional Offices		
Comptroller - Fiscal Officer	1	\$ 19,536.00
Secretary of State	1	91,080.00
Coded Departments		
Central Management Services	19	1,462,551.14
Corrections	19	10,185,803.36
Healthcare and Family Services	1	50,000.00
Human Services	9	7,195,843.10
Innovation and Technology	9	31,498,627.32
Juvenile Justice	1	195,000.00
Military Affairs	2	-
Natural Resources	4	261,541.00
Public Health	3	1,488,490.35
State Police	2	113,040.68
Transportation	11	4,632,570.14
Veterans' Affairs	3	746,332.99
All Other Agencies		
Capital Development Board	47	28,856,299.01
Emergency Management Agency	1	5,403,000.00
Housing Development Authority	2	3,075,736.64
State Fire Marshal	1	187,500.00
Toll Highway Authority	2	392,378.80
Universities		
Chicago State University	2	1,439,000.00
Illinois State University	3	684,251.05
Northern Illinois University	2	367,316.00
Southern Illinois University	2	447,004.63
University of Illinois	43	50,886,017.81
Total	190	\$ 149,678,920.02

*Eight emergency purchases were at no cost to the State.

APPENDIX D
Travel Headquarter Reports
December 31, 2020

CONSTITUTIONAL OFFICERS	<u>Reported</u>
Attorney General	0
Auditor General	0
Comptroller	9
Office of the Governor	
Executive Ethics Commission	0
Inspector General	0
Lieutenant Governor	0
Secretary of State	259
State Treasurer	0
JUDICIAL AGENCIES	
Administrative Office of the Illinois Courts	NR
Judges' Retirement System	0
Judicial Inquiry Board	0
State Appellate Defender	NR
State's Attorney Appellate Prosecutor	13
Supreme Court Historic Preservation Commission	0
Court of Claims	0
LEGISLATIVE AGENCIES	
Commission on Government Forecasting & Accountability	0
General Assembly	
House – Democratic Clerk/Fiscal	0
House Democrat Leadership	10
House – Republican	0
Senate	0
Retirement System	0
Joint Committee on Administrative Rules	0
Legislative Audit Commission	0
Legislative Ethics Commission	0
Legislative Information System	0
Legislative Inspector General	3
Legislative Printing Unit	0
Legislative Reference Bureau	0
Office of the Architect of the Capitol	0
CODE DEPARTMENTS	
Department on Aging	0
Department of Agriculture	175
Department of Central Management Services	46

Department of Children and Family Services	0
Department of Commerce and Economic Opportunity	41
Department of Corrections	446
Department of Juvenile Justice	59
Department of Employment Security	1
Department of Financial and Professional Regulation	9
Department of Healthcare and Family Services	36
Department of Human Rights	0
Department of Human Services	105
Department of Innovation & Technology	0
Department of Insurance	35
Department of Labor	9
Department of Lottery	0
Department of Military Affairs	6
Department of Natural Resources	NR
Department of Public Health	471
Department of Revenue	0
Department of State Police	4
Department of Transportation	992
Department of Veterans' Affairs	0

OTHER AGENCIES

Abraham Lincoln Presidential Library & Museum	0
Arts Council	0
Capital Development Board	15
Civil Service Commission	4
Commerce Commission	34
Criminal Justice Information Authority	0
Deaf and Hard of Hearing Commission	0
Educational Labor Relations Board	4
Emergency Management Agency	0
Environmental Protection Agency	6
Executive Ethics Commission	0
Governor's Office of Management and Budget	0
Guardianship & Advocacy Commission	0
Housing Development Authority	11
Human Rights Commission	0
Illinois Board of Examiners	16
Illinois Finance Authority	1
Illinois Gaming Board	0
Illinois Power Agency	1
Illinois Law Enforcement Training & Standards Board	5
Illinois Racing Board	0
Independent Tax Tribunal	0
Labor Relations Board	0
Math & Science Academy	0

Planning Council on Developmental Disabilities	0
Pollution Control Board	0
Prisoner Review Board	14
Procurement Policy Board	0
Property Tax Appeal Board	0
State Board of Education	0
State Board of Elections	8
State Board of Investment	NR
State Fire Marshal	92
State Employees' Retirement System	4
State Police Merit Board	NR
State Toll Highway Authority	0
Teachers' Retirement System	0
Workers' Compensation Commission	10

HIGHER EDUCATION

Board of Higher Education	NR
Chicago State University	12
Community College Board	0
Eastern Illinois University	35
Governors State University	0
Illinois State University	406
Illinois Student Assistance Commission	0
Northern Illinois University	242
Northeastern Illinois University	0
Southern Illinois University	0
State Universities Civil Service System	1
State Universities Retirement System	0
University of Illinois	0
Western Illinois University	50

*NR = No report submitted for the period ending December 31, 2020.

