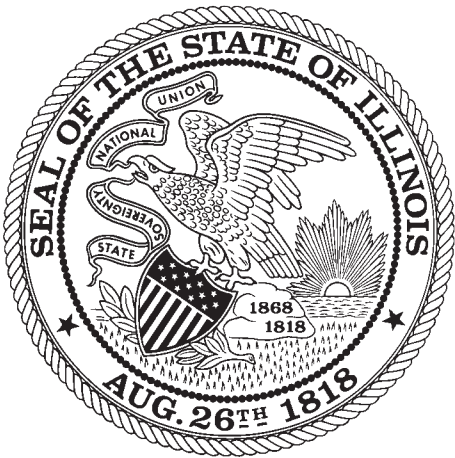


2024 ANNUAL REPORT

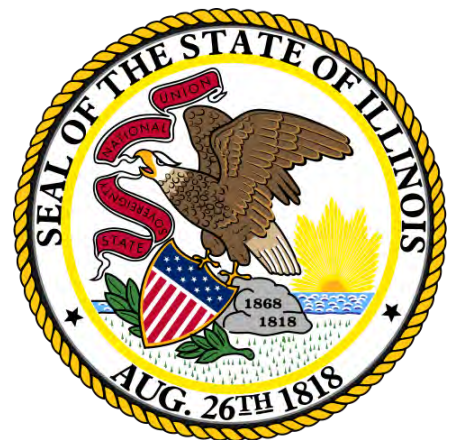


LEGISLATIVE AUDIT COMMISSION

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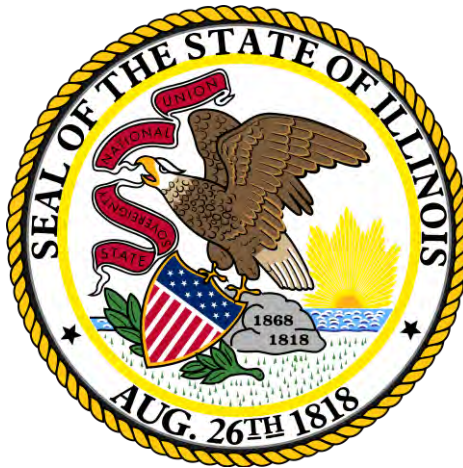
2024 ANNUAL REPORT



**LEGISLATIVE
AUDIT
COMMISSION**

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

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



**2024 MEMBERSHIP
Co-Chairs
Senator Chapin Rose
Representative Fred Crespo**

Senate Members

Neil Anderson
Laura Ellman
Doris Turner
Celina Villanueva
Craig Wilcox

House Members

Amy Elik
Marcus C. Evans, Jr.
Randy E. Frese
Natalie A. Manley
Adam M. Niemerg

Room 620
William G. Stratton Building
Springfield, Illinois 62706

Legislative Audit Commission



620 WILLIAM G. STRATTON BUILDING • SPRINGFIELD, ILLINOIS 62706 • 217/782-7097 • FAX 217/524-9030

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 2024. 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 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 "Chapin Rose".

Chapin Rose, State Senator, Co-Chair

A handwritten signature in black ink that reads "Fred Crespo".

Fred Crespo, State Representative Co-Chair

LEGISLATIVE AUDIT COMMISSION SIXTY-SIXTH ANNUAL REPORT CONTENTS

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66th 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 184 financial audits and compliance examinations, ten statewide single audits, and five 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.

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 2020, 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's 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.

Additionally, 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 four 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
as of December 31, 2024**

Senate Members

Senator Neil Anderson	February 2021
Senator Laura Ellman	January 2019
Senator Chapin Rose	January 2019
Senator Doris Turner	February 2023
Senator Celina Villanueva	November 2023
Senator Craig Wilcox	February 2023

House Members

Representative Fred Crespo	January 2021
Representative Amy Elik	February 2023
Representative Marcus Evans, Jr.	February 2021
Representative Randy Frese	January 2019
Representative Natalie Manley	February 2023
Representative Adam Niemerg	February 2023

Former Members

Raymond E. Anderson	Terry D. Deering	Richard R. Larson	Kwame Raoul
Jaime Andrade	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
Jason Barickman	Kirk Dillard	James P. Loukas	Dale A. Righter
Mark Batinick	Brian B. Duff	Eileen Lyons	Dale E. Risinger
Louis E. Beckman	Dan Duffy	Andy Manar	Bob Rita
Robert A. Biggins	Thomas Dunn	Lynn Martin	Ron Sandack
Kenneth Boyle	George W. Dunne	Iris Martinez	Calvin W. Schuneman
Bill Brady	Paul F. Elward	Sidney Mathias	Penny Severns
Michael I. Brady	Dwight P. Friedrich	Frank J. Mautino	George P. Shadid
Rich Brauer	Zeke Giorgi	Jeffrey D. Mays	W. Timothy Simms
Richard H. Brummer	John S. Graham	David B McAfee	Cal Skinner, Jr.
George M. Burditt	Harber H. Hall	Edward McBroom	Fred J. Smith
Christina Castro	Kenneth Hall	Tony McCombie	Joe Sosnowski
Linda Chapa LaVia	Julie Hamos	Dean McCulley	Arthur W. Sprague
Robert E. Cherry	Gary Hannig	Andrew J. McGann	George F. Stastny
Clyde L. Choate	Dennis Hastert	Robert F. McPartlin	Celeste M. Stiehl
Terrel E. Clarke	Jay Hoffman	Robert Mitchler	Arthur Tenhouse

Earlean Collins	Linda Holmes	John Mulroe	Judy Baar Topinka
Jacqueline Collins	Sheri Jesiel	Edward A. Nedza	Donne E. Trotter
Philip W. Collins	Gene Johns	Clarence E. Neff	Sam Vadalabene
Marlow H. Colvin	Timothy V. Johnson	Dawn Clark Netsch	Louis S. Viverito
John Connolly	Nancy Kaszak	Jim Oberweis	Thomas J. Walsh
Rachelle Crowe	James F. Keane	Daniel J. O'Brien	Frank Watson
Thomas Cullerton	Dan Kotowski	Mary K. O'Brien	Jerry Weller
Michael D. Curran	Jack L. Kubick	John T. O'Connell	Rick Winkel
Barbara Flynn Currie	Bob Kustra	Frank M. Ozinga	Anne Zickus
Julie A. Curry	Leo D. LaFleur	Margaret R. Parcels	
John M. Daley	Darin LaHood	Christine Pacione-Zayas	
Richard M. Daley	John J. Lanigan	Sandra Pihos	
C.D. Davidsmeyer		Glenn Poshard	
Corneal A. Davis		Paul Powell	
Jack Davis			
Aldo A. DeAngelis			

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 LLC	Plante & Moran LLC	Roth & Company LLP	Sikich CPA LLP
Ana Ausan	Steven Bishop	Tiffany Floreca	Amy Sherwood
Jose G. Roa	Vicki VanDenBerg	Epifanio Sadural	Ryan Randolph
Jennifer Roan	Lisa Warden		
Juvy Rocafor	Jennifer Zanone		
Allan Salumbides			
Stella Santos			
Maria Valera			

Compliance Examinations and Financial Audits

Compliance audits, or compliance examinations, and financial audits 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 140 financial and compliance reports during 2024, ranging from reports disclosing no material findings to reports containing as many as 32 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 28-31.

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 2024.

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, the audit identified 52 State agencies expended \$38.4 billion in federal financial assistance in FY22. The FY23 Audit is not yet complete due to a number of factors. 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 FY22 contained 34 findings with 16 repeat findings. The audit noted that the State of Illinois 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).

There were 31 findings in the FY22 Statewide Single Audit that 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:

Auditor's Disclaimer of Opinion on a Major Program

The Illinois Student Assistance Commission:

- Was unable to implement all required elements of the Dear Colleague Letter GEN-21-03 for loans serviced under the Federal Family Education Loans – Guaranty Agencies (FFEL) program due to system limitations.

Auditor's Adverse Opinion on Major Program

The Department of Revenue:

- Passed through most of the advance drawn funds to its subrecipient while reporting no activity had occurred for the COVID-19 – Homeowner Assistance Fund (HAF) program in the special report prepared during fiscal year 2022.

The Department of Human Services:

- Did not perform a risk assessment or subrecipient monitoring procedures for the subrecipient of the HAF program for the year ended June 30, 2022.

Significant Agency Findings Classified as Material Noncompliance Resulting in an Auditor Qualification:

The Department of Human Services:

- Could not locate case file documentation supporting eligibility determinations and

special test requirements for beneficiaries of the SNAP Cluster and/or Temporary Assistance for Needy Families (TANF) program.

- Was unable to provide adequate documentation to substantiate the maintenance of effort (MOE) requirements were met for the Block Grants for Prevention and Treatment of Substance Abuse (SAPT) program for award year 2020 that closed during State fiscal year 2022.
- Did not follow its established program monitoring policies and procedures for subrecipients of the TANF, CCDF Cluster, and SAPT programs.
- Did not obtain the required certifications at the time of application for certain providers of the CCDF Cluster receiving American Rescue Plan (ARP) Act stabilization funds.

The Department of Healthcare and Family Services:

- Did not perform periodic audits of the accuracy, truthfulness, and completeness of the encounter and financial data submitted by, or on behalf of, each Managed Care Organization (MCO) for the Children's Health Insurance Program (CHIP) and Medicaid Cluster programs.
- Did not report certain Medicaid Cluster program expenditures on quarterly federal financial (CMS-64) reports in a timely manner.
- Improperly continued providing benefits under the CHIP program to individuals who were over the age of 19 prior to the start of the Public Health Emergency on March 13, 2020.

The Department of Employment Security:

- Did not implement Federal requirements to improve program integrity and reduce overpayments.

The Department on Aging:

- Did not adequately document review over single audit reports received from its subrecipients for the Aging Cluster program on a timely basis.

The Department of Corrections:

- Charged subrecipient expenditures to the Coronavirus Relief Fund (CRF) program which were incurred prior to the period of performance.

In addition, the Department of Human Services, the Department of Public Health, the Illinois Criminal Justice Information Authority, the Department of Transportation, and the Department on Aging failed to report information required by the Federal Funding Accountability and Transparency Act (FFATA) for awards granted to subrecipients of various programs.

Audit Review Highlights

During 2024, the Legislative Audit Commission reviewed many compliance examinations and financial audit reports. There are wide variations in the reports regarding length, complexity of agency operations, and other factors, which contribute to the number of reviews the Commission can hear in any given year. This reflects the wide range of the State's fiscal activities subjected to review by the General Assembly during the given 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 FY22 audit cycle, there were a total of 1,055 findings and 649 repeated findings (62%). For the FY23 audit cycle, there were a total of 1,019 findings and 602 repeated findings (59%).

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 Commission desires that State government operate efficiently and effectively and improve its economic standing. In December 2024 unemployment was at 5.2%, and the national average was 4.1%.

A new law went into effect on January 1, 2018 requiring agencies to report on the amount of outstanding bills held at the agency. In January 2024, the bill backlog was \$2 billion. The \$1.5 billion in interfund borrowing first authorized in July 2017, including applicable interest, is now repaid in full.

Appendix B, appearing on page 32, summarizes the audits reviewed at Legislative Audit Commission hearings during 2024, the number of audit recommendations, and the number of recommendations that were repeated from prior audits.

During 2024, 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 either FY21, FY22, or FY23.

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, 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:

Agriculture	IL Emergency Mgmt. Agency
Capital Development Board	IL Finance Authority
Chicago State University	IL Independent Tax Tribunal
Commission on Equity and Inclusion	IL Liquor Control Commission
Central Management Services	IL Math & Science Academy
Criminal Justice Info Authority	IL Student Assistance Comm.
Deaf & Hard Hearing Commission	Innovation & Technology
DNR - Conservation Foundation	Joint Comm. On Admin. Rules
Eastern Illinois University	Labor
Employment Security	Legislative Reference Bureau
Executive Ethics Commission	Lottery
Exec. Office of Inspector General	Northeastern Illinois University
Governor	Procurement Policy Board
Governor's State University	Property Tax Appeal Board
Guardianship & Advocacy	Public Health
Human Rights	Southern Illinois University
IL Arts Council	State Board of Elections
IL Commerce Commission	Transportation
IL Council on Develop. Disabilities	Treasurer – College Savings Prog.
IL Courts Commission	Treasurer – Illinois Funds
	Workers Compensation Commission

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

ALPLM	Guardianship & Advocacy Commission
Capital Development Board	Governor
Chicago State University	Legislative Reference Bureau
Criminal Justice Info Authority	Northern Illinois University
EPA – Water Revolving Fund	Off. of the Exec. Inspect. General
Executive Ethics Commission	Southern Illinois University
Gaming Board	State Police Merit Board

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

Agriculture	IL Emergency Mgmt. Agency
ALPLM	Prisoner Review Board
Capital Development Board	Procurement Policy Board
Chicago State University	Secretary of State
Deaf and Hard of Hearing Comm	Transportation
University of Illinois	Workers' Compensation Commission

The following agencies did not properly follow administrative directives, agency policies and procedures, or reporting requirements; or had inadequate control over documentation, 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 Develop. Bd.	Labor Relations Board
Department of Employment Security	Liquor Control Commission
Gov. Off. Of Mgmt. and Budget	IL Power Agency
Educ. Labor Relations Board	Illinois State 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:

Ag – State Fair	Dept. of Public Health
Central Mgmt. Services	IL Arts Council
Criminal Justice Info Authority	IL State Board of Education
	University of Illinois

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, disaster recovery, disposal of confidential information, website management, system documentation, data reporting, software licenses, detailed user agreements, data conversion, ERP or cybersecurity:

ALPLM	IL Finance Authority Gov. St. Univ.
Capital Development Board	Illinois State University
Chicago State University	Judges' Retirement System
Court of Claims	Northern Illinois University
Eastern Illinois University	Northeastern Illinois University
General Assembly Ret. Syst.	State Employees Retirement System
Gov. St. Univ.	State University Retirement System

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	IL Supreme Court
Comptroller – Fiscal Off.	Northeastern IL Univ.
Responsibilities	Southern Illinois Univ.
Department of Revenue	St. Univ. Retirement Sys.
Governors State University	Teachers Retire. Sys.
IL Independ. Tax Tribunal	Treas. – IL
IL St. Bd. of Investment	Western Illinois Univ.

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:

Comm. On Equity & Inclusion	Prisoner Review Board
Court of Claims	Teachers Retire. Syst.
Department of Employment Security	

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:

ALPLM	IL Finance Authority
Comm. On Equity & Inclusion	

Failure to Protect the State's Interest

Illinois Workers' Compensation Commission has not sought a judgement in circuit court against self-insurers owing past due assessments.

The **Department of Transportation** failed to maintain documentation to substantiate timely bridge inspections.

Roseland Community Medical District Commission failed to establish a control environment.

The **Illinois Independent Tax Tribunal** had not implemented adequate internal controls over its service providers.

The **Department of Human Rights** did not meet the procedural time limits set forth when a charge of a civil rights violation had been filed and when a complainant filed a request to opt out of the Department's investigation.

The **Governor** did not make all required appointments to various boards, commissions, councils, committees, and other entities to fill vacancies.

The **Lt. Governor** did not comply with certain provisions of statutory mandates related to boards, commissions, and committees and lacked sufficient internal controls to ensure compliance.

Collection of Receivables

Accounts receivable are a valuable asset to the State of Illinois 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, 2023 approximated \$18.5 billion.

As of December 31, 2024, the total amount owed to the State was \$19.595 billion, an increase of \$1.103 billion from the \$18.492 billion reported at December 31, 2023, as restated. That increase can be attributed primarily to an increase of \$682 million in unemployment benefit overpayments at the Department of Employment Security, as well as an increase of \$290 million in other receivables at the Environmental Protection Agency. (Source: Receivables Report)

The LAC will monitor as the updated numbers are disclosed in March, especially regarding federal stimulus.

Performance Audits

Performance audits, a category that includes program, management, efficiency audits and annual reviews, 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. These were the resolutions adopted in 2024 by the Legislative Audit Commission requesting a performance audit:

- Audit of the Business Enterprise Program (BEP) and Veterans' Business Program;
- Performance Audit of Illinois Emergency Management Agency (IEMA) contracts.

The Commission approved one performance audit in CY24 on the consent calendar involving:

- Department of Transportation, Certification of Businesses as Disadvantaged Business Enterprises, year ended April 10, 2024

The following is a summary of the three performance audits reviewed by the Legislative Audit Commission during 2024. Auditors will follow-up on these recommendations with each agency and report on whether the recommendations were implemented in the agency's individual compliance examination.

- Department of Commerce and Economic Opportunity – Business Interruption Grant Program;
- State's Response to the COVID Outbreak at the LaSalle Veterans' Home;
- Healthcare and Family Services – Administration of Pharmacy Benefit Managers.

Performance Audit of the Business Interruption Grant Program

Background:

The Business Interruption Grant (BIG) program was developed to provide \$585 million in economic relief for small businesses hit hardest by COVID-19.

The Department of Commerce and Economic Opportunity (DCEO) had responsibility for the development and implementation of the BIG program. DCEO entered into agreements with the Department of Human Services (DHS) and Agriculture (DOA) to assist with other components of BIG.

Key Recommendations:

The audit report contains 15 recommendations directed to DCEO.

- DCEO should develop and maintain documentation on why and how it has selected grant administrators when DCEO delegates the responsibility for that administration to outside parties.
- DCEO should develop administrative rules for new grant programs prior to the initiation of the program.
- When DCEO allows grant applicants to self-certify information on the grant application, DCEO should develop controls to check those certifications for accuracy.
- DCEO should design grant application selection criteria that are aligned with directives in State statute.
- DCEO should make sure that eligibility criteria are followed when conducting a grant program and not allow ineligible applicants to receive funding.
- DCEO should, when utilizing grant administrators to make funding selections, conduct more extensive oversight by ensuring administrators understand the evaluation criteria and by reviewing a significant amount of application documentation to determine if awards were correctly made.
- DCEO should comply with requirements in State statute relative to award of funding for specific purposes.
- DCEO should take the steps necessary to ensure that grant awardees do not receive funds in excess of program policy.
- DCEO should, when utilizing outside grant administrators, ensure that grant agreements are executed prior to allowing the entities to work on the grant program. Additionally, when the grant administrators are able to view confidential information as part of the program, DCEO should develop procedures to monitor that the confidential documents are securely maintained.
- DCEO should maintain a history of notifications to applicants of grant programs it is responsible for when it decides to utilize a third party for those notifications.
- DCEO should, when allowing grant administrators to pay out grant funds, develop controls to ensure that payments are timely made by those grant administrators.
- DCEO should: conduct the monitoring that it develops for grant program criteria; follow contractual criteria it develops and obtain the documentation to support grant awards when a third-party administrator is utilized to select grant recipients; comply with administrative rules and obtain documentation to demonstrate how grant funds are utilized; and conduct monitoring efforts to ensure that multiple sources of funding are not utilized for the same expenses.
- DCEO should take steps to ensure that grant administrators appropriately apply program requirements to applications including, when applicable, the deduction of previous awards. Additionally, DCEO should not approve awards until adequate review has been conducted.
- DCEO should take the steps necessary to ensure that the terms of grant agreements, including sending 1099 forms when applicable, are complied with by grant administrators.

- DCEO should have a system in place to manage notices of grant program violators and should enforce the program requirements it creates.

The performance audit was conducted by the staff of the Office of the Auditor General.

Performance Audit of State's Response to the COVID Outbreak at the LaSalle Veterans' Home

Background:

The outbreak at the LaSalle Veterans' Home occurred in late October 2020, when COVID-19 cases were trending up statewide. Also, the outbreak occurred prior to the COVID-19 vaccine. Based on tests administered prior to the end of October 2020, 13 residents and staff (8 residents and 5 staff) tested positive. According to the Department of Public Health (IDPH), by November 4, 2020, 57 residents and staff (46 residents and 11 staff) had tested positive for COVID-19. By the end of November 2020, 203 total positive cases had been identified at the LaSalle Home. According to IDPH, in total, between October 23, 2020 and December 9, 2020, 109 of the Home's 128 residents (85%) and 88 of the Home's 231 staff (38%) had tested positive for COVID-19.

Key Recommendations:

The audit report contains three recommendations directed to the Illinois Department of Veterans' Affairs (IDVA) and the Illinois Department of Public Health (IDPH) including:

- IDVA should ensure each of its Veterans' Homes have policies and procedures in place that mandate timely testing of its residents and employees during COVID-19 outbreaks, and should ensure that residents and employees are tested according to the policy.
- IDPH should: - clearly define its role in relation to monitoring COVID-19 outbreaks at Illinois Veterans' Homes; and - develop policies and procedures that clearly identify criteria which mandate IDPH intervention at Veterans' Homes during an outbreak of COVID-19.
- IDVA should ensure that: - the IDVA Director works with the Department of Public Health and the Governor's office during COVID-19 outbreaks to advocate for the health, safety, and welfare of the veterans who reside in the Homes under IDVA's care; and - the Senior Home Administrator position is filled and the duties of the position include monitoring and providing guidance to the Veterans' Homes during COVID-19 outbreaks.

The performance audit was conducted by the staff of the Office of the Auditor General.

Performance Audit of the Administration of Pharmacy Benefit Managers

Background:

Pharmacy Benefit Managers (PBMs) are contracted by Managed Care Organizations (MCOs)

to be responsible for the purchasing and distribution of drugs under the plan. Subsequently, PBMs enter into contracts with individual pharmacies to provide prescription drugs and related products and services. Claims are generally filed at the point of sale at the pharmacy when the beneficiary fills the prescription, unlike the claims process for MCOs where claims are filed after the service occurs. PBMs are paid through the capitation rates given to MCOs, which are actuarially calculated; these payments cover pharmaceuticals as well as dispensing and administration fees. According to Healthcare and Family Services (HFS), PBMs are under the dual oversight of the contracting MCO and HFS.

Key Recommendations:

The audit report contains five recommendations directed to the Department of Healthcare and Family Services including:

- HFS should ensure that contracts between MCOs and PBMs include the contractual requirements outlined in 215 ILCS 5/513b1 and 305 ILCS 5/5-30(h).
- HFS should provide more detailed monitoring of managed care organizations and their pharmacy benefit managers. Specifically, it should: - Report to the General Assembly on an annual basis as required by 305 ILCS 5/5-36(c); - Request and monitor PBM information as allowed and required by 305 ILCS 5/5-36(e),(g), and (h); and - Review and approve dispute resolution processes provided by PBMs as required by 305 ILCS 5/5-36(j).
- HFS should define “conflict of interest” in administrative rules as required by 305 ILCS 5/5-36(d).
- HFS should monitor reimbursement rates between managed care organizations and their pharmacy benefit managers, as required by the Illinois Public Aid Code.
- HFS should address affiliations between MCOs, PBMs, and pharmacies when it defines conflict of interest in the Administrative Code as required by 305 ILCS 5/5-36(d).

The performance audit was conducted by the staff of the Office of the Auditor General.

Regional Offices of Education

The Commission reviewed 29 annual financial audits from the 35 **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. The LAC will monitor the ROEs’ progress.

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. The Auditor General may also at any time make 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. There were several special questions and inquiries requested by the Legislative Audit Commission in 2024.

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 all emergency purchases reported during 2024 begins in Appendix C (pages 33-36) that also includes tables of emergency purchases filed that used state appropriated funding, federal and state appropriated funding, federal funding and all other sources of funding.

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 emergency purchase affidavits filed during 2024 that totaled almost \$208 million. Below is a table that categorizes the funding sources for emergency purchases which are State-Appropriated Funds, Federal Funds, Federal and State Appropriated Funds, and Other. 141 of the emergency purchases filed during 2024 used state-appropriated dollars.

	Purchases	Estimated/Updated Cost
State Appropriated Funding	139	\$ 120,950,770.35
Federal Funding	19	\$ 9,363,362.66
State Grants	0	\$ -
State Appropriated Funding & State Grant Funds	2	\$ 1,972,008.47
Other Funding	30	\$ 75,190,193.51
Total	190	\$ 207,476,335

Presented below is a compilation of all 2024 emergency purchases in dollar categories.

Number of Emergency Purchases Per Dollar Range	
\$10,000 or Less	6
\$10,0001 to \$100,000	52
\$100,001 to \$500,000	74
\$500,001 to \$1,000,000	27
\$1,000,001 to \$10,000,000	28
\$10,000,001 or More	3
Total	190

Emergency purchases are evaluated by the Legislative Audit Commission on a quarterly and annual basis. The annual review is based on the calendar year due to when the LAC’s annual review is due to the GA.

In recent years, the trend for emergency purchases has increased notably in terms of dollar amount. Normally this review would contain descriptions of all emergency purchases that exceeded \$1 million. Since the last annual review, the number of emergency procurements over \$1 million has more than doubled compared to the prior two calendar years. The CY22 annual review has 52 emergency purchases exceeding \$1 million—six of which exceeded \$10 million. The CY23 annual review contained 12 emergency purchases over \$1 million – 1 of which

exceeded \$10 million.

The LAC has begun to review emergency purchases in a more in-depth manner. As denoted above, emergency purchases are broken down in to four categories which are: State Appropriated Funding, Federal and State Appropriated Funding, Federal Funding and All Other Funding. In prior years, the LAC solely reviewed only the State Appropriated emergency purchases.

The following are a list of the most notable emergency purchases selected by LAC staff due to the longevity of the emergency procurement, the dollar amount of the purchase or the nature of the emergency.

CY24 QTR1 - Capital Development Board, Estimated Cost \$3,413,000 – The existing Boiler House Building (C0530) needs demolished. Prior to demolition the contractor shall relocate the fuel oil pumps, associated equipment, and rework supply and return lines feeding the existing generators to remain and the temporary boiler. Also, the contractor will be required to relocate the salt brine tanks and pump to a portion of the building to remain. A new sink and base cabinet will need to be added to the existing restroom to remain for water testing. Once this work has been completed the contractor will start demolition of the portions of the building.

CY24 QTR1 – Department of Corrections, Estimated Cost \$1,888,200 – Morrow Brothers Ford, Inc. provided 45 gasoline powered Mid-Size SUV's. DCFS currently has 64 field offices throughout the State. In most field offices, due to a lack of State Vehicles, field employees are using their personal vehicles. Employee safety is a major concern for the Agency and employees using their own vehicles poses a danger to employee safety.

CY24 QTR1 – Department of Public Health, Estimated Cost \$2,593,310 – Emergency procurement for specialized personnel to support essential and scientific functions within IDPH from the National Foundation for the Center of Disease Control and Prevention. The following positions shall be covered by this agreement as they include necessary programmatic and administrative functions in the areas of public health disaster preparedness and communicable and infectious disease for the State; laboratory scientist, health facilities surveillance nurse, epidemiologist, laboratory data entry, disease surveillance coordinators, research coordinators, disease tracers, outbreak investigators, medical consultants, infection preventionists, data analysts, public health hazard planners, administrative support, and other disease-control positions.

CY24 QTR2 – Department of Transportation, Estimated Cost \$16,285,000 – The agency is purchasing 65 dump trucks and attachments. The last new trucks IDOT received were in October of 21 under FY21, FY22 orders, 65 units (of the original 235 units ordered) are pending delivery. No units were able to be ordered from the contract in FY23 or FY23 due to projection and supply issues. The master contract expired on 0/02/2023 and there is no contract to purchase new units. Give that approximately 34% of the fleet is replacement eligible at this time and is expected to reach 47% withing the next 2 years. It is crucial to replenish the fleet to maintain operational efficiency and safety standards.

CY24 QTR2 – Illinois State Police, Estimated Cost \$4,721,960.00 – The vendor has patrol vehicle's readily available on the lot for purchase. This purchase is for 58 Interceptor Patrol vehicles, 12 Responder Patrol vehicles and 10 Ford F-150 patrol trucks to replace outdated and higher mileage patrol vehicles that are currently in use in the field. The older vehicles are becoming high

maintenance and cost as well as requiring the trooper to incur downtime for maintenance.

CY24 QTR2 – University of Illinois Urbana-Champaign, Estimated Cost \$570,978.00 – Space Entanglement and Annealing Quantum Experiment which requires the launch of hardware into space. The vendor will be responsible for MISSE flight of approximately 12 months of testing.

CY24 QTR2 – State Toll Highway Authority, Estimated Cost \$500,000.00 – The vendor will complete pavement repairs to ensure the pavement continues to be safely maintained and avoid severe impact to the over 100,000 vehicles traveling on I-290 per day. In addition, fencing is required to ensure access to the right of way and work zone is prohibited and erosion control must be maintained to comply with federal clean water requirements, avoid impact to streams and waterways and avoid monetary penalties for nonconformance. In order to complete the erosion control measures, clearing of partially removed trees must also be completed.

CY24 QTR3 – Department of Commerce and Economic Opportunity, Estimated Cost \$43,800,000.00 – The marketing and advertising programs encompass domestic and international tourism. Scope of work will include creative planning and production, media planning and buying, production, research, web-site management, event participation and sponsorship.

CY24 QTR4 – Illinois State University, Estimated Cost \$33,000,000.00 – The vendor, Cole Construction, will redevelop the property located at 1709 General Electric Road into a new ISU College of Engineering Facility. The existing facility will be renovated to incorporate approximately 83,000 square feet of classrooms, labs, lecture rooms, and faculty offices.

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 headquarters reports for 2024 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 37-39.

Bids Awarded to Other Than the Lowest/Highest Bidder

As a result of PA 96-795, the Legislative Audit Commission reviews information on the awarding of contracts to other than the lowest/higher 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 2024.

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 FY21 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.

The LAC changed the Guidelines with Resolution #163 to improve efficiency for universities to transfer property at its meeting on November 15, 2022.

The LAC last changed the University Guidelines by providing an outline on the Modernization Update on May 16, 2023. The universities and Office of Auditor General are continuing to discuss the initiative.

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, 2023. 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 Office of Auditor General updated its personnel rules to conform to changes to the Child Bereavement Leave Act (820 ILCS 154) in 2023. The Office also updated its Purchasing Rules pursuant to statutory changes in the Procurement Code made by P.A. 103-865.

Fiscal Control and Internal Auditing Act (FCIAA) Checklist

As a result of P.A. 86-336, the LAC was tasked with approving guidelines for internal control review purposes used at each state agency. These guidelines were established by the IOC in conjunction with the Director of CMS. The LAC approved the first publication of the guidelines (or checklist) at its meeting on April 23, 1990. According to the statute, the guidelines “may be modified, as needed, with the Commission’s approval” (30 ILCS 10/3002).

CMS in conjunction with the IOC created an updated version of the guidelines that more specifically meets the needs of the state’s various, diverse agencies while also making them more applicable for the present day needs of internal control at the agencies. The LAC approved these updates at its meeting on May 5, 2021.

The LAC last approved the FCIAA checklist updates for Risk Assessments at its meeting on September 21, 2022.

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 2024 and an interim report for Fiscal Year 2025 as of January 1, 2025.

I. Financial Statement - Year Ended June 30, 2024

<u>Expenditure Object</u>	<u>Appropriation</u>	<u>Expended</u>	<u>Lapsed</u>
Personal Services	\$349,700	\$293,609	\$56,091
Retirement, Employer	14,000	11,438	2,562
Social Security	26,800	21,109	5,691
Contractual Services	49,600	22,322	27,278
Travel	9,300	1,560	7,740
Commodities	2,000	857	1,143
Printing	2,000	0	2,000
Equipment	20,000	10,367	9,633
Electronic Data Processing	0	0	0
Telecommunications	1,600	906	694
Prompt Payment Interest*	0		0
TOTAL	<u>\$475,000</u>	<u>\$362,168</u>	<u>\$112,832</u>

*Included in lines

II. Status of FY25 Appropriations at January 1, 2025

<u>Expenditure Object</u>	<u>Appropriation</u>	<u>Expended**</u>	<u>Balance</u>
Personal Services		\$155,238	
Retirement, Employer		5,261	
Social Security		11,278	
Contractual Services		250	
Travel			
Commodities			
Printing			
Equipment			
Electronic Data Processing			
Telecommunications			
Prompt Payment Interest*			
TOTAL	<u>\$475,000</u>	<u>\$172,027</u>	<u>\$302,973</u>

*Included in lines

**Only payroll was paid during ED vacancy

Audit of the Legislative Audit Commission

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, 2023.

APPENDIX A

Financial Audits, Compliance Examinations, Performance Audits, Single Audits, and Other Reports (Received)

CONSITITUATIONAL OFFICERS

Office of the Comptroller

Fiscal Officer Responsibilities (FY23)

Office of the Governor (FY22-23)

Office of the Lieutenant Governor (FY22-23)

Office of the Secretary of State (FY22-23)

Office of the State Treasurer

Fiscal Officer Responsibilities (FY23)

College Savings Program (FY23)

The Illinois Funds (FY22-23)

JUDICIAL

Illinois Court of Claims (FY22-23)

CODE DEPARTMENTS

Department of Agriculture (FY22-23)

DuQuoin State Fair (FY22-23)

Illinois State Fair (FY23-23)

Department of Central Management Services (FY22-23)

Local Government Health Insurance Reserve Fund (FY23)

State Employees Group Insurance Program (FY23)

Teacher Health Insurance Security Fund (FY23)

Community College Health Insurance Security Fund (FY23)

Department of Employment Security (FY23)

Department of Human Rights (FY22-23)

Department of Innovation & Technology (FY23)

Department of Labor (FY22-23)

Department of Lottery (FY22-23)

Department of Natural Resources (FY23)

Department of Public Health (FY 22-23)

Department of Revenue (FY23)

Department on Aging (FY21-22)

Illinois Department of Employment Security (FY23)

Illinois Department of Transportation (FY21-22)

LEGISLATIVE AGENCIES

Commission on Equity and Inclusion (Eighteen Months-June 30, 2023)

Illinois Courts Commission (FY22-23)

Illinois Supreme Court (FY23)

Joint Committee on Administrative Rules (FY21-22)
Legislative Reference Bureau (FY22-23)

OTHER AGENCIES

Abraham Lincoln Presidential Library and Museum (FY22-23)
Capital Development Board (FY23)
Deaf and Hard of Hearing Commission (FY22-23)
Environmental Protection Agency
 Water Revolving Fund 270 (FY23)
Executive Ethics Commission (FY22-23)
Governor's Office of Management and Budget (FY22-23)
Guardianship and Advocacy Commission (FY22-23)
Illinois Arts Council (FY22-23)
Illinois Board of Examiners (FY22-23)
Illinois Commerce Commission (FY22-23)
Illinois Conservation Foundation (FY23)
Illinois Council on Developmental Disabilities (FY22-23)
Illinois Criminal Justice Information (FY22-23)
Illinois Educational Labor Relations Board (FY22-23)
Illinois Emergency Management Agency and Office of Homeland Security (FY22-23)
Illinois Gaming Board (FY23)
Illinois Grain Insurance Corporation (FY22-23)
Illinois Finance Authority (FY22-23)
Illinois Housing Development Authority (FY23)
Illinois Independent Tax Tribunal (FY22-23)
Illinois Labor Relations Board (FY22-23)
Illinois Literacy Foundation (FY22-23)
Illinois Liquor Control Commission (FY22-23)
Illinois Mathematics and Science Academy (FY23)
Illinois Power Agency (FY23)
Illinois State Board of Education (FY23)
Illinois State Board of Investment (22-23)
Illinois State Toll Highway Authority (FY23)
Illinois Workers' Compensation Commission (FY22-23)
 Self-Insurers Security Fund (FY23)
Metropolitan Pier and Exposition Authority (FY22-23)
Mid-Illinois Medical District Commission (FY22-23)
Office of Executive Inspector General for Agencies of the Illinois Governor (FY22-23)
Prisoner Review Board (FY 21-22)
Procurement Policy Board (FY21-22)
Property Tax Appeal Board (FY21-22)
Retirement Systems
 General Assembly Retirement System (FY23)
 GARS Census Data Reports (FY23)
 Judges' Retirement System (FY23)
 JRS Census Date Reports (FY23)
 State Employees' Retirement System (FY23)
 SERS Census Data Reports (FY23)
 State Universities Retirement System (FY22-23)

Supreme Court of Illinois (FY23)
SURS Census Data Reports (FY23)
Teachers' Retirement System (FY22-23)
Roseland Community Medical District Commission (FY22)
State Police Merit Board (FY22)

HIGHER EDUCATION

Chicago State University (FY23)
Eastern Illinois University (FY23)
Governors State University (FY23)
Illinois Board of Higher Education (FY22-23)
Illinois Community College Board (FY22-23)
Illinois State University (FY23)
Illinois Student Assistance Commission (FY23)
 Illinois Prepaid Tuition Program (FY23)
Northern Illinois University (FY23)
Northeastern Illinois University (FY23)
Southern Illinois University (FY23)
University of Illinois (FY23)
Western Illinois University (FY23)

REGIONAL OFFICES OF EDUCATION

Adams, Brown, Cass, Morgan, Pike and Scott Counties, No. 1 (FY23)
Bond, Christian, Effingham, Fayette, and Montgomery Counties, No. 3 (FY23)
Boone and Winnebago Counties, No. 4 (FY19)
Carroll, Jo Daviess, and Stephenson Counties, No. 8 (FY23)
Champaign and Ford Counties, No. 9 (FY23)
Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, and Shelby Counties, No. 11 (FY23)
Clay, Crawford, Jasper, Lawrence, and Richland Counties, No. 12 (FY23)
Clinton, Jefferson, Marion, and Washington Counties, No. 13 (FY23)
DeKalb Counties, No. 16 (FY23)
DeWitt, Livingston, Logan and McLean Counties, No. 17 (FY23)
DuPage County, No. 19 (FY20)
Edwards, Gallatin, Hamilton, Hardin, Pope, Saline, Wabash, Wayne, and White Counties, No. 20 (FY23)
Franklin, Johnson, Massac, and Williamson Counties, No. 21 (FY23)
Grundy and Kendall Counties, No. 24 (FY23)
Fulton, Hancock, McDonough, and Schuyler Counties, No. 26 (FY23)
Bureau, Henry and Stark Counties, No. 28 (FY23)
Alexander, Jackson, Perry, Pulaski and Union Counties, No. 30 (FY22)
Kane County, No. 31 (FY23)
Iroquois and Kankakee Counties, No. 32 (FY23)
Henderson, Knox, Mercer, and Warren Counties, No. 33 (FY23)
Lake County, No. 34 (LY20)
Lasalle, Marshall, and Putnam Counties, No. 35 (FY23)
Macon and Piatt Counties, No. 39 (FY22)

Calhoun, Greene, Jersey and Macoupin Counties, No. 40 (FY22)
Madison County, No. 41 (FY23)
McHenry County, No. 44 (FY22)
Monroe and Randolph Counties, No. 45 (FY23)
Lee, Ogle, and Whiteside Counties, No. 47 (FY22)
Peoria County, No. 48 (FY23)
St. Clair County, No. 50 (FY23)
Sangamon and Menard Counties, No. 51 (FY23)
Mason, Tazewell, and Woodford Counties, No. 53 (FY23)
Vermillion, No. 54 (FY23)
Intermediate Service Center - North Cook, No. 1 (FY23)
Intermediate Service Center – West Cook, No. 2 (FY20)
Intermediate Service Center – South Cook, No. 4 (FY23)

PERFORMANCE AUDITS

Department of Human Services' Oversight and Monitoring of the Community Integrated Living Arrangement Program, August 28, 2024

Management Audit of Boards and Commissions, June 4, 2024

Department of Transportation's Certification of Businesses as Disadvantaged Business Enterprises, April 2024

APPENDIX B

Agencies Appearing Before the Commission

<u>CODE DEPARTMENTS</u>	<u>AUDIT RECOMMENDATIONS</u>	
	<u>TOTAL</u>	<u>REPEATED</u>
Department of Commerce & Economic Opportunity FY21-22 Compliance Examination	18	15
Veterans' Affairs FY21-22 Compliance Examination	32	20
Southern Illinois University FY21-22 Compliance Examination	21	13
Governors State University FY22 Compliance Examination	9	9
Illinois Law Enforcement Training and Standards Board FY21-22 Compliance Examination	22	9
Department of Juvenile Justice FY21-22 Compliance Examination	25	21

MANAGEMENT, PERFORMANCE AND OTHER AUDITS

Department of Commerce and Economic Opportunity – Business Interruption Grant Program, May 24, 2023

Veterans' Affairs - State's Response to the COVID Outbreak at the LaSalle Veterans' Home, May 5, 2022

Healthcare and Family Services - Administration of Pharmacy Benefit Managers, May 17, 2023

STATEWIDE SINGLE AUDITS

FY21 – Statewide Single Audit

APPENDIX C

All Emergency Purchase Transactions Calendar Year 2024

Code Departments	Purchases	Estimated/Updated Costs
Agriculture	1	\$ 118,240
Central Management Services	12	\$ 2,366,033
Children and Family Services	1	\$ 1,888,200
Commerce and Economic Opportunity	2	\$ 44,625,231
Corrections	17	\$ 36,902,433
Healthcare and Family Services	1	\$ 1,512,612
Human Services	15	\$ 4,480,862
Innovation and Technology	5	\$ 784,099
Lottery	2	\$ 297,428
Military Affairs	1	\$ 242,027
Natural Resources	9	\$ 1,449,008
Public Health	4	\$ 3,879,295
State Police	4	\$ 6,245,723
Transportation	30	\$ 33,029,170
Veterans' Affairs	7	\$ 730,834
All Other Departments		
Capital Development Board	22	\$ 14,676,167
Environmental Protection Agency	8	\$ 1,083,864
State Board of Education	4	\$ 2,396,952
State Fire Marshal	3	\$ 170,703
State Toll Highway Authority	5	\$ 1,925,462
Higher Education		
Chicago State University	2	\$ 751,500
Governors State University	1	\$ 130,000
Illinois State Assistance Commission	2	\$ 590,000
Illinois State University	1	\$ 33,000,000
Northern Illinois University	1	\$ 108,437
Southern Illinois University – Edwardsville	2	\$ 895,058
Southern Illinois University – Effingham	1	\$ 200,000
Southern Illinois University – School of Med	2	\$ 171,939
University of Illinois – Champaign	4	\$ 3,420,978
University of Illinois – Chicago	15	\$ 7,861,249
University of Illinois – Hospital/Health	3	\$ 1,406,000
TOTAL	190	\$ 207,476,335

Other agencies of note: Arts Council 1 - \$92,883; Guardianship & Advocacy Commission 1 - \$22,448; Workers' Compensation Commission 1 - \$21,500;

**State Appropriated Emergency
Purchase Transactions
Calendar Year 2024**

	Purchases		Estimated/Updated Costs
Code Departments			
Central Management Services	12	\$	2,366,033
Children and Family Services	1	\$	1,888,200
Commerce & Economic Opportunity	1	\$	43,800,000
Corrections	11	\$	6,268,028
Human Services	15	\$	4,480,862
Innovation and Technology	5	\$	684,099
Lottery	2	\$	297,428
Natural Resources	6	\$	592,535
State Police	3	\$	6,092,669
Transportation	29	\$	32,854,904
Veterans' Affairs	7	\$	730,834
Other Agencies			
Board of Education	1	\$	79,000
Capital Development Board	22	\$	14,676,166
Environmental Protection Agency	5	\$	869,930
Fire Marshal	3	\$	170,703
Higher Education			
Chicago State University	1	\$	100,000
Governors State University	1	\$	130,000
Southern Illinois University	2	\$	895,058
University of Illinois – Chicago	6	\$	3,299,250
University of Illinois – Health	2	\$	420,000

Total	139	\$	120,950,770
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Other Agencies of note: Agriculture 1 - \$118,240; Art Council 1 – \$92,883; Guardianship and Advocacy Commission 1 - \$22,448; Workers' Compensation Commission 1 - \$21,500.

**Federally Funded Emergency
Purchase Transactions
Calendar Year 2024**

	Purchases		Estimated/Updated Costs
Code Departments			
Commerce and Economic Opportunity	1	\$	825,231
Military Affairs'	1	\$	242,027
Natural Resources	3	\$	856,473
Public Health	3	\$	3,419,449
State Police	1	\$	153,054
Transportation	1	\$	174,266
Other Agencies			
Environmental Protection Agency	3	\$	213,934
Board of Education	3	\$	2,317,952
Higher Education			
Illinois State Assistant Commission	2	\$	590,000
University of Illinois – Champaign	1	\$	570,978
Total	19	\$	9,363,364

**State and Federally Funded
Emergency Purchases
Calendar Year 2024**

	Purchases		Estimated/Updated Costs
Code Departments			
Healthcare and Family Services	1	\$	1,512,162
Public Health	1	\$	459,846
Total	2	\$	1,972,008

**All Other Funding Sources
Emergency Purchase Transactions
Calendar Year 2024**

	Purchases		Estimated/Updated Costs
Code Departments			
Corrections	6	\$	30,634,405
Other Departments			
Toll Highway Authority	5	\$	1,925,462
Higher Education			
Chicago State University	1	\$	651,500
Illinois State University	1	\$	33,000,000
Northern Illinois University	1	\$	108,437
SIU – School of Medicine	2	\$	171,938
Southern Illinois University – Edwards	1	\$	200,000
University of Illinois – Champaign	3	\$	2,850,000
University of Illinois – Chicago	9	\$	4,561,999
University of Illinois – Health	1	\$	986,000
Total	30	\$	75,089,741

APPENDIX D

Travel Headquarter Reports December 31, 2024

CONSTITUTIONAL OFFICERS	Reported
Attorney General	0
Auditor General	0
Comptroller	13
Governor	0
Executive Ethics Commission	0
Executive Inspector General	0
Inspector General	13
Lieutenant Governor	1
Secretary of State	280
State Treasurer	7
 JUDICIAL AGENCIES	
Administrative Office of the Illinois Courts	0
Court of Claims	0
Judges' Retirement System	0
Judicial Inquiry Board	0
Judicial – Supreme Court	N/R
State Appellate Defender	55
State's Attorney Appellate Prosecutor	15
Supreme Court Historic Preservation Commission	0
 LEGISLATIVE AGENCIES	
Commission on Equity and Inclusion	0
Commission on Government Forecasting & Accountability	0
General Assembly	
House of Representatives – Speakers Office Clerk/Fiscal	0
House of Representatives – Democrat Leadership	0
House of Representatives – Republican Leadership	4
Secretary of the Senate	0
General Assembly Retirement System	0
Illinois Courts Commission	1
Illinois Liquor Control Commission	0
Joint Committee on Administrative Rules	0
Legislative Audit Commission	0
Legislative Ethics Commission	0
Legislative Information System	0
Legislative Inspector General	2
Legislative Printing Unit	0
Legislative Reference Bureau	1
Office of the Architect of the Capitol	0

APPENDIX D Continued

Travel Headquarter Reports December 31, 2024

CODE DEPARTMENTS

Department of Agriculture	204
Department of Central Management Services	53
Department of Children & Family Services	46
Department of Commerce & Economic Opportunity	42
Department of Corrections	408
Department of Employment Security	1
Department of Financial & Professional Regulation	93
Department of Healthcare & Family Services	4
Department of Human Rights	0
Department of Human Services	148
Department of Innovation & Technology	0
Department of Insurance	33
Department of Juvenile Justice	54
Department of Labor	4
Department of Lottery	0
Department of Military Affairs	N/R
Department of Natural Resources	127
Department of Public Health	475
Department of Revenue	0
Department of State Police	37
Department of Transportation	1110
Department of Veterans' Affairs	1
Department on Aging	0
Human Right Commission	0

OTHER AGENCIES

Abraham Lincoln Library & Museum	0
Arts Council	0
Capital Development Board	6
Civil Service Commission	0
Commerce Commission	40
Criminal Justice Information Authority	0
Deaf & Hard of Hearing Commission	0
Educational Labor Relations Board	4
Emergency Management Agency	0
Environmental Protection Agency	5
Executive Ethics Commission	0
Governor's Office of Management & Budget	0
Guardianship & Advocacy Commission	0
Housing Development Authority	40
Human Rights Commission	0

APPENDIX D Continued

Travel Headquarter Reports December 31, 2024

Illinois Board of Examiners	12
Illinois Finance Authority	0
Illinois Gaming Board	0
Illinois Power Agency	1
Illinois Law Enforcement Training & Standards Board	4
Illinois Racing Board	0
Illinois State Toll Highway Authority	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	17
State Board of Elections	9
State Board of Investment	0
State Fire Marshal	99
State Employees' Retirement System	0
State Police Merit Board	6
State Toll Highway Authority	0
Teachers' Retirement System	1
Workers' Compensation Commission	10

HIGHER EDUCATION

Board of Higher Education	0
Chicago State University	6
Community College Board	0
Eastern Illinois University	34
Governors State University	0
Illinois State University	226
Illinois Student Assistance Commission	0
Northern Illinois University	286
Northeastern Illinois University	0
Southern Illinois University	0
State Universities Civil Service System	3
State Universities Retirement System	0
University of Illinois	51
Western Illinois University	

*NR = No report submitted for the period ending December 31, 2024.

