

## LEGISLATIVE AUDIT COMMISSION

May 27, 2025

Springfield, Illinois

Senators: Anderson, Rose, Rita, Balkema, Ellman, Villanueva, Wilcox

Representatives: Elik, Manley, Meier, Moore

Meeting began at 9:15 am.

**Rose:** Good morning, everybody. It's Tuesday, May 27<sup>th</sup>, 2025. This is State Senator Chapin Rose. I'm going to call this meeting of the Legislative Audit Commission to order. First, I'd like to note a couple lineup changes. He is not here yet, but I talked to him last night. Representative Bob Rita will be back on our Commission, and he will be serving as co-chair, so we welcome him back shortly. And then we'd also like to welcome Senator Chris Balkema to the Commission. Welcome, Senator Balkema. Now let's go ahead and for quorum purposes, acknowledge that Senator Wilcox, Senator Alex, Senator Manley, Excuse me, Senator Wilcox, Representative Alex, Representative Manley, Representative Moore represented Meier, and Senator Balkema and myself are in the room. Should we believe Senator Villanueva will be back shortly? So please add those to the role. I would remind everybody that some of our auditors will be joining remotely. So please, those of you who might be attending by Zoom, keep yourselves on mute unless you wish to speak. Please use the raise hand function and feature and we will call on you and recognize you in order. And once you're called on, please say your name for the record and begin to speak. And those of you who are testifying a person, please also when you start your testimony, please say your name before you begin to speak. I would note the Legislative Information Services recording and Blue Room stream is also providing video and audio so the public and the media can listen and attend online. Just a quick note for agency officials and members for transcribing purposes. And please allow speakers to finish before the next question is asked. And two, please do your best to avoid talking over each other. Our audits today we'll be hearing the Department of Military Affairs, Department of Natural Resources. The first review will be that of the Department of Military Affairs. General Boyd and your team, if you could make your way to the table, please, Sir. And for the Auditor General, while they're doing so, do you have comments?

**Mautino:** Thank you, Mr. Chairman. Welcome, General Boyd.

**Rose:** Sorry, Auditor General, if I may please Clerk, thank you. Please recognize represent Bob Rita, our new co-chairman is back and we're glad to hear please add him to the

role. Mr. General, proceed.

**Mautino:** Welcome Chairman Rita, Chairman Rose, General Boyd, Hope you had a pleasant Memorial Day. Thank you for your service. This is the compliance examination of the Illinois Department of Military Affairs for the two years ended June 30, 2022, it was conducted by the firm of Roth & Co. Epifanio Sadural and Darlene Dizon are here on behalf of the firm. Our Audit Manager for this engagement was Dennis Gibbons. Courtney Dzierwa, who is our Financial and Compliance Division Director, will discuss the examination and thank you for joining us.

**Dzierwa:** Good morning and thank you. There were 18 total findings in this compliance examination. I will summarize a few. In Finding 1, we found the Department did not maintain sufficient controls over its property and related fiscal records. During testing, we noted the Department did not maintain detailed supporting documentation for its quarterly Agency Report of State Property (Form C-15) filed with the Office of Comptroller. As of June 30<sup>th</sup>, 2021, and 2022, the Department reported total property of \$462.1 million and \$472.6 million respectively. Due to the lack of detailed documentation, the following compliance examination procedures could not be performed:

- The State property listing provided by the Department in response to audit requests could not be reconciled with the ending balances reported in the Form C-15 Reports for the fourth quarters ended June 30<sup>th</sup>, 2021, and June 30<sup>th</sup>, 2022, and to the balances reported in the annual inventory certifications submitted to CMS.
- Annual additions, deletions, and net transfers reports provided by the Department could not be agreed to activity reports in the quarterly Form C-15 Reports submitted to the Comptroller.
- Property additions per the Form C-15 Reports could not be reconciled to the Comptroller's records reflected on the Object Expense/Expenditures by Quarter Report (SA02)
- During testing, the Department failed to provide documentation of supporting calculations for the SCO-537/538 forms. Therefore, we were unable to test if the Department appropriately recorded the purchase as a building improvement, land improvement, or site improvement.

Due to these conditions, we were unable to conclude whether the Department's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants to test the Department's equipment. Even given the population limitations noted, which hindered our ability to conclude whether selected samples were representative of the population as a whole, we performed testing using the records available. Some of the more significant issues noted included the following:

- 13 of 60 (22%) of equipment items selected for testing were not found in the Department's property listing.

- 38 of 60 (63) of equipment items tested, totaling \$689,471, were recorded in the Department's property records more than 90 days after acquisition, ranging from 42 to 1,408 days late.
- 4 of 60 (7%) of equipment items tested, totaling \$172,020, were recorded twice in the Department's records.
- 27 of 29 (93%) permanent improvement vouchers tested, totaling \$7,381,530, were remodeling, renovation, and site improvement expenditures, but were not added to the Department's property records.
- For 9 of 9 (100%) of the Capital Development Board (CDB) projects tested, totaling \$12,816,993 as of June 30<sup>th</sup>, 2022, the Department failed to record transfers in from CDB to the Department's property records.

This finding has been reported since 2004. We recommended the Department take actions to strengthen its internal controls over the recording and reporting of its State property and equipment transactions to ensure property records accurately reflect equipment on hand in accordance with State regulations and that equipment items are properly inventoried and tagged.

Further, we recommended the Department implement a corrective action plan to complete a full inventory to identify and correct its accumulated property and equipment errors. The Department agreed with the finding.

In Finding 2, we found the Department failed to fully comply with the Fiscal Control and Internal Auditing Act (or FCIAA) and International Standards for Professional Practice of Internal Auditing.

A few of the issues we noted during our review of the Department's internal audit activities for Fiscal Years 2021 and 2022 follow:

- The Department did not have a two-year audit plan for the Fiscal year ended June 30<sup>th</sup>, 2021.
- Audits of the Department's major systems of internal accounting and administrative controls were not completed during FY21 and 22, thus there were no internal audit reports completed and issued during the examination period.
- The Chief Internal Auditor did not submit a written report to the Adjutant General detailing how the audit plan was carried out, the significant findings, and the extent to which recommended changes were implemented for FY21 and 22.

This finding has been reported since 2012. We recommended the Department implement controls and develop policies and procedures to ensure compliance with the Act and internal auditing standards. The Department accepted our recommendation. This concludes our opening remarks on the Compliance Examination for the two years ended June 30<sup>th</sup>, 2022, for the Illinois Department of Military Affairs.

**Rose:** Thank you. Our General and staff Clerk, please add Senator Villanueva and Senator Ellman to the role. General Boyd, it's nice to see you, Sir. If you wouldn't mind introducing members of your team before you begin your opening remarks and then please

proceed.

**Boyd:** Yes, Sir. Thank you. Again, my name is Major General Rodney Boyd. I am the Adjutant General of the Illinois National Guard and the Director of Department of Military Affairs. I have with me today Major General Dan McDonough, the Assistant Adjutant General Heir. I have Brigadier General Lenny Williams, Assistant Adjutant General Army. I have Mr. Kevin Little, our current Chief of Staff. I have Mr. Mike Runkles, our Chief Financial Officer, and I have several other members of our primary staff here today, Sir.

**Rose:** Fantastic. Please proceed with your opening remarks.

**Boyd:** Yes, good morning again, Chairman Rose, Chairman Rita, I believe she's he's here, and Auditor General Martino and members of the Commission. We are happy to appear today before the Audit Commission to review our FY21/22 compliance audit. These audits are crucial to the development of our agency and to ensure our compliance to the citizens of Illinois. Our agency is committed to compliance to provide the resources necessary to support the 13,000 men and women serving our great State and nation as members of the Illinois National Guard. The FY21/22 compliance report contained 18 findings as you heard, 11 of which were repeated findings. Of the 18 findings on a report released in 2023, I report to you that only 1 of the 18 findings is still underway. And further, we anticipate a projected completion date of 1 July 2025 for this one open finding to be closed. As a former police chief and current military officer, I understand the importance of strengthening internal controls and reinforcing accountability. The guidance and expectation I have provided the agencies since being appointed as the Adjutant General one year ago is to move the needle, improve our foxhole, and constantly strive to make the organization better. I want to provide you with some context of the environment within our agency during this audit period. Our organization endured a tremendous loss with the untimely death of our of Colonel retired James Smith, the Agency Chief of Staff. Mr. Smith had been the Chief of Staff for over 14 years. He passed away unexpectedly due to unknown health issues in 2022. We did not only lose a great friend and colleague but also a tremendous wealth of knowledge and continuity in our agency. We learned many lessons from this experience. However, we knew we had to recover and continue as an agency. We learned that we have, we must have redundancy in our knowledge and processes throughout the agency, have standard operating procedures and continuity plans along with glide paths and touch points for our corrective action plans. We have since enlisted the help of the annual Comprehensive Financial Report internal control team with monthly reviews of our primary task. We have coordinated with CMS Bureau of Internal Audit for assistance this coming fiscal year. We have also determined that we need to hire an additional internal compliance officer, one that will ensure we are complying with our corrective action plans to mitigate repeat findings. Audits are healthy for the agency, and we always want, we always welcome the look for the experience, evolution, and the opportunity to develop and identify weaknesses in our processes. In many cases, these audits have identified a need for separation of duties and additional responsibilities of our workforce. We acknowledge the Commission's most

outstanding findings. For example, finding 1 the property control weakness. We had 1006 items still needing converted to the Enterprise Resource Planning property management system. Today, we're at 375 items left to convert over. As I stated before, we are on track to have this action completed by 1 July 2025. I'm sure you're thinking how do you think they would get this get through the 375 items in one month? Our team of two personnel, one which is here today has received help from the from the entire agency, and all hands on deck and together we will accomplish this goal. We are currently awaiting the results of our FY23/24 audit to be published very soon. We anticipate some findings due to the lapse of audit timeline and report release. We understand that this is the nature of the process. However, I can assure you that our agency has progressed and continues to improve compliance and sustainable processes that can endure turbulence as we support our Soldiers and Airmen of the Illinois National Guard and the citizens of Illinois. I make these statements today with high confidence and great pride in your National Guard. We are available for your questions or any of the of these 18 filings you may have. Thank you for your time.

**Rose:** Thank you, General, and thank each of you for your service on this day after Memorial Day, we appreciate it. And certainly glad to hear that the trend line is in the right direction on these findings. So what questions do members have? Senator Wilcox.

**Balkema:** Thank you very much.

**Rose:** To be clear that Senator Balkema, I'm sorry, I was trying to he was moving, and you were had your hand up. So Senator Balkema.

**Balkema:** Thank you very much for the report. The property management system that you're converting over to, is that a homegrown system, or was that kind of a third-party system that the agency?

**Boyd:** So it was it was a statewide since there was we were mandated to position over to, Sir.

**Balkema:** Okay. And so you've got 300 or so of the properties left to go and then will that help continuity then if that is in the new system that has connections from a statewide perspective, it's like CMS and in the rest of the State be able to see those properties versus kind of a standalone system.

**Boyd:** Yes, Sir, it was, it was growing pains, right? Anytime you convert to a new system, you have some glitches. We have since rectified those glitches and yes, the completion of added those additional 375 items will have show a complete inventory of what we have in our department.

**Balkema:** Very good. And then another question. So you've hired an additional

Internal Compliance Officer.

**Boyd:** We looked at hiring one, Sir.

**Balkema:** Oh you're going to.

**Boyd:** Yeah that's what we've discovered that we needed to do.

**Balkema:** And so will that person have you said monthly touch points with the auditing team, maybe on an ongoing basis to proactively look at - I'm new to the process, so I'm just learning.

**Boyd:** Yes.

**Balkema:** So, is that new person, is there an additional opportunity them to become more proactive than reactive?

**Boyd:** Yes.

**Balkema:** From an auditing perspective and anticipate findings.

**Boyd:** Yes, Sir, that is our goal. That's the whole purpose of us to hire that individual to get out ahead of our findings, rectify them, and then prevent repetitive findings.

**Balkema:** Very good. And then last question for me with the death of your esteemed colleague that you know, from an unfortunate perspective, it shows that a lot of times folks that are in an organization for quite a while become embedded and ingrained. And you just rely on that person versus having that standard work, you know, in place that if the person suddenly is no longer there, how do we cover that? Is there other, you know, that situation emerged and that void was shown with the spotlight? Is there other areas around the organization that might be in a situation where we're relying on people versus standard worker processes?

**Boyd:** Sir, at this time I'm glad to report that no, the answer is no, not sure how we got there. Again, I was before my time, but I assure you that I'm a believer in sharing knowledge, a shared database so that if something like that happened in the future, anyone that come to replace individual can go into that data set and pull whatever documents they need to bring the team up to speed.

**Balkema:** Very good and thank you very much. So in closing, I totally agree with you. I was coached between using a positive example versus a negative example. And so I used to say, you know, if something happened to somebody and they weren't here, what are we going to do? I've learned that a better way to say it is if this person wins the lottery tomorrow and

decides they don't need the job, you know, how does the organization come around them and make sure that there's no missing and misfires? And it sounds like if you've got that plan in place for the entire organization, that's fantastic.

**Boyd:** Yes, Sir.

**Balkema:** Thank you very much.

**Boyd:** Thank you

**Rose:** I'll be buying my lottery ticket immediately. Any other questions from the members of the committee? Yes, Representative Manley, please.

**Manley:** And I'm not sure who can answer this question, but do we as a practice, as a State, maybe it's to the Auditor General. Do we have positions within departments for internal auditors that can do this interim testing?

**Boyd:** Yes, I can address that? So yes, we do in fact our internal auditors here today. So the issue became our internal auditors was busy doing a compliance officer job chasing information to fix something, things that were wrong and to and instead of doing her job of conducting internal audits. So that's where the hiring of a compliance officer will come in. It will relieve her what she would be doing that's not in her scope of responsibility, get her back to doing what's in her scope of responsibility, and therefore get the organization in front of upcoming audits.

**Manley:** Well, when you conduct an internal audit, you can do spot-checking. I'll call it spot checking for lack of a, and so some of these things that are repeat findings might be curtailed just a bit. If maybe the focus was on just small, keeping up with it in that way, the department heads could assist with that and then the auditor could come in and just do a.

**Boyd:** Yeah.

**Manley:** A suggestion.

**Boyd:** Yeah, no, ma'am, I appreciate your suggestion. Again, I can't speak for what happened before. I have a whole way of thinking how this should be handled and I communicated that to my team. And I can assure you we're going to be applying some new processes to get ahead of the next audit.

**Manley:** Thank you, Sir.

**Rose:** Other members. I've got a couple of questions. So the one audit that is

going, so first of all I'm going from 18 to 1 is great. So what's the one that's left over?

**Boyd:** That's the property accountability finding, Sir.

**Rose:** Okay. And is that also being worked on now?

**Boyd:** Yes, that's the one that would be completed by July the 1<sup>st</sup>.

**Rose:** That's the one.

**Boyd:** Yes, Sir.

**Rose:** Great and then the last question is, does your budget, do you have enough authority in your budget to hire this person or do you need a budget authority to hire this person?

**Boyd:** We're going to need budget authority to hire this person.

**Rose:** Okay, and is that in your request to the general assembly for this year?

**Boyd:** No, Sir.

**Rose:** Okay. Does somebody want to get that to the budgeteers pretty quickly?

**Boyd:** Yes, Sir.

**Rose:** Okay.

**Boyd:** Yes, Sir.

**Rose:** Again, gentlemen, thank you for your service. Ladies, thank you for your service. We greatly appreciate it. Anything else? Seeing none, Colonel Senator Wilcox makes a motion to accept the compliance audit. The Department of Military Affairs, seconded by Senator Villanueva. All in Favor, say aye, opposed, say nay. Then the chair, the ayes have it and the audit is accepted. Thank you, generals and team. Have a great day.

**Boyd:** Thank you all, have a great day.

**Rose:** Next up is the department Natural Resources Director Phelps Finnie and staff, please make your way to the table as they're doing that Auditor General, do you want to get your team in motion? Thank you.



**Frank:** Thank you, Chairman Rose. This is the compliance examination of the Department of Natural Resources for the two years ended June 30, 2022, it was conducted by the firm of Roth and Co. Mr. Epifanio Sadural is here on behalf of the firm. Our Audit Manager is Mr. Reddy Bommareddi and he's joining us at the table. Welcome Reddy. Courtney Dzierwa, is our Financial and Compliance Division Director, and she will discuss the examination. Welcome Director Finnie.

**Dzierwa:** Thank you. Because of the significance and pervasiveness of the findings in this examination, we expressed an Adverse Opinion on the Department's compliance with the specified requirements which comprise a State compliance examination. This means that while we obtained sufficient appropriate audit evidence, the misstatements, individually or in the aggregate, were both material and pervasive to the subject matter to such an extent we expressed an adverse opinion. Pursuant to the Codification of Statements on Standards for Attestation Engagements, pursuant to which our compliance examinations are conducted. There were 37 total findings in this compliance examination. I will summarize a few.

In Finding 2, we found the Department did not have adequate controls over historical artifacts. The Department did not maintain a central inventory of its historical artifacts. Each historical site maintained their own inventory listing and there was not an independent review of items added to or removed from the listing maintained by each site. Also, physical inventory counts were performed by the custodians of the artifacts, not by independent persons. Due to the deficiencies noted above, we were unable to conclude the Department's population records of historical artifacts were sufficiently precise and complete under the Attestation Standards promulgated by the American Institute of Certified Public Accountants to test the Department's compliance relative to historical artifacts. Even given the population limitations noted which hindered our ability to conclude whether the records were complete and accurate, we requested the Department provide the population of historical artifacts for three historical sites and noted the following:

- During our physical inspection of 30 historical artifacts:
  - 3 (10%) were found in a location other than the location identified on the artifacts' listing
  - 7 (23%) artifacts could not be located at all; and
  - 1 (3%) artifact's ID number per the listing did not match the ID number on the artifact itself.
- During our tracing of 30 historical artifacts to the Department records:
  - 1 (3%) artifact was not tagged with an artifact ID number; therefore, the item could not be traced to the artifact listing; and
  - 5 (17%) artifacts could not be traced to the artifacts listing. This finding has been reported since 2018.

We recommended the Department maintain a central inventory listing of historical artifacts and implement internal controls requiring additions and deletions to the artifacts catalog to be independently reviewed and approved. We also recommended the

Department ensure the inventory of all historical artifacts is performed and/or reviewed by independent personnel. Further, we recommended the Department strengthen its internal controls to ensure records are accurately maintained and artifacts are properly accounted for. Department officials agreed with our recommendation and stated they have established a collections committee for reviewing the acquisition/removal of artifacts. Department officials also stated they would continue to work towards obtaining an independent review of the inventory of historical artifacts, but lack of manpower was hampering their efforts to comply with independent reviews.

In finding 1, we found the Department did not exercise adequate controls over its reporting and maintenance of accounts receivable. During our testing we noted the following weaknesses:

- The Department did not maintain a detailed accounts receivable subsidiary ledger to support the quarterly accounts receivable additions reported on the Form C-97s. Rather, the Department took the amount collected during the quarter, subtracted the beginning quarterly receivable balance, and added the ending quarterly gross receivable balance to calculate the accounts receivable additions for the quarter.
- During the compilation of Forms C-97 and C-98, the Department did not review and verify the accuracy of accounts receivable reported by the Department's in charge of each fund.
- The Department was unable to provide support for accounts written off, totaling \$22,000, and transferred out, totaling \$5,000, for Funds 040, 137, and 261 during Fiscal Year 20/21.
- For Fund 039, the Department was unable to provide support for amounts reported on the Form C-98 for the fourth quarter of Fiscal Years 2021 and 2022. The unsupported amounts noted were for the categories of "1-30 days late", "31-90 days late", "91-180 days late", "181 days -1 year" and "over 1 year". These amounts ranged from \$88 to \$3,322.
- The Department did not report accounts receivable balances "due over one year" as uncollectibles on the Form C-97 for Funds 040, 041, and 261 for the fourth quarter of Fiscal Years 2021 and 2022. The Department's accounts receivable balances "due over one year" for Funds 040, 041, and 261 ranged from \$33,941 to \$2,493,050.
- The Department did not make sufficient attempts to either collect its aged accounts receivable or write off uncollectible accounts receivable greater than one year old.
- One of 19 (5%) receivables selected for detailed testing, totaling \$53, did not agree with the supporting documents. Specifically, the amounts receivable balance was overstated by \$25 when compared to the supporting documents.
- For one of 19 (5%) receivables selected for detailed testing, totaling \$43, the Department could not provide support for the receivable.
- The Department was the lessor in several real property rental agreements but did not track the timing of the rental payment due dates against related receipts to determine if receivables should be recorded and reported to the Comptroller on its Fund 538 Form

C-97. The total real property rental receipts reported by the Department for Fund 538 were \$112,755 and \$224,626 in FY2021 and 2022 respectively. Potential receivable amounts could not be determined. This finding has been reported since 2014.

We recommended the Department implement the necessary internal controls to ensure accounts receivable are adequately supported and are consistently and accurately reported to the Comptroller. Also, we recommended the Department ensure accounts receivable are timely pursued for collection and, if not collectible, submitted for uncollectible certification and subsequently written off. Lastly, we recommended the Department review rental transactions to determine the amount of receivable to be reported quarterly and at the end of the year. Department officials agreed with our recommendation and stated they would implement the necessary internal controls to ensure accounts receivable are consistently and accurately reported to the Comptroller. Department officials also stated they have increased collection efforts and would review rental transactions within Fund 538 to determine the amount of receivable to be reported quarterly and at the end of the year. This concludes our opening remarks on the Compliance Examination for the two years ended June 30<sup>th</sup>, 2022, for the Department of Natural Resources.

**Finnie:** Good morning. Good morning, co-chairs Rose and Rita, Commission members, and Auditor General Martino. My name is Natalie Phillips Finnie and I'm the Director of the Illinois Department of Natural Resources. Joining me today, I have Ellen King to my left, Chief Fiscal Officer, Andy Van Leer to my immediate right, our Chief Internal Auditor, and Sam Strain on my far right, our new Chief of Staff. I want to be courteous of your time today. I'm sure you will have questions, but it is important to lay out some of my history in this process and how our team is working to make meaningful progress. The audit findings before you are reflective of fiscal years 21 and 22. In January 2023, I was honored to accept Governor Pritzker's appointment as IDNR Director. And in May of that year, I can't actually March of that year, I came before this Commission for IDNR's fiscal years 2019 and 20 audits. At that time, I shared with you the same message that I conveyed to my team. Fixing recurring audit findings is a critical priority. We are committed to ensuring transparency, meeting the rules of compliance, and improving processes. I told them that you and the General Assembly, people of Illinois expect it, and so does Governor Pritzker, and moreover, I expected of the agency and of myself. Those principles hold just as true today. But in March 2023, I cautioned this Commission that the FY21/22 audit results would look similar to those in the previous report. I find no surprises in this audit, only challenges that we are working to overcome. What I can report today is the fundamental changes we've made in focus leadership since I've taken on the role as Director. I'm proud of our team of seasoned, professionals and determined problem solvers who continue to chip away at the shortcomings reflected in our past findings. Since I started in 2023, I've welcomed an entirely new executive management team to the Director's Office, a new Assistant Director, a new Chief of Staff, new Deputy Directors, all with years of State government experience and determined passion for the work and the workforce of this agency. In addition, we have a new Chief Fiscal Officer, a new Chief Internal Auditor, and a new Chief Accountability

Officer who has been overhauling and overseeing the grant management and compliance work of the agency. We're rebuilding our fiscal workforce. While perhaps we are not alone, IDNR has been the victim of two decades of dramatic disinvestment and cuts to staff. We are now adding the skilled professionals needed to manage the complexities of State accounting, fiscal processes, and shifting legal mandates. In my first days as director, IDNR's fiscal office had 33 employees fractured throughout the agency. We targeted this office for expansion and have grown it by 64%. Today, there are 54 professionals on the fiscal team with noticeable improvements to the department's accounting, budgeting, auditing, and grants processing functions. We've informed an internal senior-level audit review committee that reports directly to me. This group actively sets goals and designs paths forward to keep us on track. The committee includes me, Chief of Staff, the Chief Financial Officer, our Internal Auditor, and representatives from our fiscal, legal, and human resources team. IDNR is ahead of the curve through our use of the amplified grant management system, centralizing the processing of grant applications and awards. The system has allowed us to have online applications for the first time, have better tracking, improve our customer service, and eliminate paper applications and paper files. With regard to the FY21/22 audit, we've implemented corrective action for several findings. The World Shooting and Recreational Complex has improved internal controls by sending competitive shooting event forms for the current year to the State Police in February each year, instituting a checklist procedure to ensure all requirements are complete before the event date, and hiring additional staff to ensure information is recorded and maintained accurately. IDNR is implemented control to ensure all contractual agreements are entered into the ERP system in a timely manner and that all required information is accurately reported to the Auditor General. And to address a finding that the department failed to comply with Historical Sites Listing Act, we successfully sought a legislative remedy that resulted in the Act being repealed effective August 2<sup>nd</sup>, 2024. When it comes to internal controls over voucher processing, IDNR, we've added a new system for tracking vouchers, developed new policies and procedures, and we've seen a 54% decrease in vouchers that were not approved for payment in a timely manner. And with regard to technology, we regularly review agency, telecom, and computer equipment inventories to eliminate obsolete equipment and cut down on waste. We're not out of the woods yet, but I'm encouraged by the progress we're seeing already, and I hope you are too. As you know, the audit for FY23/24 is underway now, and I want to be upfront and set expectations. I can say with certainty that the department will have repeated findings when we come before you to discuss those results. IDNR has a large and complex agency with long-ignored problems, and it's going to take time to correct those issues, but please know that we are actively working on it. I believe we'll see further evidence of improvement in our FY25/26 audit with the goal of having an entirely different conversation when we come back to discuss the FY27/28 audit. I want to assure you that my team and I take these findings very seriously and that we have tremendous respect for the work that you all do. Thank you for this review and your continued support of IDNR. Happy to answer questions.

**Rose:** Thank you, Director. Before we go to the committee, I've got one that comes up quite a bit and it's with respect to Dolt and I noticed like for example, audit finding 31

related to payment cards, people buying hunting, fishing licenses, etcetera, online. Look, on one hand with Dolt in complete disarray, it's not entirely fair for us to always hold the individual agencies directly accountable. But by the same token, this just keeps going on. Where are you at now with Dolt in terms of getting those things set so that we don't have these repeated findings? And I'm just talking about like tech in general.

**Finnie:** Yeah, thank you, Chair Rose. Just in general with Dolt, I will say we have found them to be very responsive and helpful in especially the last couple of years and even the last six months we've seen a huge improvement. So, I want to go on record giving kudos to Dolt for the responsiveness and the help that we're receiving at the agency. I know it's not always been that case. And so, we're very encouraged and appreciative of Dolt. So we believe even some of the findings, even if you look to cybersecurity, even some of those findings that a lot of agencies are having, we're going to have those resolved soon.

**Rose:** So of the 37 findings, how many do you anticipate you'll have resolved for the next audit?

**Finnie:** Well, I don't know that I can say for sure, Chair Rose, but I'm I will say I am personally confident that we would have at least a couple of those that are directly related to Dolt resolved. That's my hope. I'm pretty confident in that.

**Rose:** Okay, members. Yes, Senator Ellman.

**Ellman:** Hi, Director Finnie, thank you very much. I'm interested in the findings are related to historical preservation, the Amistad Commission and you know, for example, the inventories of historical artifacts. I thought I saw in here too that there were some missing annual reports. And so what is your current process for or organization for complying with all of your stewardship duties regarding historical preservation?

**Finnie:** Yeah. Thank you for the question, Senator Ellman. So I think first just it's important to have the historical context here. So, if you remember, Historic Preservation Agency was a standalone agency that was by executive order placed into DNR in 2017. So when you start looking at, we start seeing these findings come up in 2018, it you know that that's, it's important to know that context. Two, these artifacts are spread all across the State and their historic sites all across the State. So it's, it is difficult. And then thirdly, the historic society that the, I can't remember their name, but there's a society that's involved with our Illinois State Museum. They were the ones who held this tracking system. So it wasn't even held by DNR or even by the HPA was by this society third party that had this. And so there was really a fracture there. We saw that that was not good practice and so we are in the process now of getting RFP out. And again, Do It has been very helpful with that to procure the same tracking system that they had because we need to own that as an agency to track, make sure we're tracking our artifacts, and have this centralized composite system for that. So I don't know if I'm answering

all of your questions, Senator, but that's one of the major things we're working on right now.

**Ellman:** Yeah. Do you have like, I apologize for my ignorance, do you have a department for historical preservation? How are you organized to support this and provide this stewardship?

**Finnie:** Sure, I'll elaborate a little further. So again, HPA Historic Preservation Agency was its own agency. It was folded into DNR in 2017. So it was done in the kind of a quick fashion and so at that time it was placed in our Office of Land Management with our State parks. We have in the last couple of years started a transition to reorganize that to make it more efficient and what we think it should be. So we are folding that under our Illinois State Museum, which is also under DNR. So the historic sites will reside under the Illinois State Museum on it. If you looked at an org chart, we will still be collaborating with the office of lands because of mowing and maintenance and things like that. But as far as the interpretation of our sites and, and the tracking of artifacts and all those things will be done with the help of our professionals at Illinois State Museum, our curators. We have one of our curators that's going to be leading that and also one that will be leading all the interpretation.

**Ellman:** So it sounds like this is all going to happen. These are from 21/22. Why hasn't it happened already? This is 2025.

**Finnie:** Yeah, it's a great question. I can't answer, you know, before my time, the why. What I can tell you now is these changes are difficult, they're slow, it's not something you can just snap your finger and do. I have a whole team of people that are working just to make this transition happen. One of my Deputy Directors is overseeing this himself. We have, you know, union issues we're dealing through as well to make sure the reorg is done the right way. But as far as the tracking of historical facts, artifacts, that system again, that has to be procured. So we're going, it's a procurement challenge. So, we are working, Dolt again, is helping us get that RFP together because the system that the society had is a good system. It just, there was, it was a disconnect between us and the society. We need to own that. If we're going to be responsible, we need to be the owners of that. And so we are working feverishly to procure that system ourselves.

**Ellman:** And what does this mean for NAGPRA compliance?

**Finnie:** So that's a great question. I don't know if anybody else on the team can answer that specifically. I don't believe our historical artifacts.

**Rose:** Senator, could you say compliance with what?

**Ellman:** Oh, I forget. What it's for, it's the repatriation of ...

**Finnie:** It's the Federal Act, the North American Graves Repatriation Act.

**Rose:** Thank you.

**Finnie:** That we must be thank you for that, Chair Rose, that we must be compliant with. And I would I would have to say that, yes, part of our artifacts now, because we do have tribal sites would in fact be, could be NAGPRA special if they're funeral objects, things like that would fall under NAGPRA. We also have ancestral remains at the ISM. So yes, that all is certainly. And we have Dr. Brooke Morgan at our ISM who handles all of that and our tribal relations director, Logan Pappenfort. They're very well aware and they're the ones that they keep us separate. I know they keep their own tracking system of those highly sensitive items, but again, we want to make sure everything is in one system together and tracked appropriately. So to your point, it is critical that we get this done.

**Ellman:** And what's the timeline for getting this done? You say it's in process. When are you going to have it done?

**Finnie:** I hate to over-promise and under-deliver. Does anyone on our team know a timeline because I don't have a date. Senator, but I can get you one after this hearing. I can talk to our team who's working in the weeds on the RFP, knowing how RFPs go and how long it's taken us just for our other licensing system. It's going to be tough to give you a firm date. I mean, if we want it, I think to further clarify, if I wanted, if we want to just put out any kind of RFP and just rush to it, we might be able to do that. But to get this done right and make sure we have the best system, it's very complicated, it's very difficult. I wish it weren't so, but that's just that is the facts of where we're at.

**Rose:** Thank you, Represent Meier.

**Meier:** Thank you. Thank you for being here today, Director. I too, worry about the artifacts. I know the hassles of just trying to do one local property with several buildings and all contents that took years for us. But I also look at how some of our properties have been left, like New Salem, the Pierre Menard home. And so what's been done to protect the artifacts in these properties? I know that New Salem is getting a rehab but what's being done to protect the all the artifacts in these as some of them are in pretty bad disarray?

**Finnie:** Yeah. Thank you, Representative Meier, for the question. So again, to your point, these artifacts are spread all across the State. I will just go on record saying it's important to note that we have excellent staff, wonderful people who care about the work that they do. They care about these artifacts. I mean, I, we get calls all hours of the night. We just had a situation at Dixon Mounds with our HVAC system going out and you better believe we have some precious artifacts there that they went about following the protocols and making sure, you know, they were doing the right things to protect those precious pieces of artifacts.

So, I want to say that first, but to your point, you know, through the years of being gutted for 20 years, not enough staff and not enough money. This is where we find ourselves. So we have over a billion dollars of deferred maintenance. I've said that I know in every committee I've reported to and that's not a easy hill to climb. We're thankful to the General Assembly and to the governor for continuing to improve our budget every year. We are making some headway, but it is difficult. And for New Salem, as you know, the Governor did drop capital dollars to, improve that, so we're thankful for that, but there's still there's small things that can be done to improve our sites. And that's where I'm encouraging our team. I think, you know, morale gets down through the years and they love their sites, but, it's my job to encourage them to and say the little things can matter. Like for instance, at New Salem, one thing I noticed when I went, the porch was full of bugs and cobwebs. So let's just pressure wash, you know, simple things that we can do that we have the tools to already do go a long way. So those are the types of things we're trying to do along with these big capital improvements.

**Meier:** And then, you know, there's some talk in Southern Illinois as we looked at Cahokia Mountains and the Fort Charters, Fort Kaskaskia and maybe trying to broker into a federal park system in the revenue that could bring in. Are we getting any closer or what are you hearing and ...

**Finnie:** Still Representative Meier, we as an agency or not championing that, what I what I told the local, the legislators, I think Rep Freeze and Senator Bryant and others that have come to me with that and we talked to the governor's office is if they can make that happen. Who are we to stand in the way of that? You know, I've told my team from the beginning that when you're looking at over a billion dollars of deferred maintenance, I don't think we're in a position to be choosy and to be prideful and say, no, these are ours, we're holding onto these. If there's a better way to do it and the federal government can come in, make it a National Park, we are open to that conversation. We'll be compliant and helpful with that.

**Meier:** I'm glad to hear that. Just the benefits if that would happen and the federal dollars that could flow in.

**Finnie:** Sure.

**Meier:** Even to help with flood prevention down there and the levee systems that benefits everybody just by being in the park system. If I remember right, we had passed a bill maybe to have a charge for off-road plates for SUVs, side by sides, but we weren't enforcing it because we didn't have any grounds for them. But we do have a property open now though, do we not?

**Finnie:** We do representative. So and this is confusing for me too. I have to ask my team this to clarify all of the time, but I think I have it clear in my head. We have an OHV stamp and then there's an OHB sticker. And so the OHB sticker is for State-owned properties



and so we are issuing those stickers at Sahara Woods that is now open the first OHB park. The OHB stamp is for all recreational vehicles, all side to sides and four Wheelers regardless of what grounds they're on. And I believe that's actually non-State property maybe. So I'll have to clarify that for you after committee but so we have not been able to implement that. And I know one of the comments we had in our feedback from you all was we're just not complying with State statute. Believe me, we are not intentionally ignoring State statutes. We do not have the capacity. First of all, we don't even know how many vehicles we're talking. So we have been inquiring of the Secretary of State how many of these vehicles are out there. That's what we have to know first and know what kind of team we would need to do this. This is not just an easy little thing you just print and it's, it's a heavy lift. So we are looking to see how we can be compliant, but we have a lot of information to collect first.

**Meier:** And I totally understand that a lot of this has been done over years and, trying to ride the ship and, and get it going is not easy. I know like when, when they used to come out and do work, sometimes they'd leave a piece of equipment on State ground and, and it would be there for years. So trying to get everything catalog organized, listed in a better track of where it's at and not just sitting somewhere where if that employee was fired or quit, they never told you where it was. So hopefully you're getting to the point that in the next findings we will see some of this stuff being accounted for, where it's at. How many employees do you have that are still working from home? It was a very large number for a while, I thought.

**Finnie:** Yeah. I don't have the exact number, but we do. And as you all know through collective bargaining, we have to allow that unless operational need says that we don't. And so we do have a couple of divisions where you know they're fiscal for one example, where we've said at times due to operational need, there is no remote work at this time until we tell you further until we get our house in order. So we certainly assert that where we need to operationally but you know also again due to collective bargaining we do allow that. We certainly have hybrid remote people. I can get you those numbers from HR.

**Meier:** Okay. Thank you.

**Finnie:** And Representative Meier, I do want to follow up on your comments about equipment being out. You and I both, you know, farm families, unacceptable, right? This equipment is expensive and hard to keep up, and that's not acceptable. So you have my word, we're doing everything we can to resolve that.

**Meier:** Thank you.

**Rose:** Representative Elik.

**Elik:** Thank you. Good morning. And your comments in your opening where you stated, you know, a couple years ago when you came here right after you first started, we asked

is it going to get better? And you were very honest before. So when you relayed that in your opening comments, I remembered it very well and appreciate that honesty. And I am rooting for you that you and I will both be here long enough that we you come back and or maybe you don't even have to come here at all. Wouldn't that be something so. But yes, any little bit of progress helps, but hopefully it'll get to a point where there's very few findings one day. The one that I wanted to talk about was the accounts receivables and I think I'm having a hard time understanding like what are considered accounts receivables? Who owes us money and then are we in a place where one now we know who owes us money and are we really aggressively collecting old accounts receivables?

**Finnie:** Yeah. So, I will let our Chief Fiscal Officer answer a little bit more in the weeds on that. But we have everyone from individuals to companies that could owe us money. So I'll let Ellen King elaborate on that a little bit.

**King:** Good morning. My name's Ellen King. I'm the CFO and I'm happy to answer your question and talk about the progress that we made. So, we have to turn in reports every quarter about our accounts receivable, what we're doing for collections and etcetera. At the end of March, just a couple months ago, our net or our gross receivables were 8.4 million. When you look at that and what the aging is, you know in other words, how long has it been sitting on the books, we're still at a value of about 7.9 million being overdue. But as the Director mentioned in their opening comments, you have to have staff to number one, do the reconciliations, and get the reports turned in time. So, we have had, we've hired when you look at that 7.9 million, a lot of money, about 7.4 million of that is coming from our oil and gas division and it's really coming from two funds and it's about 1000 accounts, very small. What about what I would consider small dollars, I think it's about 200, a little over 230 per invoice. We've hired fiscal staff in accounting and financial reporting. We've also hired staff in oil and gas. We are aggressively pursuing the write-off of those. We're really going after that. Part of the problem looking back, you know, hindsight's 20/20 is that we weren't implementing the use of the SAP or ERP module, which has a very fine accounts receivable subsidiary ledger. So we've gotten that going and you know, doing the training, we've had our SAP subject matter experts come out and help us train on it. But yeah, that plan is well underway. Once we get that old one, and we are, you can go to our Comptroller website and see that we're now current on those reports. So that was huge, getting that current.

**Elik:** That's great. What so those oil and gas receivables, what do they actually owe you for?

**King:** Well, most of them are for wells and then we do do some fines. There are two funds that are impacted here. This is probably too much in the weeds, but I'm a numbers geek.

**Elik:** Me too. It's okay.

**King:** So, if you look at Fund 137, it's our plugging and that does, you know the wells and then the 261 is the underground resource where that's like they go out and that protects your underground water. So if we need to get in to drill into that to see what do the testing, we charge for that. So again, it's not large, it's a lot of volume, but I'm serious when we started looking at this, this is some of those receivables had been on the book since 1993. So we've got it going now. We've got, you know, part of it is just to the training and make sure you got, you know, those things under control.

**Elik:** So I guess would there be any teeth now to maybe current transactions like that, that if you don't pay.

**King:** Oh yeah.

**Elik:** Something happens, there's fines and penalties that accrue or you can go after their State tax refund or whatever the case may be.

**King:** Absolutely.

**Elik:** Okay.

**King:** So I'm watching those receivables, the current of what's being billed out and absolutely the Dunning using the offset method. You better believe it.

**Elik:** Okay, great. Okay, Thank you.

**Manley:** Next, Senator Balkema.

**Balkema:** Thank you very much for being here and for understanding that you're new, fairly new in the position and you can speak for the time that you've been here. Do we have an overall project management system or do we have a PMO of any type that has all 37 findings and kind of a corrective action for each? Or we, if I look at the audit and it's unfair to compare with your predecessors that were here before you, but you know there was we're very specific. This audit is pretty broad-ranging, so accounts receivable, audit deficiencies, computer security, and then new ones like vehicles, fuel reconciliation. It's kind of across the gamut, management of overtime. From a project management perspective, how do we have these 37 findings laid out in that type of corrective action plan?

**Finnie:** Thank you, Senator, for the question. First, I want to tell you, I apologize that I did not reach out to you. I somehow missed that you were on this commission, so I apologize that I did not reach out to you ahead of time. I'm going to have Andy Van Leer, our internal auditor. He came in the last year here and has been cleaning up a mess and has

done a phenomenal job, and I know the Audit Commission is noting that, so I'm going to let Andy speak to that.

**Van Leer:** Hi, this is Andy Van Leer, Chief Internal Auditor for Department of Natural Resources. Senator, to your question, yes, we do track the prior findings. Essentially, it's just a SharePoint spreadsheet that lists each finding identify the individuals responsible for that area, so accounts receivable would have Alan King's name next to it as a CFO, and then they list out step-by-step corrective action plans. In the past, when we were developing our ISLs and answers to the updated status of those prior audit findings, the information you received isn't always completely accurate. People kind of just tell you what they want to tell you, so going through 37 findings, it's hard to nail down with limited resources which ones actually have been implemented and corrected versus people telling you they've been implemented and corrected. But we are, we're making progress to them, and with this upcoming finding or upcoming audit, when we receive all the findings, we'll again update them. See which ones have been repeated, and continue corrective action from there, and I'll be assisting this year in creating the corrective action plans and more thoroughly reviewing those corrective action plans.

**Balkema:** Do we have an owner for each of the 37?

**Van Leer:** Yes, we do.

**Balkema:** So does that owner report out on a weekly or bi-weekly basis on the progress?

**Van Leer:** Not as of right now, but going forward once the new audit report is issued, that is my plan to have at least a semi-monthly update.

**Balkema:** One suggestion in being in the recipient's position of having their department, my department audited, I had a very tough manager, but I look back on it and it was a very good manager, and she made sure that I knew my wife's birthday and my kids names and what the next date is I was going to report out. In other words, it was the most important thing for me to maintain my job was am I going to, what date did I submit for my corrective actions for my department, and I was going to be held accountable for that, so that was burned in my brain. It seems like you've got, you know, you've got a great leadership team and working hard on morale, you know, it's great that you're managing that SharePoint, which is, you know, just kind of an Excel file, but it would be good for the 37 names or the people that own that to report back to you the corrective action on a weekly basis versus you having to go rally the troops too. Is that the way it is now, or are they proactively reporting back to you, or are you having to go hunt down updates?

**Van Leer:** Currently, usually doing the follow-up and hunting it down.

**Balkema:** I would flip that 180 degrees and make those folks, you know, collective bargaining, none, it doesn't matter, you know, but it's like they should be reporting progress to you, I would think, unless I'm missing something.

**Van Leer:** No, they should be, and to that point, since my accepting the position as Chief Internal Auditor, I have reached out to several people and worked closely with them in the current audit, and we are kind of actively brainstorming corrective action. I'm getting a lot of buy-in from managers and other staff.

**Finnie:** Yes, Senator, we appreciate the recommendation. We're going to, we'll take that and see what frequency makes sense for our team, but I really appreciate that because we're building this out now. We have, you know, in my opening remarks, as I mentioned, we have an audit review committee that's made up of people across the agency that are now helping the Internal Auditor. Before, there was one person in fiscal just kind of answering these questions haphazard. Just the best she could, it wasn't her fault. Just, it was dumped on her. So, we are, we are still building this airplane, and we appreciate the feedback, and well, well taken. Thank you.

**Balkema:** Right, and just lastly, so one success story. I'm sorry, tell me your first name again.

**King:** Ellen.

**Balkema:** Ellen. So, Ellen, you took your chunk of this, you owned it, and the results are no, no findings.

**King:** Well, I'm telling you, we're working as hard. I mean, when you have a, you know, an adverse opinion, you got it, that's your backbone.

**Balkema:** Right.

**King:** You know, that's your backbone, and so from the moment the Director, when she came in, I mean, we've been hitting those fiscal ones very, very hard.

**Balkema:** So the example is, it's a shining success story in the midst of, you know, a lot of findings, but we had one manager in one area that took it, owned it, and you report out.

**King:** Okay, so I appreciate your, but I'm telling you, the staff, all staff at DNR are as deeply committed to getting this thing turned around.

**Balkema:** Good.

**King:** And these audit findings cleaned up, just not me.

**Balkema:** So, so then, if you can do that in that area, my point is, instead of you having to go hunt down where we're at on everything else, you know, that area, everybody ought to be that fired up to say, by the way, it's Tuesday, let me tell you the update on this finding. It's Thursday, we've had two days of progress, let me tell you the update, you know, just kind of that proactive piece, so that you, as managers, are not having to go find it. The, teams are razor-focused on that, and the reason I say that is, there's as many new, not as many, but there's a lot of new here. So I think what'll happen is, we're going to uncover more stuff that's bad, but if you've already got the organization split up like we added a hundred people last year, looks like we want to add 55 this year, as we split out the 1,300 people organization, and you've got managers in each of these areas that are accountable and responsible for current plus future findings that the team might find right now. Then it is, and from a project management perspective, much easier from a standard work. You don't have to go hunt down who's doing what, it's being fed to you in a systematic basis.

**Finnie:** Yeah, agree, agree 100%, Senator, and as we continue to build this team out, and those frequencies will be, that makes a lot of sense, so we, our managers, our staff are all on board, as Ellen mentioned, to get this right. They have a burning desire to get this right. It's on us to get that frequency right, to your point, to make sure this is just in place, and it's happening on a continued basis. Thank you.

**Rose:** Thank you. Representative Manley.

**Manley:** Just a couple of suggestions. So, Andy, I want the people at IDNR to quake in their boots when you walk through the door. I want them to be nervous when they see you. So, long ago when I was a baby auditor, it was hard for me to not have people like me. People automatically didn't like me, and so if you need some lessons on how not to be liked, I can help you with that. I'm sure Senator Rose is pretty good at that himself, but your job is to be the most disliked person at IDNR. Your family will still like you, your friends will still like you, but I need you to be the guy they cannot, they need to be afraid, basically. They need to perform, because you're going to report directly back to the director who is counting on you to be that guy.

Sometimes it's hard, but you'll get used to being disliked. I've grown into the role, but seriously, in all seriousness, they, the people that are underperforming need to step up, and they need to answer to you. So, that's my advice. No more Mr. Nice Guy.

**Van Leer:** Thank you, Representative Manley.

**Rose:** Representative Moore.

**Moore:** Good morning. Thank you for being here. One of the findings that I, that stood out to me was number 6, which had to do with vouchers and the real-time effects of not submitting vouchers on times. I think it was noted in here that there was, over the two-year period, \$461,000 in interest paid, and that's a real value that we can put for processes not being followed. The response that was submitted is, essentially, you're working on it, it's staff. Can you walk me through why vouchers wouldn't get submitted in a timely manner, and how you, is it a computer system issue? Is it just a staff? Like, can you just walk me through so I understand that process, and then how that can be improved?

**Finnie:** Sure, and I'll kick it over to Ellen King, our CFO, for more into the weeds as needed, but just in general, again, as I said in the outset, you know, lack of staffing, processes got sloppy. We also had the rollout of the SAP, the ERP system, that didn't get fully, it wasn't being implemented. I mean, as Ellen said, a wonderful system that tracks these and does these things well. Finally got all of that up and running, got staffing up, and, you know, we still find pressure points and problems, but, man, leaps and bounds better, and I'll let Ellen talk about details of the progress.

**King:** Yeah, I think you've hit it on the head, Director. You have to have staff to be able to process your invoices. Last year, in FY24, we did over 77,000 invoices, so the first thing that the director did when we sat down and talked about where our risk areas were, 12 account technicians were added to help process that. The second thing is the timeliness. We did not do a good job in implementing our ERP, the SAP module, so we really backtracked a lot. We've got that under control, we're using that now. There is still, you know, documentation of processes and procedures. We're working on those, we hope to have those done here shortly so that we're consistent across the agency in our approach. But again, mainly the root cause was lack of staff, then lack of implementation of the SAP.

**Moore:** Are you able to track in real-time how much interest you're paying now? So do you have a system in place that tracks how you're currently doing?

**King:** Yes, we do. There's a direct object code out there that you can track it with, and it is much less than the 456,000 that was reported here.

**Moore:** I think it would be a good thing to have in future years because of the lag time that we have with auditing and the process, because it would be a success story. But I think it would also make the case, even if you're still paying interest, what the value is in investing in additional staff. So that, that to me, if you can equate, you know, hey, we hired 12 people. Yeah, we were paying 461,000 now we're paying 100. You know, you can kind of do the math and get the return on investment for the taxpayers if you tell that story, correct?

**King:** Absolutely. I'm totally on board with you there. The SAP, as I said, we're progressing and learning what they have these group of reports that are called HANA that are, you know, some of the reports are kind of cumbersome, but this is an easy-to-read report that we're going to start generating every Monday morning. Here's your status of your invoices and your contracts for each division and fiscal, for the fiscal officer and the office director. So there's more that we can do out of that SAP, is my point.

**Moore:** So to the Director, one of the things in your, in your remarks was the long process it takes to ride a ship. And I understand that I've been through auditing in my 501C6 and, and things like that and with the City of Quincy. So I understand that there's not an immediate fix, but it also may be hard for our constituents to say, well, it's going to be fiscal year 27 before these are fixed, which means it's going to get to us in 2032 before we can tell that story. So perhaps, as we talked about in the previous finding, if there's real-time tracking, that then this time next year you can say, listen, I know that in the audit would be, what, fiscal year 22/23 that we would get back, whatever you're going through now. You could say, but in fiscal year 26, these are our current numbers for that finding. I think that would help lessen some concerns.

**Finnie:** Yeah. No, great point, Representative, and I hear you and couldn't agree more. The reality is what it is, right? So we're just trying to set those expectations, but that doesn't mean we're satisfied either, right? So yeah, we're currently being, our audit is FY23/24, so we just want to set those expectations, but to your point, what we're doing on our team is tracking the incremental process within each finding, and hopefully the next time DNR is in front of you can report out some of those incremental, you know, that within, if there's still a finding, we can show like, man, we started out at 80% infraction here, now we're down to 10 or whatever it may be.

**Moore:** We appreciate all your efforts on this. Thank you.

**Finnie:** Thank you, Representative.

**Rose:** Other questions for members? Director, your, your enthusiasm is infectious, so as Representative Manley said, we are all rooting for you, although we would note, I would note that I, I think Representative Manley is exactly correct. Sometimes you got to come down on people. So let's, I guess the concern here is that we're going to have another one of these come out pretty shortly that will probably be a lot of the asked and answered that we just went through. I'm interested in the fact that you're tracking incremental improvement within each line. So maybe before we decide if you have to come back here again on the new audit, maybe we could all, you know, sit down and talk about the incremental improvement offline and determine whether it's actually necessary for you to come back or not.



**Finnie:** Yeah, I absolutely appreciate that.

**Rose:** Okay. With that, seeing no more questions, Representative Manley moves that accept the compliance audit of the Department of Natural Resources, seconded by Ellman, Senator Ellman. And all in favor say aye, opposed say nay. Ayes have it. The audit is accepted. Thank you, Director and your team.

**Finnie:** Thank you all. Have a good day.

**Rose:** Turning the consent calendar. Today there are 44 reports that do not appear to require the presence of agency officials. I would like to note, and this is important for our new members, that this list, as well as the ones in upcoming meetings, will be very robust in order to address the current backlog that we have. Members, this is in no way should be construed as any of us condoning the findings but rather fulfilling our responsibility to act on the audits that were released by the Auditor General. The LAC staff is reviewing outstanding audits of the same agency and noting repeated findings so that older audits may be added to the consent calendar, and I believe what this meant to say is which preserves our right to still go ahead on future audits. With that said, if there is no objection on a motion made by Senator, Representative Moore, who looks very excited to make this motion, Representative Moore, and seconded by Representative Manley, there is a motion to accept the consent calendar. All in favor say aye. Opposed say nay. The ayes have it, and the consent calendar is accepted. Additionally, members, we have the minutes of the Audit Commission meeting from the May 13<sup>th</sup>, 2025, meeting. If there is no objection on a motion made by Senator Villanueva, seconded by Senator Wilcox, we accept the meeting minutes. All in favor say aye. Opposed say nay. In the opinion of the Chair, the ayes have it, and the meeting minutes are accepted. We acknowledge receipt of one item which does not require Commission action, that is the status report on 35 audits of the Regional Office of Education and three audits of Intermediate Service Centers for FY24 and the Auditor General. Finally, looking ahead, the Audit Commission will meet again in July and August in Chicago. Since we have a couple new members, I'll ask Executive Director Ray to please recirculate the dates that we're looking at. We're just going to try to get as many people as we can to as many to the two meetings, knowing we might miss a few people. Yes, Senator Balkema?

**Balkema:** Get those dates.

**Rose:** No, that's what I'm saying. I'm going to have her resend it back out to everybody. But if we could get our selections back in by, you know, the end of next week, is that fair, everybody? So we can get that set, because it does take quite a bit of time to get the Auditor General there and also the agencies. Yes, Senator Ellman? It's, no, there'll be a Zoom option. But remember, under our meeting minutes, we have to have a quorum in person. So I'll be driving to Chicago to enjoy the big city and everything it has to offer. All right. So, seeing no further business before the legislative Audit Commission, on a motion from Representative

Ellik, seconded by our new guy, Senator Balkema, the meeting is adjourned. Thank you.