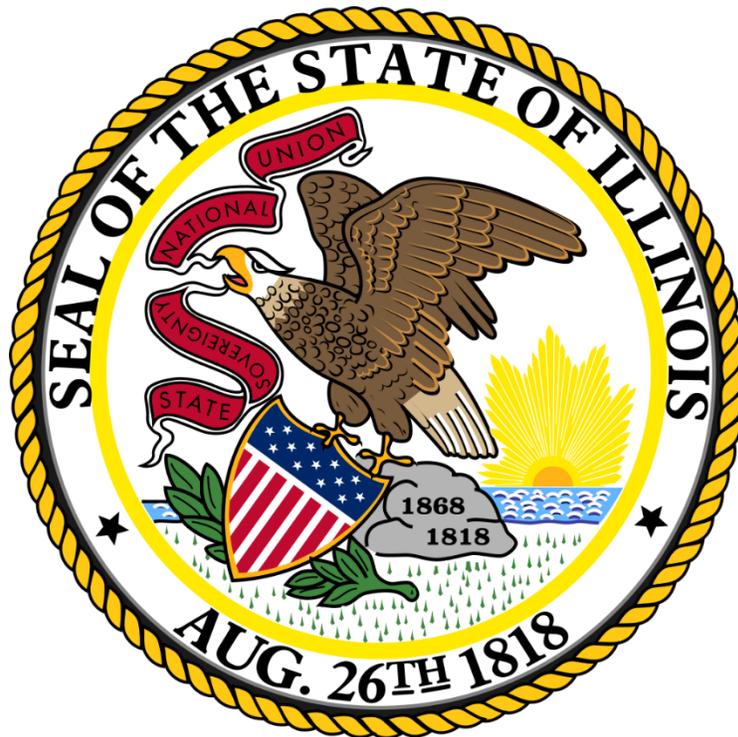


LEGISLATIVE AUDIT COMMISSION



Combined Review of Compliance and Financial
State Board of Education
Two Years Ended June 30, 2020

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

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

**REVIEW #4532:
STATE BOARD OF EDUCATION
TWO YEARS ENDED JUNE 30, 2020**

COMPLIANCE FINDINGS/RECOMMENDATIONS – 26
PARTIALLY IMPLEMENTED – 8
IMPLEMENTED – 14
UNDER STUDY – 4
ACCEPTED – All
REPEATED RECOMMENDATIONS – 8
PRIOR AUDIT FINDINGS/RECOMMENDATIONS – 11

FINANCIAL FINDINGS/RECOMMENDATIONS – 1
PARTIALLY IMPLEMENTED – 1
PRIOR AUDIT FINDINGS/RECOMMENDATIONS – 1
REPEATED - 0

This review summarizes the auditors' reports on the compliance examination of the State Board of Education for the two years ended June 30, 2020, filed with the Legislative Audit Commission on June 9, 2021, and the financial audit for the year ended June 30, 2020, filed with the Audit Commission on June 9, 2021. The reports were conducted in accordance with *Government Auditing Standards* and state law. The auditors stated the financial statements were fairly stated.

ISBE was organized to provide leadership, assistance, resources and advocacy so that every student is prepared to succeed in careers and postsecondary education, and share accountability for doing so with districts and schools. ISBE consists of nine members who are appointed by the Governor with the consent of the Senate. The Governor appoints the Chair of the Board with the advice and consent of the Senate. The Board appoints the State Superintendent of Education.

The current State Superintendent of Education is Dr. Carmen I. Ayala appointed March 1, 2019. The prior superintendent was Dr. Tony Smith until February 22, 2019.

During FY20, ISBE restructured divisions and departments. The First Deputy Superintendent position was removed while the Policy & Communications Officer and Research & Evaluation Officer were new positions that were implemented. The former Chief Operations and Professional Capital Officer became the Operating Officer position.

At the time of the audit, the primary admin. offices are located at:

- JRTC, 100 West Randolph St, Suite 14-300, Chicago 60601 and
- Alzina Building, 100 North First Street, Springfield 62777.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

Public Accountability Report – ISBE

Reporting Programs	FY 2020		FY 2019	
	Expenditures	Headcount	Expenditures	Headcount
Equity	\$ 10.8 billion	279	\$ 10,356,120.2	252.0
Quality	\$ 258.2 million	74	\$ 169,841.9	74.0
Educator Recruitment and Recognition	\$ 83 million	56	\$ 85,249.1	57.0
Community	\$ 34.3 million	32	\$ 25,960.6	19.0
Totals	\$ 11,175 billion	441	\$ 10,637,171.8	402.0

Totals may not add due to rounding.

Mission Statement

Provide each and every child with safe and healthy learning conditions, great educators, and equitable opportunities by practicing data-informed stewardship of resources and policy development, all done in partnership with educators, families, and stakeholders.

ISBE annually evaluates the “Comprehensive Strategic Plan for Elementary and Secondary Education” to ensure it remains meaningful as education initiatives are implemented in Illinois. The Board’s strategic goals are aligned to its efforts:

- Student learning: Every child will make significant academic gains each year, increasing his or her knowledge, skills, and opportunities so he or she graduates equipped to pursue a successful future, with the state paying special attention to addressing historic inequities.
- Learning conditions: All schools will receive the resources necessary to create safe, healthy, and welcoming learning environments, and will be equipped to meet the unique academic, social, and emotional needs of each and every child.
- Elevating educators: Illinois’ diverse student population will have educators who are prepared through multiple pathways and are supported in and celebrated for their efforts to provide each and every child an education that meets his or her needs.

Reporting programs in this report are aligned to four funding principles:

- Equity: Provide each child with the individualized supports he or she needs to achieve his or her potential and meet our common, high expectations.
- Quality: Recognize and nurture the individual strengths each student brings to the classroom and provide diverse pathways to success.
- Community: Address the state’s deep opportunity gaps and bridge services to meet the needs of the whole child.
- Educator Recruitment and Recognition: Expand and diversify the pipeline for recruitment and retention of Illinois’ current teachers.

Source:

<https://par.illinoiscomptroller.gov/index.cfm?FiscalYear=2020&ProgramAreaGroupID=3&AgencyNo=586&UniqueProgramID=0&ProgramID=0&RecentFY=2020&Submitted=Go>

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

Key Metrics – Public Accountability Report

Indicators	FY18 Actual	FY19 Actual	FY20 Actual
Equity			
English Learner enroll rate	11.7%	12.1%	12.5%
Special Ed served (Age 3-21)	295,066	297,960	300,356
Students eligible free/reduced lunch federal program	60.8%	59.4%	60.2%
Meals served in IL free lunch/breakfast program	200.9 million	196.1 million	136.3 million
Financial watch list districts	22	12	144
Schools meeting Every Student Succeeds Act	79.7%	85.3%	85.3%
Special Ed state performance goals met	41.1%	41.4%	42.3%
Districts in deficit spending	48%	13.7%	25.9%
High School dropout rate	2.1%	4.2%	3.5%
4 year high school grad rate	85.4%	86.1%	88%
Grad rate- disabled students	58.8%	74.7%	81%
At-risk students grad rate within 5 years	87.6%	80.2%	81%
Title I students proficient in reading-state assessment	26.2%	27.4%	NA
Title I students proficient in math-state assessment	21%	22.2%	NA
Quality			
Low income students taken an advanced placement test	39,496	32,044	26,983
New AP courses offered	0	5	5
Grants/loans for school maintenance, energy efficiency, temp relocation	0	0	144
Students with access to upgraded tech	20,104	2,282	4,805
High quality professional development opportunities provided by ROEs	2,258	3,517	5,485
Career/Tech completed secondary education	95.5%	95.6%	95.6%
Educator Recruitment/Recognition			
Indicators	FY18 Actual	FY19 Actual	FY20 Actual
Licensed teachers	128,999	129,178	131,230
Public School Administrators	11,768	11,504	11,784
Educators qualified to perform teacher/principal evaluations	2,001	2,509	2,708
Teacher-of-color candidates recruited into Teach for America	51	54	45
Educators recruited for initial National Board certification	546	397	439

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

ISBE has the following budget authority by appropriated FY20 fund and indicated with the largest expense authority listed:

- GRF 001 - \$4.1 billion (\$9 billion total from all GRF funds);
- Ed Assistance 007 - \$729 million;
- Teacher Certificate Fee Revolving 016;
- Drivers Ed 031 - \$16 million;
- School District Emergency Financial Assistance 130;
- Capital Development 141 - \$25 million;
- School Construction 143;
- SBE Special Purpose 144 - \$16.5 million;
- SBE Teacher Certificate Institute 159;
- SBE Federal Dept. of Ag 410 - \$1.1 billion (non-appropriated);
- Common School Fund 412 - \$3.3 billion;
- After-School Rescue 512;
- SBE Federal Agency Services 560 - \$18.4 million (non-appropriated);
- SBE Federal Dept. of Ed 561 - \$3.2 billion (non-appropriated);
- Charter Schools Revolving Loan 567;
- School Infrastructure 568 - \$256.5 million;
- School Tech Revolving Loan 569;
- Temporary Relocation Expense Revolving Grant 605;
- Fund for Advancement of Ed 640 - \$738.7 million;
- State Charter School Commission 674;
- Personal Property Replacement 802 - \$18.3 million.

ISBE Employee Headcount by Division (p. 108 compliance):

Divisions	FY18	FY19	FY20
Superintendent	22	24	27
Policy & Communication	10	8	12
Finance	55	54	52
Operations	41	54	52
Education	3	0	6
Op Ed– Teaching/Learning	41	45	45
Op Ed-Programs	53	55	65
Op Ed-Systems of Support	2	6	4
Op Ed-Regional Services	0	0	7
Op Ed-Regulatory Services	36	39	42
Op Ed-Safe & Healthy Climate	54	61	60
Research & Evaluation	62	56	63
Total	379	402	435

Note: FY20 Reorganization with FY18 and FY19 reclassified for consistency and comparability.

Note: Op Ed is short for Operational Education.

ISBE Public School Districts 2019-2020 (p. 109 compliance):

- Elementary (Pre K – 8) 368;

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

- Secondary (9-12) 96; and
 - Unit 388;
- Grand Total is 852.

Number of Public and Nonpublic Attendance Centers 2019-2020 (p. 110 compliance):

School	Public	Nonpublic (1)	Total (2)
Elementary	2,437	697 (a)	3,134
Junior High	603	0	603
High School/Secondary	705	113	818
Unit	0	96	96
Special Ed/Others	449	12	461
Total	4,194	918	5,112

Notes: 1 includes DOC; 2 voluntarily reported and registered with ISBE; and (a) includes junior highs.

School Enrollment 2019-20

	Public	Nonpublic	Total	Percent
Elementary (Pre K – 8)	1,349,530	142,459	1,491,989	69.5%
Secondary (9-12)	607,488	46,526	654,014	30.5%
Total	1,957,018	188,985	2,146,003	100%
Percent	91.2%	8.8%		

Notes: Nonpublic schools reported data on a voluntary basis; Secondary school numbers include ungraded schools. (p. 111 compliance).

Racial-Ethnic Distribution of Statewide Public School Enrollment 2019-20

	Students	Percent
White (Caucasian)	929,443	47.5%
Black (Non-Latino)	324,212	16.6%
Latino	519,982	26.6%
Asian	102,373	5.2%
American Indian-Alaskan	4,936	0.2%
Hawaiian-Pacific Islander	2,035	0.1%
Multi-Racial	73,678	3.8%
Total	1,957,018	100%
Total Percentage of minority students		52.5%

(p. 112 compliance)

Expenditures from Appropriations

Expense Stats	FY18	FY19	FY20
Total Operations	\$122.9 million	\$128.7 million	\$132.1 billion
% of Total Expenses	1.17%	1.21%	1.17%
Personal Services	\$26.9 million	\$29.6 million	\$32.6 million
Other Payroll Costs	\$5.8 million	\$6.3 million	\$6.9 million
All Other Operations Expenses	\$90.2 million	\$92.8 million	\$92.7 million
Total Awards & Grants	\$10.3 billion	\$10.5 billion	\$11.2 billion

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

% of Total Expenses	98.8%	98.8%	98.8%
Total Refunds	\$1.7 million	\$1.7 million	\$2.4 million
% of Total	0.02%	0.02%	0.02%
Grand Total	\$10.46 billion	\$10.64 billion	\$11.3 billion

p. 90 compliance

Property and Equipment

Page 95 of the compliance exam details property and equipment transactions of ISBE. The balance decreased from \$11.9 million as of June 30, 2019 to \$10.2 million as of June 30, 2020. Equipment value going down accounted for the decrease. Land/land improvements and buildings/building improvements stayed the same.

Loans Receivable

ISBE administers 4 programs that provide loans to schools for various educational purposes (p. 24 financial):

- School District Emergency Financial Assistance Program-\$0 loans receivable outstanding at the time of this report;
- Charter Schools Revolving loan program-designed to encourage and financially support high quality charter schools statewide. \$0 loans receivable outstanding;
- School Technology Revolving Loan program-designed to provide school districts with tech tools and research-proven software especially in reading and math. 3-year loans available to school districts. Current loans receivable balance is \$1.3 million;
- Temporary Relocation Expenses Revolving Grant program-pays school districts emergency relocation expenses. Current loans receivable balance is \$6,000.

Accountants' Findings and Recommendations

Condensed below are the 26 findings and recommendations included in the audit report. Of these, 8 are repeated from the previous audit. The following recommendations are classified on the basis of information provided by ISBE, via electronic mail received June 9, 2021.

1. **The auditors recommend ISBE work with SERS and CMS to develop an annual reconciliation process of its active members' census data from its underlying records to a report from each plan of census data submitted to the plan's actuary. After completing an initial full reconciliation, ISBE may limit the annual reconciliation to focus on the incremental changes to the census data file from the prior actuarial valuation, provided no risks are identified that**

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

incomplete or inaccurate reporting of census data may have occurred during prior periods.

FINDING: (Lack of Census Data Reconciliations) Same as #1 in Financial Audit

ISBE did not have a reconciliation process to provide assurance census data submitted to its pension and other postemployment benefits (OPEB) plans was complete and accurate.

During testing, auditors noted the following:

- 1) ISBE has not performed an initial complete reconciliation of its census data recorded by SERS and CMS to its internal records to establish a base year of complete and accurate data.

- 2) After establishing a base year, ISBE had not developed a process to annually obtain from SERS and CMS the incremental changes recorded by SERS and CMS in their census data records and reconcile these changes back to ISBE's internal supporting records.

Failure to reconcile active members' census data reported to and held by SERS and CMS to the Agency's records could result in each plan's actuary relying on incomplete or inaccurate census data in the calculation of the Agency's pension and OPEB balances, which could result in a misstatement of these amounts.

RESPONSE:

ISBE agrees with the finding. ISBE is developing an annual reconciliation process for active members' census data in collaboration with CMS and SERS.

UPDATED RESPONSE:

Partially Implemented. ISBE has completed an internal reconciliation of State Employees' Retirement System (SERS) members for FY21. Additionally, ISBE is collaborating with its employees' pension systems and postemployment benefits plan CMS to develop formal annual census data reconciliation processes.

- 2. The auditors recommend ISBE implement controls to monitor the bullying prevention policies by each school district, charter school, and non-public, non-sectarian schools to ensure compliance with the bullying prevention requirements of the School Code.**

FINDING: (Noncompliance with the School Code on Bullying Prevention)

ISBE did not adequately monitor the implementation of the bullying prevention policies.

During testing, auditors noted:

- One of 60 (2%) schools tested did not file with the Agency their policy on bullying.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

- Seven of 60 (12%) bullying policies tested lacked the provisions required to be included in the policy.
- Five of 60 (8%) bullying policies on file with the Agency had not been reviewed or re-evaluated recently. These policies were last reviewed or re-evaluated between 923 to 2,135 days after the prior policy review.

Auditors also noted during testing, ISBE did not have internal controls in place to monitor the implementation of policies created under this mandate.

ISBE indicated it lacks sufficient employee and technological resources to fully implement the requirements of the statute.

Failure to adequately monitor the revision and implementation of bullying prevention policies by each school lessens the effectiveness of its purpose to educate students, parents, and schools about behaviors and negative outcomes associated with bullying.

RESPONSE:

ISBE agrees with the finding. ISBE will improve controls to ensure mandate compliance.

UPDATED RESPONSE:

Partially Implemented. ISBE has developed a process and system to continue to improve controls to address mandate compliance.

- 3. The auditors recommend ISBE either review applications for school construction projects to calculate grant indexes, issue entitlements, and submit a priority ranking to CDB, or continue to seek legislative remedy.**

FINDING: *(Insufficient Controls over School Construction Projects)*

ISBE failed to process applications to determine and entitle eligible districts for school construction project grants.

During testing, auditors noted ISBE had not reviewed the 283 applications it received from school districts since FY03 to determine whether the district was eligible and should have been entitled to receive a school construction grant.

ISBE officials stated due to the Capital Development Board (CDB) not receiving an appropriation for school construction grants, management of ISBE did not find it appropriate, nor efficient, to have ISBE personnel review the applications and entitle the districts knowing there were not sufficient funds to award grants to the school districts. ISBE did seek legislative remedy during the examination period; however, the process has not been completed, thus the Agency's responsibilities to review and approve state construction grant applications have not been eliminated. A School Construction Task Force was convened and met six times from November 2019 through February 2020. The

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

Task Force issued a report to the General Assembly and Governor on February 28, 2020, which is available on ISBE's website. Since the General Assembly had not convened due to the global pandemic, the final actions of drafting and filing a bill to amend the law have not occurred.

ISBE officials estimated the unmet need for new school construction and addition projects was approximately \$3.6 billion at June 30, 2020. By not reviewing applications for school construction projects and entitling districts for aid from CDB, ISBE failed to comply with the School Construction Law and the Illinois Administrative Code.

RESPONSE:

ISBE agrees with the finding. ISBE will continue to seek legislative remedy to alleviate entitlement of school districts for a School Construction Grant when funds are not appropriated.

UPDATED RESPONSE:

Under Study. Legislative change was filed in Spring 2021; however, it did not advance.

4. The auditors recommend ISBE implement internal controls to ensure compliance with this reporting requirement or seek legislative remedy.

FINDING: *(Noncompliance with Annual State Report on Special Education Performance Reporting Requirements)*

ISBE did not comply with reporting requirements regarding the Annual State Report on Special Education Performance.

During testing, auditors noted, since its report for the 2008-2009 School Year, ISBE has not prepared and submitted an Annual State Report on Special Education Performance.

ISBE officials stated they no longer produce the Annual State Report on Special Education Performance due to a majority of the information being included in the Annual Report Card, which is required by the School Code (105 ILCS 5/10-17a). Further, in January 2020, ISBE officials stated they began including data on the performance of the due process hearing system within the Annual Report, which is required by the School Code (105 ILCS 5/2-3.11).

RESPONSE:

ISBE agrees with the finding.

UPDATED RESPONSE:

Under Study. ISBE will seek legislative action to remove the language "Annual State Report on Special Education Performance" since the Annual State Report on Special Education Performance is not referenced as a mandated report elsewhere in School

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

Code. In addition, ISBE will seek legislative action to require due process information be posted annually on ISBE's website.

- 5. The auditors recommend ISBE implement the necessary internal controls to ensure reporting requirements are met for programs in transitional bilingual education.**

FINDING: *(Noncompliance with Department of Transitional Bilingual Education Reporting Requirements.)*

ISBE did not comply with the reporting requirements of the Department of Transitional Bilingual Education (Department).

During testing, auditors noted the Department failed to draft the 2018-2019 annual report on programs in transitional bilingual education and submit it to the required legislative bodies. Additionally, the 2017-2018 annual report was submitted eighteen months after the reporting period ended.

ISBE officials stated the reports were not timely drafted or submitted due to ISBE turnover.

RESPONSE:

ISBE agrees with the finding. The Multilingual Department (MD) has put controls in place in partnership with the Data division to ensure that the data needed to complete the reports is pre-scheduled and automatically pulled each year. MD has also assigned the English Learners (EL) Statistical Report to a specific staff member as part of their regular duties. This will ensure that the EL Statistical Report is written, published, and shared with both ISBE and the General Assembly on a yearly basis.

UPDATED RESPONSE:

Implemented. ISBE has published the Bilingual Education Programs and English Learners Statistical Report for the 2018-2019 and 2019-2020 school years.

- 6. The auditors recommend ISBE, in conjunction with DHS, develop and establish the heroin and opioid drug prevention pilot program and begin submitting the required annual reports to the General Assembly or seek legislative remedy.**

FINDING: *(Noncompliance with the School Code on Heroin and Opioid Drug Prevention Pilot Program)*

ISBE did not develop and establish a heroin and opioid prevention pilot program or comply with reporting requirements in relation to the pilot program.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

During testing, auditors noted ISBE, in conjunction with DHS, did not develop a 3-year heroin and opioid drug prevention pilot program, and thus, did not submit the required annual report to the General Assembly.

ISBE officials stated the pilot program was not established due to staff working on other substance abuse and prevention work, which continues to be an important component of the work ISBE does both separate from and in conjunction with DHS.

RESPONSE:

ISBE agrees with the finding. ISBE will seek to repeal the statute.

UPDATED RESPONSE:

Under Study. ISBE continues to collaborate with DHS to document efforts to comply with the intent of the legislation.

- 7. The auditors recommend ISBE strengthen its controls to adequately track all instances in which it learns of teachers' felony convictions. Further, auditors recommend ISBE enhance its controls to timely notify the Board of Trustees of the Teachers' Retirement System of the State of Illinois or the Board of Trustees of the Public School Teachers' Pension and Retirement Fund of the City of Chicago of teachers' felony convictions.**

FINDING: *(Failure to Provide Timely Notification of Felony Convictions)*

ISBE did not provide timely notification to the State's retirement systems of teachers' felony convictions.

During testing, auditors requested ISBE provide a population of all instances in which it learned of teachers' felony convictions during the examination period. In response to the request, ISBE stated that due to the nature of most notifications, detailed records are not maintained. As notifications of convictions come from a variety of sources, including phone calls and media outlets, ISBE has not consistently documented how or when it learned of teachers' felony convictions. ISBE was only able to provide a listing of license forfeitures, suspensions, and revocations during the examination period that resulted from felony convictions.

Due to these conditions, auditors were unable to conclude ISBE's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the Agency's compliance with section 21B-85(b) of the School Code.

Even given the population limitations noted above which hindered the ability to conclude whether the selected sample was representative of the population as a whole, auditors selected a sample of 25 felony convictions from the listing provided by ISBE and performed testing.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

During testing, auditors noted ISBE did not timely notify the Board of Trustees of the TRS or the Board of Trustees of the Public School Teacher's Pension and Retirement Fund of the City of Chicago of teachers' felony convictions after obtaining notice of the felony conviction for which the individual was sentenced to death or a prison term of one year or greater. Auditors noted 15 of 25 (60%) convictions tested were not communicated to the necessary parties until 31 to 1,469 days after either the revocation of the teacher's license or formal notice of conviction had been received.

ISBE officials indicated the letters were not sent timely due to employee error and staffing constraints.

It is important that all parties of the school system obtain knowledge of such information timely to avoid any delays in the complete removal of the individual from the school system and all associated rights and privileges.

RESPONSE:

ISBE agrees with the finding.

UPDATED RESPONSE:

Implemented. SB2357 amends the statute and requires that school boards – not ISBE – notify the pension systems of any teacher who has been convicted, either after a bench trial, trial by jury, or plea of guilty, of any offense for which a sentence to death or a term of imprisonment in a penitentiary for one year or more is provided.

- 8. The auditors recommend ISBE continue to monitor the activities of the intergovernmental agreement to ensure all requirements are met and funds are used in accordance with statutory requirements and limits.**

FINDING: *(Insufficient Controls over Illinois Teaching Excellence Program)*

During testing, auditors noted ISBE was appropriated funds for the Illinois Teaching Excellence Program, which it then remitted ISU for administration of the Program through an intergovernmental agreement. ISBE did not adequately monitor the activities of the intergovernmental agreement to ensure the funds were used in accordance with the requirements of the statute. Auditors noted payments of \$1,250 were made to the National Board for Professional Teaching Standards' for the renewal fee for 140 candidates during FY19. These payments were in excess of the statutory limit, resulting in overpayments totaling \$35,000.

ISBE officials stated the noncompliance was due to employee error. Further, ISBE officials stated they became aware of the issue in FY19; however, the funds had already been expended to the National Board for Professional Teaching Standards.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

Failure to adequately monitor and enforce restrictions for payments under the Illinois Teaching Excellence Program is a violation of State statute and could lead to misappropriation of State funds.

RESPONSE:

ISBE agrees with the finding and is taking steps to ensure this issue does not arise in the future.

UPDATED RESPONSE:

Implemented. ISBE created a monitoring process in FY20 to ensure sufficient controls over the Illinois Teaching Excellence Program.

9. The auditors recommend ISBE comply with the appointment and reporting requirements of the statute or continue to seek legislative remedy.

FINDING: *(Noncompliance with Advisory Council on At-Risk Students Appointment and Reporting Requirements)*

ISBE did not comply with the member appointment and reporting requirements for the Advisory Council on At-Risk Students (Council).

During testing, auditors noted all Council members' initial terms had expired, and no new appointments were made during the examination period, and noted the two vacancies reported in the prior examination had not been filled. In addition, the Council did not submit to ISBE, the Governor, and the General Assembly a report addressing the requirements regarding school districts where racial minorities comprise a majority of the student population.

ISBE officials stated the member appointments were not made, and the report was not submitted, due to the Agency beginning the process of seeking legislative remedy during the examination period, which is expected to result in the Council being repurposed when the process is complete.

RESPONSE:

ISBE agrees with the finding.

UPDATED RESPONSE:

Implemented. House Bill 3114 repealed the statute requiring the At-Risk Student Advisory Council.

10. The auditors recommend ISBE promptly assign responsibility to the appropriate department within ISBE to ensure compliance with all provisions of this Act.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

FINDING: *(Noncompliance with the School Safety Drill Act)*

ISBE has failed to implement all provisions of the School Safety Drill Act (Act).

During testing, auditors noted ISBE did not maintain records of annual school safety review compliance reports, did not have a system of allowing access to the records by the Office of the State Fire Marshal and other state agencies, and did not provide an annual report to the Office of the Governor and the Office of the State Fire Marshal concerning the compliance of school districts with the annual school safety review requirement.

ISBE officials stated there was a misunderstanding with respect to which staff would be responsible for ensuring compliance with the mandate.

RESPONSE:

ISBE agrees with the finding. ISBE has assigned the responsibility to the appropriate department.

UPDATED RESPONSE:

Implemented. ISBE has assigned responsibility to the appropriate department and developed a process to ensure compliance with the mandate beginning in FY22.

- 11. The auditors recommend ISBE update the prescribed form to include all required elements. In addition, they recommend ISBE implement adequate internal controls to ensure the school districts submitting the ASAs are in full compliance with all requirements of the School Code.**

FINDING: *(Insufficient Controls over Annual Statements of Affairs)*

During testing, auditors noted ISBE's prescribed ASA form did not contain a line for school districts to report their change in net cash position from the previous report period for each district fund. Additionally, ISBE did not maintain supporting documentation to provide evidence of when the ASAs were submitted by school districts during FY19. Lastly, ISBE did not have controls in place to review the ASAs submitted by each School Board to ensure they met the requirements imposed by state law before posting the ASAs to ISBE's website.

ISBE officials indicated the noncompliance was due to employee error.

RESPONSE:

ISBE agrees with the finding.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

UPDATED RESPONSE:

Implemented. ISBE has updated the prescribed form for FY22 submissions to include all required elements and has implemented internal controls to ensure the Annual Statements of Affairs are in full compliance with all requirements of the mandate.

- 12. The auditors recommend ISBE implement internal controls to ensure annual data regarding accelerated placement reported by school districts is timely posted on ISBE's website.**

FINDING: *(Noncompliance with Accelerated Placement Requirements)*

During testing, auditors noted ISBE adopted the rules for accelerated placements in Section 227.60 of the Illinois Administrative Code (Code) (23 Ill. Admin Code 227.60).

Auditors further noted, however, that as of June 30, 2020, ISBE failed to post on its website the 2018-2019 accelerated placement data reported by school districts. The Code (23 Ill. Admin. Code 227.60(d)) states ISBE will make the information available annually on its website. June 30, 2020 was 395 days after the end of the 2018-2019 school year.

ISBE officials stated the information was not posted due to oversight caused by multiple changes in leadership during the examination period within the department responsible for compliance.

RESPONSE:

ISBE agrees with the finding. The issue was identified by the current Director and has been addressed. The report can be found on the Advanced Learners webpage under the menu tab for Accelerated Placement Act.

UPDATED RESPONSE:

Implemented. ISBE has implemented internal controls to ensure annual accelerated placement data is timely posted on ISBE's website.

- 13. The auditors recommend ISBE file the required report with the General Assembly and the Governor, as well as make it available to the public, and continue doing so every three years in accordance with State law.**

FINDING: *(Noncompliance with Reporting Requirements for Teacher Preparation and Certification)*

During testing, auditors noted ISBE did not file with the General Assembly and the Governor, or make available to the public, a report listing the institutions of higher education engaged in teacher preparation, including certain testing data for each institution on or before October 1, 2018. Auditors further inquired as to whether ISBE had

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

ever filed the report. Although ISBE filed the first report in 2012 as required, it was unable to substantiate it had filed the 2015 report.

ISBE officials indicated the report was not filed due to employee error.

RESPONSE:

ISBE agrees with the finding and immediately compiled data and filed the report upon notification of noncompliance.

UPDATED RESPONSE:

Implemented. ISBE compiled the data, filed the report, and has a process in place to ensure the report is filed every three years as required by the mandate.

- 14. The auditors recommend ISBE amend the current rules adopted to include all provisions required by State law. In addition, auditors recommend that when a future law governing ISBE's operation is being drafted or is enacted, ISBE seek legislative remedy to deal with any unrealistic due dates.**

FINDING: *(Failure to Timely and Fully Implement Substitute Teacher Recruiting Program Rules)*

ISBE did not comply with requirements regarding the implementation and adoption of rules for a Substitute Teacher Recruiting Program (Program).

During testing, auditors noted the Program was implemented and the rules governing the Program were adopted on October 29, 2019, which was 301 days after the January 1, 2019 due date. The rules governing the Program are outlined in the Illinois Administrative Code (23 Ill. Admin. Code 1.794).

In addition, auditors noted the rules adopted by ISBE, specifically 23 Ill. Admin. Code 1.794(c), did not include a provision requiring school districts, organized under Article 34 of the School Code and contracting with a substitute teacher recruiting firm, to certify to ISBE that it has adequate funds to fill and pay for all substitute teacher positions.

ISBE officials stated the implementation of the program was delayed because the initial legislation requiring completion of the program was effective August 13, 2018, which gave at most 131 days for compliance. The rulemaking process with the JCAR can take anywhere from six months to one year to complete. Additionally, ISBE stated the rules adopted were incomplete due to oversight.

RESPONSE:

ISBE agrees with the finding.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

UPDATED RESPONSE:

Under Study. ISBE is in the process of adding the missing rule provision to the next rulemaking of Part 1.

15. The auditors recommend ISBE implement the necessary internal controls to strengthen ISBE’s monitoring activities of providers of professional development activities. These monitoring activities should include:

- **A process to ensure approved providers register annually with ISBE.**
- **A process to track which approved providers are providing professional development activities in order to identify the providers that are required to submit data to ISBE.**
- **A process to review the approved provider audits performed by regional offices of education or intermediate service centers to determine the providers have met the required criteria to continue to function as approved providers of professional development activities.**
- **A process to track which licensees hold an active and current professional license issued by SFPR or a national certification board in order to more easily identify the appropriate license renewal requirements.**

FINDING: *(Insufficient Controls over Professional Educator Licensure)*

During testing, auditors noted:

- ISBE had not implemented a registration process for approved providers of professional development activities by July 1, 2019.
- ISBE was not tracking which approved providers were providing professional development activities, and, therefore, was not able to identify which approved providers were required to be submitting annual data to ISBE during the examination period.
- ISBE had not implemented a process to examine approved provider audits performed by the regional offices of education or intermediate service centers.
- ISBE did not have a process in place to monitor which professional educator licensees endorsed for school support personnel who were employed and performed services in Illinois public schools had an active and current professional license issued by DFPR or a national certification board related to the endorsement area on the Professional Educator License.

ISBE officials stated deficiencies were recognized in 2019, and they began developing a tracking system for approved providers called “PD+”. The coronavirus pandemic severely

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

delayed the development of this program and additional staff had to be brought in to handle the workload. Additionally, the Public Act requiring approved providers to register with ISBE was effective August 23, 2019, which was after the July 1, 2019 timeline causing ISBE to automatically lag behind simply due to timing of the legislation.

RESPONSE:

ISBE agrees and has already begun remediation.

UPDATED RESPONSE:

Partially implemented. ISBE continues to build and develop systems and processes to improve data collection methods in order to remediate this finding.

- 16. The auditors recommend ISBE assign responsibility for gathering the necessary data and publish an annual listing of persistently dangerous schools in accordance with State law.**

FINDING: *(Noncompliance with the School Code on Persistently Dangerous Schools)*

ISBE did not comply with the requirements of the School Code regarding persistently dangerous schools.

During testing, auditors noted ISBE has not maintained data or published an annual listing of persistently dangerous schools since the law's effective date, August 21, 2007.

ISBE officials stated this mandate did not have a department assigned to ensure compliance.

RESPONSE:

ISBE agrees with the finding.

UPDATED RESPONSE:

Implemented. ISBE has assigned responsibility and developed a process for gathering the necessary data to publish an annual listing of persistently dangerous schools.

- 17. The auditors recommend ISBE implement internal controls to ensure all subsequent Strategic Plans are drafted in accordance with State law.**

FINDING: *(Noncompliance with Strategic Plan Requirements)*

ISBE did not comply with all statutory requirements when drafting the continuing 5-year Comprehensive Strategic Plan for Elementary and Secondary Education (Strategic Plan).

During testing, auditors noted ISBE did not consult with the educational community, hold public hearings, or receive input from all interested groups in drafting the 2019 Strategic

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

Plan. Additionally, ISBE did not include in either the 2018 or the 2019 Strategic Plans recommendations for streamlining the School Code to eliminate laws that interfere with local control or additional duties that should be assigned to regional offices of education and regional administrative service centers to support local control of school districts and eliminate any duplication and inefficiency. Further, ISBE did not include the unique needs of rural school districts in the 2019 Strategic Plan.

ISBE officials stated the stakeholder meetings were not held for the report due in FY19 because the responsibility of compliance with the mandate had not been assigned within ISBE under the previous administration, and some topic areas were not covered in the reports filed due to management oversight under the previous administration.

RESPONSE:

ISBE agrees with the finding. Under the current administration, ISBE conducted robust stakeholder engagement and public meetings, exceeding the requirements in statute for the Strategic Plan due in FY20. Submission of the plan was delayed due to COVID-19. It was submitted on Jan. 11, 2021.

UPDATED RESPONSE:

Implemented. Senate Bill 2043 amends 105 ILCS 5/2-3.47a to update the topics statutorily required to be included in the plan.

18. The auditors recommend ISBE compile and post data regarding attacks on school personnel based on timely information received from the ISP in accordance with state law or seek legislative remedy.

FINDING: *(Noncompliance with the School Code on Attacks on School Personnel)*

During testing, auditors noted ISBE compiled and posted to their website data regarding attacks on school personnel; however, the data was not compiled from monthly or annual statistical compilations of attacks on school personnel received from the Illinois State Police (ISP). Instead, ISBE collected the data directly from school districts via the School Incident Reporting System (SIRS).

According to ISBE officials, monthly and annual files from the ISP were not received, as such downloads from the ISP were outdated before ISBE would receive them. In an effort to receive timely and accurate data, ISBE worked collaboratively with the ISP to develop the SIRS. In conjunction with the ISP, ISBE developed the data collection, underlying table structures, and processes needed to send the SIRS data directly to the ISP. As the information maintained in SIRS was deemed to be more accurate and timely, this data was utilized when posting to ISBE's website.

RESPONSE:

ISBE agrees with the finding. ISBE is collaborating with the Illinois State Police to ensure compliance with the School Code.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

UPDATED RESPONSE:

Partially Implemented. ISBE has drafted language to seek legislative change during the Spring 2022 session, which better aligns, to the current process. The new language will require ISBE to collect the data using the School Incident Reporting System (SIRS) rather than requiring the Illinois State Police (ISP) send the data to ISBE.

- 19. The auditors recommend ISBE strengthen internal controls to ensure the receipt of climate surveys is adequately monitored, all data is reported at each level required by state statute, and the reporting identifies whether the indicators resulted from anonymous administration of the survey. In addition, auditors recommend ISBE establish a more thorough review process to ensure only those school districts who have complied with the requirements of the statute have been approved to use an alternate climate survey. Further, auditors recommend ISBE document the review process when assessing and updating the list of alternate survey instruments approved for use during each school year.**

FINDING: *(Insufficient Controls over Surveys of Learning Conditions)*

During testing, auditors noted:

- ISBE did not have adequate procedures in place to monitor the receipt of climate survey data.
- ISBE did not provide a publicly available report on the survey indicators at the school district or state level for any of the surveys administered.
- ISBE did not identify whether the indicators resulted from anonymous administration of the survey.
- ISBE did not maintain adequate documentation to determine if procedures were in place during the examination period for reviewing and updating the list of approved alternate surveys.

While testing ISBE's approval of letters of intent, auditors noted the following exceptions that indicated weaknesses in ISBE's review process:

- Three of ten (30%) approved letters of intent tested were not submitted by ISBE's established due date.
- One of ten (10%) approved letters of intent tested was not dated; therefore, timeliness could not be assessed.
- Two of ten (20%) approved letters of intent tested were not able to be obtained.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

- One of ten (10%) approved letters of intent tested did not specify the alternate survey the school district was electing to use.

ISBE officials indicated the noncompliance was due to management oversight and employee error.

RESPONSE:

ISBE agrees with the finding. ISBE will assign additional staff to ensure mandate compliance.

UPDATED RESPONSE:

Partially Implemented. ISBE continues to strengthen internal controls to ensure the receipt of climate surveys is adequately monitored and all data is reported at each level as required. ISBE added a note to the Annual Report to identify the indicators resulted from an anonymous administration of the survey.

- 20. The auditors recommend ISBE develop the required curriculum, guidelines, and recommendations as soon as possible and implement internal controls to ensure minutes are maintained and made publicly available for all future meetings in accordance with state statute.**

FINDING: *(Noncompliance with Requirements of the Emotional Intelligence and Social and Emotional Learning Task Force)*

ISBE did not comply with the timely completion of guidelines and recommendations of the Emotional Intelligence and Social and Emotional Learning Task Force (Task Force) and did not maintain minutes of the Task Force in accordance with the Open Meetings Act.

During testing, auditors noted the Emotional Intelligence and Social and Emotional Learning Task Force did not create the required learning curriculum, assessment guidelines, and best practices on emotional intelligence and social and emotional learning to assist elementary and high school in addressing the needs of students with anger management issues, or make recommendations on the funding of appropriate services and the availability of sources of funding to address social and emotional learning, which was due by March 1, 2020. Additionally, the Task Force did not inscribe, approve, or post-meeting minutes for their first three meetings held on November 13, 2019, January 14, 2020, and February 11, 2020 to ISBE's website.

ISBE officials stated that once Public Act 100-1139, creating the Task Force, became law it was clear the charge of the Task Force needed clarity and additional time would be needed for the Task Force to complete its work. ISBE officials stated the meeting minutes were not inscribed, approved, or posted to ISBE's website due to oversight.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

RESPONSE:

ISBE agrees with the finding. Regular meetings of the Task Force have been occurring with significant progress being made. The Task Force is currently compiling the final report. All minutes have been transcribed, approved by the Task Force, and posted according to Open Meetings Act requirements.

UPDATED RESPONSE:

Partially Implemented. The Task force provided non-regulatory guidance for curriculum adoption and recommendations on March 1, 2021.

- 21. The auditors recommend ISBE establish controls to ensure user access is disabled upon termination and perform periodic reviews of users' access that are documented.**

Additionally, ISBE should maintain documentation of the deletion of employees' network accounts.

FINDING: *(Inadequate Controls over Termination of Access)*

ISBE did not timely terminate access to critical applications upon employee termination and did not perform a review of access rights.

During testing of access controls, auditors noted 8 of the 10 (80%) terminated employees' access to the Illinois State Board Web Application Security (IWAS) had not been timely terminated, ranging from 33 to 542 days after termination. Additionally, ISBE could not provide support for when the employees' network accounts had been deleted.

Further, it was noted ISBE does not perform an annual review of users' access to the IWAS application.

ISBE officials indicated the weaknesses were due to employee error.

RESPONSE:

ISBE agrees with the finding. ISBE has hired a new Director of Technology Support & Infrastructure who has developed a policy and implemented additional controls over the termination of user access.

UPDATED RESPONSE:

Partially Implemented. ISBE has developed a policy and implemented additional controls over the termination of user access. The new controls include a supervisory review to ensure the termination was handled in a timely manner. ISBE has also implemented a process, which requires staff to maintain documentation of when an employee's network account is terminated. Additionally, ISBE is developing a process to periodically review user access.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

- 22. The auditors recommend ISBE implement internal controls, which provide a thorough review process of the statistics stated in the Annual Report, in addition to retaining the original supporting files for the statistics stated.**

FINDING: *(Insufficient Controls over Annual Report Data)*

The Illinois State Board of Education failed to retain certain records that support the statistics stated in the 2019 Annual Report in relation to bilingual programs.

During testing of the number of students who graduate from, transfer from, or otherwise leave bilingual programs as reported in the Annual Report, auditors noted:

- The supporting file, “2018-2019 Reasons for Exiting Limited English Proficient Programs”, used to complete the 2019 Annual Report was not retained by ISBE.
- The supporting file, “English Learner Students by Transition Status and School Year Outcome 2018-2019”, generated from the Statistical Analysis System used to complete the 2019 Annual Report, was not retained by ISBE.

As a result, auditors were not able to conclude the 2019 Annual Report was prepared in accordance with the School Code.

ISBE officials indicated the supporting files were not retained due to contractual employee error, and the review process over the work performed was not documented.

RESPONSE:

ISBE agrees with the finding. ISBE’s Department of Data Strategies is enacting data quality reporting best practices including documentation of all source data files, documentation of all data compilation methodology (including source code), and documentation of all data validation practices.

UPDATED RESPONSE:

Implemented. ISBE implemented internal controls, which provide a thorough review process of the statistics stated in the Annual Report, in addition to retaining the original supporting files for the statistics stated.

- 23. The auditors recommend ISBE implement internal controls to ensure sufficient documentation is maintained to support the appointments for all Committee members and all appointments are made timely in accordance with State statute.**

FINDING: *(Noncompliance with the Gender Equity Advisory Committee Appointment Requirements)*

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

ISBE did not comply with the member appointment requirements of the Gender Equity Advisory Committee (Committee).

During testing, auditors noted:

- ISBE was unable to provide documentation to determine whether 7 of the 9 required member appointments were fulfilled from July 1, 2018 through February 12, 2019.
- None of the appointments made during the examination period were made in a timely manner to allow for commencement of terms on January 1, 2019.
- The term for the appointee of the Director of the Department of Labor expired December 31, 2018, and a replacement was not appointed until July 9, 2019, resulting in a vacancy of 189 days.
- The term for the Secretary of the Committee expired December 31, 2018, and a replacement had not been elected as of June 30, 2020, resulting in a vacancy of 547 days.

ISBE officials stated procedures regarding council appointments were reorganized beginning in February 2019. Prior to this date, procedures were unclear, and records were not well maintained.

RESPONSE:

ISBE agrees with the finding.

UPDATED RESPONSE:

Implemented. ISBE implemented internal controls to ensure sufficient documentation is maintained to support the appointments for all Committee members and all appointments are made timely in accordance with state statute.

24. The auditors recommend ISBE modify Educational Mandates Reports to include the correct reporting period and all State mandates applicable to the common schools during the school year covered by the report in accordance with State law or seek legislative remedy.

FINDING: *(Noncompliance with the Educational Mandates Annual Reporting Requirements)*

ISBE did not prepare the annual state mandate report in accordance with statutory requirements.

Specifically, auditors noted both the 2018 and 2019 “Educational Mandates Report” filed during the examination period covered the incorrect school year. The 2018 “Educational

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

Mandates Report” filed on February 28, 2019 covered the 2018-2019 school year. It should have covered the 2017-2018 school year. The 2019 “Educational Mandates Report” filed on April 2, 2020 covered the 2019-2020 school year. It should have covered the 2018-2019 school year.

Additionally, auditors noted both the 2018 and 2019 “Educational Mandates Report” did not include a listing of all mandates applicable to the common schools during the school year covered by the report. The 2018 “Educational Mandates Report” included only the education-related mandates enacted during the 2018 legislative session. The 2019 “Educational Mandates Report” included only the education-related mandates enacted during the 2019 legislative session.

Finally, auditors noted the 2019 “Educational Mandates Report” was submitted to the General Assembly 32 days late.

ISBE officials stated the late submission and incorrect reporting period was due to Agency reorganization and management oversight. ISBE officials further stated they believed the contents of the reports met the statutory requirements.

RESPONSE:

ISBE agrees with the finding. Reporting timelines have been adjusted to reflect proper reporting and the March 1 deadline will be met.

UPDATED RESPONSE:

Implemented. Senate Bill 2043 amends 105 ILCS 5/2-3.104 to not require all educational mandates in the annual report.

- 25. Since the State Charter School Commission was abolished effective July 1, 2020 by P.A. 101-0543, the auditors recommend ISBE implement internal controls to ensure member appointments are met for any future commissions or committees organized under State statute.**

FINDING: *(Noncompliance with the State Charter School Commission Appointment Requirements)*

ISBE did not comply with the member appointment requirements of the State Charter School Commission (Commission).

During testing, auditors noted one member of the Commission resigned from their position before their term expired, and a replacement was not appointed by the Agency. Also, the terms of three other Commission members expired during the examination period, and the members were not reappointed or replaced. In addition, the composition of the Commission did not reflect statewide geographic diversity, as all Commission members were from the northern region of the State.

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

ISBE officials stated appointments were not made because the Governor's office did not propose a slate of candidates for appointment. Further, ISBE officials indicated they believe the statute provides them with the opportunity to make appointments when they do not receive a slate of candidates but does not give them the direction to do so.

RESPONSE:

ISBE partially agrees with the finding. ISBE agrees with the rationale for the findings on the unfilled vacancy and the geographic representation of the Commission. ISBE disagrees with the finding for the expired terms and we stand by the original interpretation of 'may' in the statute.

UPDATED RESPONSE:

Implemented. 105 ILCS 5/27A-7.5 abolished the State Charter School Commission and moved the responsibilities to the Illinois State Board of Education effective July 1, 2020.

26. The auditors recommend ISBE should:

- **Obtain SOC reports or (perform independent reviews) of internal controls associated with outsourced systems at least annually.**
- **Monitor and document the operation of the CUECs relevant to ISBE's operations.**
- **Either obtain and review SOC reports for subservice organizations or perform alternative procedures to satisfy itself that the usage of the subservice organizations would not impact ISBE's internal control environment.**
- **Document its review of the SOC reports and review all significant issues with subservice organizations to ascertain if a corrective action plan exists and when it will be implemented, any impacts to ISBE, and any compensating controls.**

FINDING: *(Lack of Adequate Controls over the Review of Internal Controls over Service Providers)*

ISBE did not obtain or conduct timely independent internal control reviews over its service providers.

ISBE utilized various service providers to provide:

- IT hosting services, Software as a Service, and Credit card processing.

During testing of the six service providers, auditors noted:

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

- ISBE did not obtain System and Organization Control (SOC) reports or conduct independent internal control reviews for four service providers.
- Although ISBE had received a SOC report from one service provider, an analysis of the reports had not been documented to determine the impact of the modified opinions or the noted deviations.
- ISBE had not documented an analysis of the complementary user entity controls (CUECs) detailed in the two SOC reports that had been received.

ISBE management indicated they were not aware of the need to obtain and review SOC reports.

RESPONSE:

ISBE agrees with the finding. ISBE has hired a new Director of Technology Support & Infrastructure who is implementing a process to ensure the Agency has adequate oversight of the review of internal controls for service providers. The process will include obtaining SOC reports in a timely manner, monitoring and reviewing CUECs, as well as reviewing and documenting the review of all SOC reports.

UPDATED RESPONSE:

Partially Implemented. ISBE is developing a process to ensure the appropriate System and Organizational Control reports are obtained and reviewed annually. Reviews will be documented, and any deficiencies will be addressed.

Emergency Purchases

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

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

During FY19, ISBE filed no affidavits for emergency purchases. During FY20, ISBE had 4 emergency purchases related to COVID:

- \$44,630 for cleaning by Peerless Cleaners;
- \$22,212 for sanitizing supplies by Chicago Green Office;

REVIEW #4532: State Board of Education FY19-20 Compliance Examination and FY20 Financial Audit

- \$10,530 for personal protective equipment by Chicago Green Office; and
- \$10,557 for GoToWebinar software licenses by National Tek Services.

Headquarters Designations

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

As of July 2021, ISBE had 0 employees assigned to locations other than official headquarters.