



STATE OF ILLINOIS  
OFFICE OF THE  
**AUDITOR GENERAL**

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**OFFICE OF THE ATTORNEY GENERAL**

State Compliance Examination  
For the Two Years Ended June 30, 2024

Release Date: May 22, 2025

FINDINGS THIS AUDIT: 10				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	3	3	2022	2, 4	3, 6, 7, 9	
Category 2:	2	5	7	2020		5	
Category 3:	0	0	0	2018	1		
TOTAL	2	8	10				
FINDINGS LAST AUDIT: 8							

**SYNOPSIS**

- (24-1) The Office did not exercise adequate controls over recording and reporting of its State property and equipment.
- (24-2) The Office had weaknesses in performing required reconciliations of accounting records during the examination period.

**Category 1:** Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

**Category 2:** Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

**Category 3:** Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

## **FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS**

### **INADEQUATE CONTROLS OVER PROPERTY AND EQUIPMENT**

The Office did not exercise adequate controls over recording and reporting of its State property and equipment.

**Equipment balance was overstated \$46,358**

**Inventory reports were misstated by \$997,585 and \$1,302,390**

**Information technology equipment totaling \$266,951 was not properly accounted for during inventory**

- On the 2024 Fiscal Year end Agency Report on State Property (C-15) form, the equipment balance was overstated by \$46,358.
- During testing of the Fiscal Year 2023 and 2024 Certification of Inventory and Discrepancy Reports (Reports), we noted:
  - The 2024 Report was overstated by \$997,585 and the 2023 Report was understated by \$1,302,390.
  - A difference of \$18,009 was noted between the amounts of unlocated items reported by the Office and recalculated based on support for the Fiscal Year 2023 Report.
  - The Office did not perform an accurate and complete inventory count. Forty Information Technology equipment items, totaling \$266,951, across both fiscal years were deemed unlocated, but were still being utilized at the time of our testing.
- The Office could not provide supporting evidence of the date the assets were removed from inventory records for 40 of 40 (100%) deleted assets totaling \$534,273. As a result, auditors were unable to determine if they were timely removed.
- One of 40 (3%) items tested, totaling \$8,865, had an incorrect location code assigned to it within the property records. (Finding 1, pages 10-12) **This finding has been reported since 2018.**

We recommended the Office strengthen controls related to the reporting, and inventory of equipment. We also recommended the Office implement controls to ensure proper record keeping for its State property.

**Office accepted the recommendation**

The Office accepted the recommendation and responded that they will conduct a comprehensive review of all internal controls, practices, and procedures and will work to strengthen the internal controls and increase the accuracy of their property records and tracking of inventory.

### **WEAKNESSES IN PERFORMING ACCOUNTING RECORD RECONCILIATIONS**

The Office had weaknesses in performing required reconciliations of accounting records. We noted:

**Official cash records differed from the Comptroller by \$3,111,392 and \$8,025,676**

- Differences between the Office's official cash records and those of the Comptroller totaled \$3,111,392 and \$8,025,676

**Office records were not corrected for differences noted**

for Fiscal Years 2023 and 2024, respectively. While the Office was able to determine what the differences were for, they did not correct the Office's official records in ERP for the noted differences.

**Balances and in transits on reconciliations did not trace to Office records**

**Office expenditure records were not corrected for differences of \$320,223 and \$1,227,471**

**Appropriation line excluded from reconciliations**

- For the Office's reconciliation of their monthly expenditure records to the *Monthly Appropriation Status Report* (SB01), we noted:
  - For six of 88 (7%) monthly fund reconciliations tested, the Office balance reflected on the reconciliation did not tie to Office records.
  - For 20 of 88 (23%) samples tested that had reconciling items, we were unable to trace the amounts reported as vouchers in transit to subsequent support that vouchers had cleared.
  - Differences between the Office's records and those of the Comptroller totaling \$320,223 and \$1,227,471 for Fiscal Years 2023 and 2024, respectively, were noted within the SB01 reconciliations. While the Office was able to determine what the differences were for, they did not correct the Office's records for the noted differences.
  - For Fiscal Year 2024, one of 22 (5%) appropriation lines was not included in the Office's June or September lapse period reconciliations.
- The reconciliation of the *Monthly Obligation Activity Report* for one of four (25%) months selected was not dated, therefore, we were unable to ensure timeliness. (Finding 2, pages 13-14)

We recommended the Office ensure reconciliations are timely performed and dated by the preparer and reviewer. Additionally, we recommended the Office timely correct any reconciliation differences that are noted during the monthly reconciliations.

**Office accepted the recommendation**

The Office accepted the recommendation and stated the Office had already detected and documented the differences and ensured the figures reported by the Comptroller's Office were accurate. The Office also stated other issues noted were clerical errors, and they will continue to work with staff to improve the accuracy of the underlying ERP records and reconciliations

**OTHER FINDINGS**

The remaining findings pertain to timeliness of expenditure and receipt processing, information technology controls, statutory mandate compliance, and controls over personal service functions. We will review the Office's progress towards the implementation of our recommendations in our next State compliance examination.

## **ACCOUNTANT'S OPINION**

The accountants conducted a State compliance examination of the Office for the two years ended June 30, 2024, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Findings 2024-001, 2024-002, and 2024-004. Except for the noncompliance described in these findings, the accountants stated the Office complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by Sikich CPA LLC.

**SIGNED ORIGINAL ON FILE**

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COURTNEY DZIERWA  
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

**SIGNED ORIGINAL ON FILE**

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FRANK J. MAUTINO  
Auditor General

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