



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**DEPARTMENT OF CENTRAL MANAGEMENT SERVICES**  
**TEACHER HEALTH INSURANCE SECURITY FUND**

**Financial Audit**  
**For the Year Ended June 30, 2025**

**Release Date: February 5, 2026**

FINDINGS THIS AUDIT: 1	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
<b>Category 1:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>No Repeat Findings</b>			
<b>Category 2:</b>	<b>1</b>	<b>0</b>	<b>1</b>				
<b>Category 3:</b>	<b>0</b>	<b>0</b>	<b>0</b>				
<b>TOTAL</b>	<b>1</b>	<b>0</b>	<b>1</b>				
<b>FINDINGS LAST AUDIT: 0</b>							

**INTRODUCTION**

This digest covers the Department of Central Management Services (Department), Teacher Health Insurance Security Fund financial audit as of and for the year ended June 30, 2025.

**SYNOPSIS**

- (25-1) The Department failed to maintain adequate general information technology controls related to its environment and applications.

**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.

**DEPARTMENT OF CENTRAL MANAGEMENT SERVICES  
TEACHER HEALTH INSURANCE SECURITY FUND  
FINANCIAL AUDIT  
For the Year Ended June 30, 2025**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION (in thousands)	FY 2025	FY 2024
<b>Additions</b>		
Contributions		
Employer.....	\$ 88,861	\$ 84,850
State.....	120,291	114,959
Active Plan Member.....	120,291	114,959
Federal Government Medicare Part D.....	366	329
Consolidated Omnibus Budget Reconciliation Act (COBRA).....	38	30
Total Contributions.....	<u>329,847</u>	<u>315,127</u>
Investment Income .....	30,662	21,998
Total Additions.....	<u>360,509</u>	<u>337,125</u>
<b>Deductions</b>		
Benefit Payments and Refunds.....	200,344	165,307
General and Administrative Expenses.....	10,265	9,535
Total Deductions.....	<u>210,609</u>	<u>174,842</u>
<b>Net Additions (Deductions).....</b>	<b>149,900</b>	<b>162,283</b>
<b>Unrestricted Net Position</b>		
Beginning of Year.....	634,536	472,253
End of Year.....	<u>\$ 784,436</u>	<u>\$ 634,536</u>
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS (expressed in thousands) (unaudited)	June 30, 2025	June 30, 2024
Total OPEB Liability - Beginning .....	\$ 8,545,072	\$ 7,599,610
Net Change in Total OPEB Liability.....	\$ 1,223,659	\$ 945,462
Total OPEB Liability - Ending .....	\$ 9,768,731	\$ 8,545,072
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability .....	8.03%	7.43%
Participant Information	FY 2025	FY 2024
Inactive plan members currently receiving benefit payments.....	65,077	64,992
Inactive plan members entitled to but not yet receiving benefit payments.....	38,360	38,118
Active Members.....	165,574	163,893
Total .....	<u>269,011</u>	<u>267,003</u>
Number of Participating Employers.....	985	983
Number of nonemployer contributing entities.....	1	1
<b>AGENCY DIRECTOR</b>		
During Audit Period: Raven DeVaughn		
Currently: Raven DeVaughn		

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**FAILURE TO IMPLEMENT ADEQUATE  
INFORMATION TECHNOLOGY CONTROLS**

The Department of Central Management Services (Department) failed to maintain adequate general information technology controls related to its environment and applications.

Auditors tested information technology general controls (ITGCs) for seven Department applications assessed to have a material impact to the Department's financial information. ITGCs help prevent unauthorized access, data breaches, and operational disruptions and include software implementation, user account creation, and data management. Strong ITGCs increase the integrity and reliability of information. Access provisioning steps were performed for each application.

**Access Provisioning**

We tested the Department's access provisioning procedures for a sample of 101 users across seven applications with a material impact to the Department's financial information. Our sample of 101 users was comprised of 71 existing users, 11 new-hired users, 17 terminated users and 2 administrative users. We noted the following exceptions:

**Unneeded user access provisioning**

**Separated employees defined as authorized users**

- Five of 71 (7%) existing users' access to the application was not needed to perform their job responsibilities.
- Eight of 17 (47%) users had separated from the Department but were still defined as authorized users in the tested application as of June 30, 2025.

**Annual user access review not performed**

Lastly, the Department did not perform an annual review of user access for six of seven (86%) applications tested. The Department also did not perform an annual review of the Resource Access Control Facility (RACF) IDs. (Finding 1, pages 26-27)

We recommended the Department ensure users' access to its applications is appropriate based on job responsibilities, timely remove access for users who are no longer with the Department, and ensure user access reviews are performed on an annual basis. We further recommended the Department promptly terminate inappropriate and unnecessary user access and maintain documentation to support timeliness of changes to user access.

**Department agreed**

The Department agreed with the finding and recommendation and outlined a corrective action plan.

**AUDITOR'S OPINION**

The auditors stated the financial statements of the Department of Central Management Services, Teacher Health Insurance Security Fund as of and for the year ended June 30, 2025, are fairly stated in all material respects.

This financial audit 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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