



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

OFFICE OF THE STATE FIRE MARSHAL

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

Release Date: April 16, 2026

FINDINGS THIS AUDIT: 19	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	4	9	13	2022	24-5, 24-9, 24-10	24-17, 24-18	
Category 2:	1	5	6	2020	24-3, 24-4	24-15	
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>	2018	24-1, 24-2, 24-6, 24-7	24-14, 24-19	
TOTAL	5	14	19				
FINDINGS LAST AUDIT: 23							

SYNOPSIS

- **(24-01)** The Office did not exercise adequate controls over its collection of fees and accounts receivable.
- **(24-02)** The Office did not always report identified violations to the regional superintendents.
- **(24-03)** The Office was not in compliance with the Elevator Safety and Regulation Act.

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 FEES AND
ACCOUNTS RECEIVABLE**

The Office did not exercise adequate controls over its collection of fees and accounts receivable.

Some of the more significant exceptions noted were:

Incomplete information gathered to facilitate subsequent collection efforts

- During review of the Office’s process for collecting inspection fees for boilers and pressure vessels, we noted the Office lacked an adequate process for identifying the party responsible for paying the fee. The Office has three ways for triggering an inspection by the Office, which lacked a process to gather all information needed to collect on the resulting account receivable, such as the identity of the responsible party and its corresponding taxpayer identification number. Then, when the actual inspection occurs, the Office’s inspector only confirms the mailing address and, if the person providing the inspector access to the boiler is willing to provide it, the e-mail address for the entity that pays the building’s costs. After the inspection, the Office sends an invoice to the address confirmed by the inspector and, if the amount is not timely paid, the Office sends quarterly statements demanding payment. Under this process, the Office does not gather enough information to establish and collect each account receivable as established by the Illinois State Collection Act of 1986. The Illinois State Collection Act of 1986 (30 ILCS 210/5(c-1) and (g)) requires the referral of all delinquent debt to the Department of Revenue’s Debt Collection Bureau (Bureau).

Delinquent accounts receivable not referred to Debt Collection Bureau

- For all remaining fees, the Office did not refer any of its delinquent accounts receivable to the Bureau.
- One of 2 (50%) tested accounts receivable, totaling \$1,126,827, was over 90 days delinquent but had not been referred to the Comptroller’s Illinois Debt Recovery Offset Portal system as of June 30, 2024.

Inadequate support provided to substantiate license was revoked over payment not being received

- For one of 9 (11%) non-sufficient funds checks tested, totaling \$200, the Office was unable to provide evidence that the associated license was revoked, as subsequent payment was not received.

Fees listed in the report contained total amounts that did not trace to the Office’s support

- Nine of 16 (56%) fees listed in the Fiscal Year 2022 and Fiscal Year 2023 Agency Fee Imposition Reports (Reports) had total amounts reported that did not trace

to the Office's support. This resulted in an \$81,947 understatement and \$9,015 overstatement on the Fiscal Year 2022 and Fiscal Year 2023 Reports, respectively.

- Eight of 16 (50%) fees listed in the Fiscal Year 2022 and Fiscal Year 2023 Reports did not include all fees the Office is authorized to charge. (Finding 1, pages 11-15). **This finding was first reported in 2018.**

We recommended the Office implement controls to obtain sufficient information about responsible parties to enable the collection of accounts receivable, or seek a legislative remedy to require up-front payment for an inspection at the time when an inspection is scheduled. Additionally, the Office should refer qualifying debt to the Bureau and the Office of the Comptroller for external collection efforts. Further, we recommended the Office implement controls to ensure licenses or permits are revoked when NSF payments are received. Finally, we recommended the Office ensure its reports are accurately completed and contain all of the required information.

Office agreed with finding

The Office agreed with the finding, noting there are often issues determining what party maintains ultimate responsibility for a boiler or pressure vessel. The Office also pointed to a lack of authority per State statute or administrative rule to mandate collection of a TIN, and without this information, the Office faces difficulty in filing an offset or engaging in other collection methods for delinquent invoices. The Office agreed that a license for an NSF check was not revoked, and noted Fiscal will communicate with the Divisions in the future, when these situations occur. The Office agreed with the errors noted in the Fee Imposition Report and will work to fix the errors in the next report submission.

FAILURE TO REPORT SCHOOL FIRE INSPECTION VIOLATIONS

The Office did not always report identified violations to the regional superintendents (superintendent) as follows:

Did not ensure violations identified were sent to the regional superintendent of schools

- Fifty-six of 60 (93%) sampled inspections of public schools conducted by the Office or a qualified official to whom the Office has delegated its authority during the examination period contained violations noted by the inspector. For those 56 inspections containing violations, we noted 13 (23%) reports with violations did not have evidence the report had been submitted to the superintendent, and 2 (4%) reports with violations were reported to the superintendent 1 and 8 days late.

In addition, for 12 (21%) reports with violations, we were unable to determine whether the report was sent to the superintendent within 15 days after the inspection as supporting documentation did not include the date sent. (Finding 2, pages 16-17). **This finding was first reported in 2018.**

We recommended the Office enhance its internal controls to provide assurance violation reports are timely sent to the school's applicable superintendent. Further, the Office should ensure copies of all inspections performed are retained.

Office agreed with finding

The Office agreed with the finding. Office officials indicated they created a new Life Safety Checklist which includes a checkbox indicating the Regional Office of Education (ROE) received the report at the time of inspection. If the box is unchecked, then the Office requires Qualified Fire Officials (QFOs) to upload a copy of the email sent to the ROE in the Inspection Software. If a report is sent to the Office that does not indicate that the ROE received a copy on site, and a copy of the email sent to the ROE was not provided, then the report is returned to the QFO's to properly complete.

NONCOMPLIANCE WITH THE ELEVATOR SAFETY AND REGULATION ACT

The Office was not in compliance with the Elevator Safety and Regulation Act (Act) (225 ILCS 312).

Some of the more significant exceptions noted were:

Office lacks controls to ensure information entered into the Office's elevator certification system is correct

- We requested the Office provide us with a population listing of registered conveyances. After reviewing the population provided, the auditor noted that there were several inconsistent entries that affected the reliability of the population. Specifically, we noted 227 of 16,661 (1%) registered conveyances were listed as active, but had a last inspection date entry of "N/A". Due to this, it appears the Office does not have sufficient controls in place to protect against incorrect information being entered into the Office's elevator certification system.

Annual inspection reports could not be located

- For 31 of 60 (52%) conveyances selected for testing, the Office could not locate a copy of annual inspection reports to substantiate the required inspection had been performed.

Office lacks controls over tracking conveyance complaints

- We requested the Office provide us with a population listing of alleged violations in relation to the Act (225 ILCS 312/105). During discussions with the Office about how the population was compiled, we noted that the Office lacks internal controls over the population.

Specifically, the Office does not have a way to track investigation requests received, as the Office receives these requests through a variety of sources.

- Even given the population limitations, we attempted to perform testing and noted that for 60 of 60 (100%) of the alleged violations selected for testing, the Office was unable to provide documentation related to the requests and determinations of alleged violations. Therefore, we were unable to complete testing to determine and verify the Office was in compliance with the requirements of the Act. (Finding 3, pages 18-21) **This finding was first reported in 2020.**

We recommended the Office strengthen its controls over the listing of registered conveyances to ensure conveyances are inspected as required and that documentation of the inspections is maintained. In addition, we recommended the Office establish controls to track requests received for investigations of alleged violations under the Act and maintain documentation to substantiate the alleged violations were appropriately considered for investigation. (Finding 3, pages 18-21)

Office agreed with finding

The Office agreed with the finding and stated it was implementing corrective action.

OTHER FINDINGS

The remaining findings are reportedly being given attention by the Office. 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 through 2024-013. Except for the noncompliance described in those 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 the Office of the Auditor General's staff.

SIGNED ORIGINAL ON FILE

COURTNEY DZIERWA
Division Director

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

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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