ADELFIA LLC
CERTIFIED PUBLIC ACCOUNTANTS

State of Illinois
ILLINOIS COUNCIL ON DEVELOPMENTAL DISABILITIES
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2025

Performed as Special Assistant Auditors
for the Auditor General, State of Illinois

STATE OF ILLINOIS
ILLINOIS COUNCIL ON DEVELOPMENTAL DISABILITIES
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2025

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COUNCIL OFFICIALS

Director	Kimberly Mercer-Schleider
Associate Director of Finance & Operations	Janinna Hendricks
Associate Director of Program & Policy	Mariel Hamer-Sinclair

COUNCIL OFFICER

Chair of the Board (02/2026 – Present)	Mr. Tyson Bedford
Chair of the Board (07/2023 – 02/2026)	Ms. Stephanie Brown

COUNCIL BOARD MEMBERS

Council Member	Ms. Stephanie Brown
Council Member	Mr. Tyson Bedford
Council Member	Ms. Diana Braun
Council Member	Ms. Lisa Cesal
Council Member	Ms. Diane Compton
Council Member	Ms. Natasha Croff
Council Member	Ms. Ana Cruz
Council Member	Mr. Curtis Harris
Council Member	Mr. Nathan Joerndt
Council Member	Mr. Carl Nave
Council Member	Ms. Teresa Parks
Council Member	Ms. Zoubida Pasha
Council Member	Mr. Bob Peterson
Council Member	Ms. Julie Tracy
Council Member (01/2025 – Present)	Ms. Claire Stelter
Council Member (07/2023 – 01/2025)	Ms. Julie Stover[1]
Council Member (12/2024 – Present)	Ms. Francis L. Baker
Council Member (07/2023 – 12/2024)	Mr. Jeff Stauter[2]
Council Member (12/2024 – Present)	Mr. John Paschedag
Council Member (07/2023 – 12/2024)	Mr. Adam Cooper[3]

[1]Julie Stover replaced by Claire Stelter
[2]Jeff Stauter replaced by Francis L. Baker
[3]Adam Cooper replaced by John Paschedag

COUNCIL REPRESENTATIVE BOARD MEMBERS

Department on Aging
Ms. Sally Lisnek, Designee

Department of Children and Family Services
Ms. Linda Kelly - Geneva Byrd, Designee

COUNCIL REPRESENTATIVE BOARD MEMBERS (Continued)

Department of Healthcare and Family Services
Ms. Theresa Eagleson - Ms. Kelly Cunningham, Designee

Department of Human Services, Office of Community Health & Prevention
Ms. Andrea Palmer

Department of Human Services, Division of Developmental Disabilities
Ms. Tonya Piephoff (DDD Director) - Ms. Meg Cooch, Designee

Department of Human Services, Division of Rehabilitation Services
Ms. Sybil Nash, Designee

State Board of Education
Dr. Carmen Ayala - Dr. Kristina Kynaston, Designee

State Protection and Advocacy System – Equip for Equality
Ms. Zena Naiditch - Ms. Cheryl Jansen, Designee

State University Center for Excellence in DD Education – University of Illinois at Chicago
Ms. Tamar Heller - Ms. Caitlin Crabb, Designee

Office of Management and Budget
Mr. Marc Staley

COUNCIL OFFICES

The Illinois Council on Development Disabilities' primary administrative offices are located at:

ICDD Chicago Office
Michael A. Bilandic Building
160 N. LaSalle Street, C1000
Chicago, Illinois 60601

ICDD Springfield Office
830 S. Spring Street
Springfield, Illinois 62704

Illinois Council on Developmental Disabilities

Kimberly Mercer-Schleider, Director
Tyson Bedford, Chairperson

MANAGEMENT ASSERTION LETTER

June 15, 2026

Adelfia LLC
400 E. Randolph Street, Suite 700
Chicago, Illinois 60601

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, Illinois Council on Developmental Disabilities (Council). We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Council's compliance with the following specified requirements during the two-year period ended June 30, 2025. Based on this evaluation, we assert that during the years ended June 30, 2024, and June 30, 2025, the Council has materially complied with the specified requirements listed below.

A. The Council has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.

B. The Council has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.

C. Other than what has been previously disclosed and reported in the Schedule of Findings, the Council has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

D. State revenues and receipts collected by the Council are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.

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Springfield Office: 830 S. Spring Street Springfield, Illinois 62704
Chicago Office: 160 N. LaSalle Street, Suite 1000C Chicago, Illinois 60601

E. Money or negotiable securities or similar assets handled by the Council on behalf of the State or held in trust by the Council have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Yours truly,

State of Illinois, Illinois Council on Developmental Disabilities

SIGNED ORIGINAL ON FILE

Tyson Bedford
Council Chair

SIGNED ORIGINAL ON FILE

Kimberly Mercer-Schleider
Director

SIGNED ORIGINAL ON FILE

Janinna Hendricks
Associate Director of Finance and Operations

STATE OF ILLINOIS
ILLINOIS COUNCIL ON DEVELOPMENTAL DISABILITIES
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2025

STATE COMPLIANCE REPORT

SUMMARY

The State compliance testing performed during this examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide*.

ACCOUNTANT'S REPORT

The Independent Accountant's Report on State Compliance and on Internal Control Over Compliance does not contain scope limitations or disclaimers, but does contain a modified opinion on compliance and identifies a material weakness over internal control over compliance.

SUMMARY OF FINDINGS

Number of	Current Report	Prior Report
Findings	8	7
Repeated Findings	7	4
Prior Recommendations Implemented or Not Repeated	-	1

SCHEDULE OF FINDINGS

Item No.	Page	Last/First Report	Description	Finding Type
			Current Findings	
2025-001	10	2023/2023	Inadequate Controls over Reconciliations	Material Weakness and Material Noncompliance
2025-002	12	2023/2019	Voucher Processing Weaknesses	Significant Deficiency and Noncompliance
2025-003	14	2023/2015	Noncompliance with Illinois Council on Developmental Disabilities Law	Significant Deficiency and Noncompliance
2025-004	16	2023/2023	Inadequate Controls over Reporting	Significant Deficiency and Noncompliance
2025-005	19	New	Inadequate Controls over Contractual Agreements	Significant Deficiency and Noncompliance

SCHEDULE OF FINDINGS (Continued)

Item No.	Page	Last/First Report	Description	Finding Type
2025-006	20	2023/2021	Weaknesses in Cybersecurity Programs and Practices	Significant Deficiency and Noncompliance
2025-007	22	2023/2021	Weakness in Disaster Recovery Planning and Testing	Significant Deficiency and Noncompliance
2025-008	24	2023/2023	Inadequate Controls over the Review of Internal Controls over Service Provider	Significant Deficiency and Noncompliance

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Council personnel at an exit conference on June 4, 2026.

Attending were:

Illinois Council on Developmental Disabilities
Kimberly Mercer-Schleider, Director
LaKeeya Funches, Finance and Operations Manager

Office of the Auditor General
Emily Rivalland, Audit Manager

Adelfia LLC
Gilda Priebe, Partner
Gionelle Ceniza, IS Manager
Charlene Rosario, Supervisor

The responses to the recommendations were provided by Janinna Hendricks, Associate Director of Finance and Operations, in a correspondence dated June 15, 2026.

ADELFIA LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REPORT
ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE

Honorable Christopher B. Meister
Auditor General
State of Illinois

and

Governing Board
State of Illinois, Illinois Council on Developmental Disabilities

Report on State Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the State of Illinois, Illinois Council on Developmental Disabilities (Council) with the specified requirements listed below, as more fully described in the *Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies* (*Audit Guide*) as adopted by the Auditor General, during the two years ended June 30, 2025. Management of the Council is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Council's compliance with the specified requirements based on our examination.

The specified requirements are:

A. The Council has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.

B. The Council has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.

C. The Council has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

D. State revenues and receipts collected by the Council are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.

E. Money or negotiable securities or similar assets handled by the Council on behalf of the State or held in trust by the Council have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Illinois State Auditing Act (Act), and the *Audit Guide*. Those standards, the Act, and the *Audit Guide* require that we plan and perform the examination to obtain reasonable assurance about whether the Council complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Council complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance with the specified requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our modified opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Council's compliance with the specified requirements.

Our examination disclosed material noncompliance with the following specified requirement applicable to the Council during the two years ended June 30, 2025. As described in the accompanying Schedule of Findings as item 2025-001, the Council had not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

In our opinion, except for the material noncompliance with the specified requirement described in the preceding paragraph, the Council complied with the specified requirements during the two years ended June 30, 2025, in all material respects. However, the results of our procedures disclosed instances of noncompliance with the specified requirements, which are required to be reported in accordance with criteria established by the *Audit Guide* and are described in the accompanying Schedule of Findings as items 2025-002 through 2025-008.

The Council's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The Council's responses were not subjected to the procedures applied in the examination and, accordingly, we express no opinion on the responses.

The purpose of this report is solely to describe the scope of our testing and the results of that testing in accordance with the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Report on Internal Control Over Compliance

Management of the Council is responsible for establishing and maintaining effective internal control over compliance with the specified requirements (internal control). In planning and performing our examination, we considered the Council's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Council's compliance with the specified requirements and to test and report on the Council's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings, we did identify certain deficiencies in internal control that we consider to be a material weakness and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the specified requirements on a timely basis. A material weakness in internal control is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings as item 2025-001 to be a material weakness.

A significant deficiency in internal control is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings as items 2025-002 through 2025-008 to be significant deficiencies.

There were no immaterial findings that have been excluded from this report.

The Council's responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The Council's responses were not subjected to the procedures applied in the examination and, accordingly, we express no opinion on the responses.

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing based on the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
June 15, 2026

2025-001. **FINDING** (Inadequate Controls over Reconciliations)

The Illinois Council on Developmental Disabilities (Council) failed to properly complete monthly reconciliations of its records maintained by the Office of Comptroller (Comptroller).

During testing of the Council's monthly reconciliations during the examination period, we noted the following:

- One of 28 (4%) monthly reconciliations of the Council's internal expenditures records to the Comptroller's *Monthly Appropriation Status Report* (SB01) was performed one day late.

- One of 28 (4%) SB01 reconciliations did not indicate when the reconciliation was performed. In addition, seven of 28 (25%) SB01 reconciliations had sign-off dates carried over from the December 2024 reconciliation. As a result, we were unable to determine whether the reconciliations were performed timely.

- Twenty-four of 24 (100%) of the Comptroller's *Monthly Revenue Status Report* (SB04) reconciliations were not performed during the examination period.

- Twenty-four of 24 (100%) of the Comptroller's *Monthly Cash Report* (SB05) reconciliations were not performed during the examination period.

- Twenty-four of 24 (100%) of the Comptroller's *Monthly Agency Contract Report* (SC14) reconciliations were not performed during the examination period.

The Statewide Accounting Management System (SAMS) Manual (Procedure 07.30.20) requires the Council to perform monthly reconciliations of the SB01, SB04, SB05, and SC14 reports to its internal records within 60 days of month end to ensure the early detection and correction of errors. Further, the State Records Act (5 ILCS 160/9) requires the Council to establish and maintain an active, continuing program for the economical and efficient management of the records of the Council. Such program shall provide for effective controls over the creation, maintenance, and use of records.

Council management indicated the issues noted were due to the Council experiencing a large turnover of staff and having extremely limited resources to complete all required tasks.

Failure to timely perform reconciliations of the Council's records to the Comptroller's reports hinders the ability of staff to identify and correct errors which could result in incomplete and inaccurate financial information. (Finding Code No. 2025-001, 2023-001)

RECOMMENDATION

We recommend the Council implement controls to ensure all required monthly reconciliations are timely performed, documented, and reviewed.

COUNCIL RESPONSE

The Illinois Council on Developmental Disabilities agrees with the finding. The Council will strengthen processes to ensure all reconciliations are completed within the required timeframe. In addition, Council management will perform periodic reviews to ensure completion.

2025-002. **FINDING** (Voucher Processing Weaknesses)

The Illinois Council on Developmental Disabilities (Council) did not timely submit its vouchers for payment to the Comptroller's Office during the examination period.

Due to our ability to rely upon the processing integrity of the Enterprise Resource Planning (ERP) System operated by the Department of Innovation and Technology (DoIT), we were able to limit our voucher testing at the Council to determine whether certain key attributes were properly entered by the Council's staff into the ERP System. In order to determine the operating effectiveness of the Council's internal controls related to voucher processing and subsequent payment of interest, we selected a sample of key attributes (attributes) to determine if the attributes were properly entered into the State's ERP System based on supporting documentation. The attributes tested were (1) vendor information, (2) expenditure amount, (3) object(s) of expenditure, and (4) the later of the receipt date of the proper bill or the receipt date of the goods and/or services.

We then conducted an analysis of the Council's expenditures data for Fiscal Years 2024 and 2025 and noted the Council did not timely approve 117 of 879 (13%) vouchers processed during the examination period, totaling $408,613. We noted these vouchers were approved between 31 and 397 days after receipt of a proper bill or other obligating document.

The Illinois Administrative Code (Code) (74 Ill. Admin. Code 900.70) requires the Council to timely review each vendor's invoice and approve proper bills within 30 days after receipt. The Code (74 Ill. Admin. Code 1000.50) also requires the Council to process payments within 30 days after physical receipt of Internal Service Fund bills.

The Fiscal Control and Internal Auditing Act (FCIAA) (30 ILCS 10/3001) requires the Council to establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

In addition, during our testing of travel vouchers, two of 15 (13%) travel vouchers, totaling $1,346, were not submitted timely, between 37 and 77 days late.

Internal Revenue Service Publication 463 requires travelers to submit an adequate accounting of all business expenses within 60 days after the last date of travel.

This finding was first noted during the examination of the two years ended June 30, 2019, and Council management took substantive steps to implement corrective actions; however, exceptions still persist. In addition, the Council's management team is responsible for implementing timely corrective action on all of the findings identified during a State compliance examination.

Council management indicated the late approval of vouchers was due to monitoring the Council's administrative costs and federal funding situation before paying the governmental charges and limited resources. The late submission of travel vouchers was due to competing priorities.

Failure to timely process proper bills and obligations due may result in noncompliance, unnecessary interest charges, and cash flow challenges for payees. Further, failure to submit travel vouchers timely increases the risk that errors or irregularities could occur and would not be identified by employees performing their functions in the normal course of business. (Finding Code No. 2025-002, 2023-002, 2021-001, 2019-004)

RECOMMENDATION

We recommend the Council timely approve proper bills and obligations due. We further recommend the Council ensure travel vouchers are timely submitted after an employee's travel.

COUNCIL RESPONSE

The Illinois Council on Developmental Disabilities agrees with the finding. The Council will strengthen processes to ensure vouchers are approved within 30 days after receipt. In addition, the Council will provide additional training to staff to ensure travel vouchers are submitted within 60 days of the last date of travel.

2025-003. **FINDING** (Noncompliance with Illinois Council on Developmental Disabilities Law)

The Illinois Council on Developmental Disabilities (Council) was not fully seated and had several members serving on expired terms during the examination period.

During testing, we noted the following:

- The Council's Board was not fully seated during the examination period. Of the statutorily required 19 seats, we noted only 17 were filled. One vacant seat was one of the 5 additional members either with developmental disabilities or a parent, immediate relative, or guardian of children and adults with developmental disabilities. The second vacant seat was one of the 2 voting members that represents local and non-governmental agency and private non-profit groups concerned with services for individuals with developmental disabilities.

- Seven of 17 (41%) Board members appointed by the Governor were serving under expired terms as of June 30, 2025. Six of these members served two consecutive terms, and the second term for these individuals expired between January 2015 and January 2025.

- The Council did not advise the Governor's Office of the Board's membership requirements and vacancies during Fiscal Year 2024.

The Illinois Council on Developmental Disabilities Law (Law) (20 ILCS 4010/2004.5) requires the Council to be comprised of 19 voting members appointed by the Governor. Of the 19 voting members, the Law (20 ILCS 4010/2004.5(b)) requires the Governor to appoint 17 members who are persons with developmental disabilities, parents or guardians of persons with developmental disabilities, or immediate relatives or guardians of persons with mentally-impairing developmental disabilities. In addition, the Law (20 ILCS 4010/2004.5(c)) requires the Governor to appoint two voting members to represent local and non-governmental agencies and private non-profit groups concerned with services for individuals with developmental disabilities. Lastly, the Law (20 ILCS 4010/2004.5(f)) requires the Governor to provide for timely rotation of members. Appointments to the Council shall be for terms of three years, and while members shall serve until their successors are appointed, no member may serve for more than two successive terms. The Council must, at least once each year, advise the Governor on the Council's membership requirements and vacancies, including rotation requirements.

This finding was first noted during the examination of the two years ended June 30, 2015, and Council officials took steps to implement corrective actions; however, exceptions still persist. In addition, the Council's management team is responsible for implementing timely corrective action on all of the findings identified during a State compliance examination.

Council management indicated they continue to provide information to the Governor's Office informing them of the Council's vacancies, but has no control over when the Governor will appoint new members.

Although Council members are allowed to continue to serve past their terms until new appointments are made, failure to timely appoint Council members may affect the full and transparent exercise of the Council's appointed powers and responsibilities and fail to satisfy the provisions of the Law. (Finding Code No. 2025-003, 2023-003, 2021-003, 2019-003, 2017-003, 2015-001)

RECOMMENDATION

We recommend the Council work with the Governor's Office to ensure Council vacancies are filled and reappointments or replacements of members with expired terms are made in a timely manner.

COUNCIL RESPONSE

The Illinois Council on Developmental Disabilities agrees with the finding. The Council will provide appointment recommendations and rotational requirements to the Governor's Office in a timely manner. However, the Council would like to note that it does not have the authority to appoint or reappoint members.

2025-004. **FINDING** (Inadequate Controls over Reporting)

The Illinois Council on Developmental Disabilities (Council) did not file statutorily required reports and submissions or did not file them timely.

During testing, we noted the following:

- The Council submitted its Fiscal Year 2023 Annual Report to the Governor's Office 365 days late. In addition, the Council did not submit its Fiscal Year 2024 Annual Report to the Governor's Office.

  The State Finance Act (30 ILCS 105/3) requires the Council, no later than January 7 of each year, to make and deliver to the Governor an annual report of its acts and doings, respectively, arranged so as to show the acts and doings of each for the fiscal year ending in the calendar year immediately preceding the calendar year in which that regular session of the General Assembly convenes.

- The Council submitted the Public Accountability Report (PAR) Program and Indicator Worksheets for Fiscal Year 2024 to the Illinois Office of Comptroller 17 days late. In addition, the Council was unable to provide sufficient support to verify information reported in the Fiscal Year 2024 PAR.

  The Statewide Accounting Management System (SAMS) Manual (Procedure 33.20.20) requires the Council to submit a list of all programs that have been modified since the most recently published Public Accountability Report by September 15, for the approval of the Office of Comptroller.

  The State Records Act (5 ILCS 160/8) requires the Council to make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the Council designed to protect the legal and financial rights of the State and of persons directly affected by the Council's activities.

- The Fiscal Year 2023 census data reconciliation was submitted by the Council to the State Employees' Retirement System (SERS) 208 days late.

  The SERS Guidance states the AICPA's *Audit and Accounting Guide: State and Local Governments* recommends employee census data should be reconciled annually by each employer to a report provided by SERS and used by its actuaries. Based on the Fiscal Year 2023 Census Data Reconciliation Guidance, the deadline to submit the reconciliation and subsequent certification to SERS was November 13, 2023.

- The Council did not submit its Fiscal Year 2024 Agency Workforce Report to the Governor's Office.

  The State Employment Records Act (5 ILCS 410/20) requires the Council to collect, classify, maintain, and report on its work force, including the numbers and statistical percentage of minorities, women, and persons with physical disabilities employed as professional employees, among others. Annual reports summarizing the information in a prescribed format are required to be filed with the Secretary and Governor by January 1 each year for the preceding fiscal year.

- The Council did not submit its responses to the 2024 State Employment Plan survey (employment data as of June 30, 2023) to the Department of Central Management Services Department (CMS).

  The Civil Administrative Code of Illinois (20 ILCS 405/405-125) requires the Council to report annually to CMS and the Department of Human Rights (DHR), in a format prescribed by CMS, all of the Council's activities in implementing the State Hispanic Employment Plan, the State Asian-American Employment Plan, and the Native American Employment Plan. In addition, the African American Employment Plan Act (20 ILCS 30/20) requires the Council to report annually to CMS and DHR in a format prescribed by CMS, all of the Council's activities in implementing the African American Employment Plan.

- The SF-425 Federal Financial Report (FFR) ending September 30, 2024 was submitted by the Council to the U.S. Department of Health and Human Services (DHHS) 5 days late.

  The Notice of Award from DHHS requires the Council to submit the FFR annually within 90 days after each reporting period.

Council management indicated the issues noted were due to short turnaround times, competing priorities, credential issues, oversight, staff turnover, and lack of available resources.

Late submission or failure to submit statutorily required reports and information prevents the appropriate oversight authorities from receiving feedback and properly monitoring programs and can have an adverse effect on future decisions. Moreover, failure to submit such reports and accurate information represents noncompliance with applicable State laws and regulations. (Finding Code No. 2025-004, 2023-004)

RECOMMENDATION

We recommend the Council strengthen its controls over reporting to ensure statutorily required reports are prepared, submitted timely as required by State laws, and properly supported.

COUNCIL RESPONSE

The Illinois Council on Developmental Disabilities agrees with the finding. The Council will strengthen processes to ensure reports are submitted on time and will maintain supporting documentation for information included in the reports.

2025-005. **FINDING** (Inadequate Controls over Contractual Agreements)

The Illinois Council on Developmental Disabilities (Council) did not exercise adequate control over contractual agreements.

During testing of three contractual agreements during the examination period, we noted for one (33%) contract tested amounting to $70,000, the Council did not complete a Contract Obligation Document (COD) and failed to file a copy of the contract with the Office of Comptroller (Comptroller).

The Statewide Accounting Management System (SAMS) Manual (Procedure 15.20.50) requires contracts for other than tangible personal property be assigned unique contract numbers by the agency, obligated on Contract Obligation Documents. Further, the SAMS Manual (Procedure 15.10.40) requires contracts exceeding $20,000 to any vendor be reduced to writing, filed with the Comptroller within thirty days of execution, and individually obligated on SAMS.

In addition, the Illinois Procurement Code (Code) (30 ILCS 500/20-80(b)) requires contracts exceeding $20,000 to be filed with the Comptroller within 30 days.

Finally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Council to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and maintain accountability over the State's resources.

Council management indicated the non-filing of the COD and contract with the Comptroller was due to the Council still learning the process on how to file contracts using the Bid Buy and ERP systems.

Failure to complete the COD and file a copy of the contract with the Comptroller could hinder payment and represent noncompliance with State laws and regulations. (Finding Code No. 2025-005)

RECOMMENDATION

We recommend the Council ensures CODs and contracts are properly completed and filed with the Comptroller.

COUNCIL RESPONSE

The Illinois Council on Developmental Disabilities agrees with the finding. The Council will strengthen processes to ensure contractual documents are filed with the Office of the Comptroller as required.

2025-006. **FINDING** (Weaknesses in Cybersecurity Programs and Practices)

The Illinois Council on Developmental Disabilities (Council) had not implemented adequate internal controls related to cybersecurity programs and practices.

The Illinois State Auditing Act (30 ILCS 5/3-2.4) requires the Auditor General to review State agencies and their cybersecurity programs and practices. During our examination of the Council's cybersecurity programs and practices, we noted the Council:

- Had not established and communicated policies, procedures, and processes to manage and monitor regulatory, legal, environmental, and operational requirements.

- Had not developed and implemented risk reducing internal controls to ensure adequate protection of information (i.e. confidential or personal information) most susceptible to attack.

- Had not classified its data to ensure adequate protection.

- Had not retained documentation for one equipment item noted as missing in Fiscal Year 2024 to evidence measures taken to ensure it did not contain sensitive information.

- Had not performed a periodic review of user access rights for four of five (80%) applications during the examination period.

The *Framework for Improving Critical Infrastructure Cybersecurity and the Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST) requires entities to consider risk management practices, threat environments, legal and regulatory requirements, mission objectives and constraints in order to ensure the security of their applications, data, and continued business mission.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Council to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and maintain accountability over the State's resources.

This finding was first noted during the examination of the two years ended June 30, 2021, and Council management took steps to implement some corrective actions; however, exceptions still persist. In addition, the Council's management team is responsible for implementing timely corrective action on all of the findings identified during a State compliance examination.

Council management indicated the issues were due in part to a misunderstanding of the Council's responsibilities with regard to the services rendered by the Department of Innovation and Technology (DoIT) and what is required regarding data classification and documentation to address corrective action in addition to competing priorities and limited resources.

The lack of adequate cybersecurity programs and practices could result in unidentified risks and vulnerabilities and ultimately lead to being susceptible to cyber-attacks and unauthorized disclosure. (Finding Code No. 2025-006, 2023-005, 2021-004)

RECOMMENDATION

We recommend the Council work with DoIT to obtain an understanding of each party's responsibilities. Specifically, we recommend the Council:

- Establish and communicate the Council's security program (formal and comprehensive policies, procedures, and processes) to manage and monitor the regulatory, legal, environmental, and operational requirements;
- Develop and implement risk reducing internal controls to ensure adequate protection of information (i.e. confidential or personal information) most susceptible to attack;
- Classify data and document measures to ensure adequate protection of confidential and personal information most susceptible to attack;
- Retain documentation of measures taken to ensure sensitive or confidential information was not stored or were wiped from missing equipment; and
- Perform periodic access reviews on all applications at least annually.

COUNCIL RESPONSE

The Illinois Council on Developmental Disabilities agrees with the finding.

- The Council will adopt some of the DoIT's cybersecurity policies as internal Council policies.
- The Council will develop and implement risk reducing internal controls to address the protection of personal and confidential data most susceptible to attack. This will include classification of data to ensure adequate protection.
- The Council will work to determine that there is no sensitive information on any equipment that may go missing.
- The Council will ensure that a review of user access rights is completed on an annual basis.

2025-007. **FINDING** (Weakness in Disaster Recovery Planning and Testing)

The Illinois Council on Developmental Disabilities (Council) had not developed a comprehensive Disaster Recovery plan.

In order to carry out its mission, the Council utilizes several information technology (IT) applications.

During our examination, we requested the Council's disaster recovery plan to ensure timely recovery of its applications and data. However, the Council had not developed a disaster recovery plan. Further, a full disaster recovery test has not yet been performed.

The *Contingency Planning Guide for Information Technology Systems* published by the National Institute of Standards and Technology (NIST) requires entities to have an updated and regularly tested disaster contingency plan to ensure the timely recovery of applications and data.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Council to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and maintain accountability over the State's resources.

This finding was first noted during the examination of the two years ended June 30, 2021, and Council management took steps to implement some corrective actions; however, exceptions still persist. In addition, the Council's management team is responsible for implementing timely corrective action on all of the findings identified during a State compliance examination.

Council management indicated the cause of the exception was due to competing priorities and limited resources that prevented the Council from working with the Department of Innovation and Technology (DoIT) to document and test a disaster recovery plan.

Without an adequately documented and tested contingency plan, the Council cannot ensure its critical systems could be recovered within an acceptable period, thereby minimizing the impact associated with a disaster. (Finding Code No. 2025-007, 2023-006, 2021-005)

RECOMMENDATION

We recommend the Council create a disaster recovery plan and perform recovery testing, at least annually.

COUNCIL RESPONSE

The Illinois Council on Developmental Disabilities agrees with the finding. The Council will adopt applicable parts of DoIT's disaster recovery plan as an internal Council plan. The Council will continue working with DoIT to determine how to perform a disaster recovery test given the critical applications that the Council uses are DoIT applications.

2025-008. **FINDING** (Inadequate Controls over the Review of Internal Controls over Service Provider)

The Illinois Council on Developmental Disabilities (Council) had not implemented adequate internal controls over its service provider.

The Council utilized a third-party service provider for hosting services, software as a service, infrastructure as a service, systems development, and program maintenance. During testing, we noted the Council had not:

- Conducted an analysis of System and Organization Control (SOC) reports to determine the impact of the modified opinion(s) or the noted deviations.

- Conducted an analysis of the Complementary User Entity Controls (CUECs) documented in SOC reports and assessed and documented the operation of the CUECs.

- Obtained and reviewed SOC reports for subservice organizations or performed alternative procedures to determine the impact on its internal control environment.

The *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Maintenance and System and Service Acquisition sections, requires entities outsourcing their IT environment or operations to obtain assurance over the entities' internal controls related to the services provided. Such assurance may be obtained via SOC reports or independent reviews.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Council to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Council management indicated the issues noted were due to competing priorities and limited resources.

Without adequate reviews of SOC reports or another form of independent internal controls review, the Council does not have assurance the service providers' internal controls are adequate to ensure proper accounting and safekeeping of assets and data. (Finding Code No. 2025-008, 2023-007)

RECOMMENDATION

We recommend the Council implement controls over its service provider to include:

- Conduct an analysis of SOC reports to determine the impact of the modified opinion(s) or the noted deviations;
- Conduct an analysis of the CUECs reported in SOC reports and document the operation of the CUECs; and
- Obtain and review SOC reports for subservice organizations or perform alternative procedures to determine the impact on its internal control environment.

COUNCIL RESPONSE

The Illinois Council on Developmental Disabilities agrees with the finding. The Council has identified that Department of Innovation and Technology (DoIT) is the only provider of its IT functions and has no authority to utilize any other provider. The Council will establish procedures to obtain, review and document service provider control reports and assess the impact of identified control considerations on Council operations.