



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**UNIVERSITY OF ILLINOIS**

State Compliance Examination  
 For the Year Ended June 30, 2025

Release Date: April 23, 2026

FINDINGS THIS AUDIT: 10	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	1	1	2024		25-4	
Category 2:	3	6	9	2023		25-8	
Category 3:	0	0	0	2022	25-1	25-3, 25-9	
TOTAL	3	7	10	2021		25-7	
FINDINGS LAST AUDIT: 10				2005		25-6	

**INTRODUCTION**

This digest covers our State Compliance Examination of the University of Illinois for the year ended June 30, 2025. A separate Financial Audit as of and for the year ended June 30, 2025 was previously released on January 15, 2026. A separate Single Audit for the year ended June 30, 2025 was previously released on March 19, 2026. In total, this report contains 10 findings, 4 of which were reported in the Financial Audit and Single Audit collectively.

**SYNOPSIS**

- (25-6) The University did not require all employees to submit time reports as required by the State Officials and Employees Ethics Act.
- (25-8) The University did not comply with the provisions of the University Faculty Research and Consulting Act.

<p><b>Category 1:</b> Findings that are <b>material weaknesses</b> in internal control and/or a <b>qualification</b> on compliance with State laws and regulations (material noncompliance).</p> <p><b>Category 2:</b> Findings that are <b>significant deficiencies</b> in internal control and <b>noncompliance</b> with State laws and regulations.</p> <p><b>Category 3:</b> Findings that have <b>no internal control issues but are in noncompliance</b> with State laws and regulations.</p>
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**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**FAILURE TO FOLLOW TIME REPORTING  
REQUIREMENTS**

**Did not require all employees to submit time reports**

The University of Illinois (University) does not require all employees to submit time reports as required by the State Officials and Employees Ethics Act (Act) and does not have adequate procedures to ensure accurate employee time reporting.

During testing of payroll, we selected 60 employees across all three campuses and noted the following:

**Sixteen (27%) employees did not file time reports as required by the Act**

- Sixteen (27%) employees (eight from the Urbana-Champaign campus, seven from the Chicago campus and one from the Springfield campus) did not file time reports as required by the Act. University management stated faculty, postdoctoral employees, instructors, and lecturers continue to track their time using a “negative” timekeeping system whereby the employee is assumed to be working, unless noted otherwise. (Finding 6, Pages 19-20) **This finding has been reported since 2005.**

We recommended the University implement procedures to ensure all employees submit time sheets as required by the Act.

**University accepted the finding**

University officials accepted the recommendation and indicated the University is pursuing a statutory remedy to address the finding.

**NONCOMPLIANCE WITH UNIVERSITY FACULTY  
RESEARCH AND CONSULTING ACT**

The University did not comply with the provisions of the University Faculty Research and Consulting Act (Act).

A disclosure application, *START myDisclosures* is used by all faculty employees to annually complete a disclosure and request for approval to perform outside research or consulting services. Throughout the year, additional disclosures and requests for prior approval are necessary whenever a change in such activities is proposed or when required by granting agencies.

In reviewing a sample of sixty employees for a total of seventy-nine disclosure applications, we noted the following:

**Disclosure application did not require the faculty member to list the start date**

- The disclosure did not require the faculty member to list the start date of the research or consulting service. As a result, we were unable to determine if written

approval of the President, or his designee, was obtained prior to the start of such services for twenty-nine (37%) disclosures.

**Disclosure applications were approved after the start date of the research or consulting service.**

- For the disclosures where the start date was disclosed by the employee, the approval was after the start date of the activity for two (3%) disclosures.

**Disclosure applications were not approved**

- The disclosure was not approved by the President or his designee for four (5%) disclosures. (Finding 8, Pages 23-24) **This finding has been reported since 2023.**

We recommended the University update its disclosure form to include all information necessary to document compliance with the requirements of the University Faculty Research and Consulting Act. We also recommended the University ensure policies and procedures are followed to confirm that all disclosures are properly approved timely.

**University agreed with the auditors**

University officials accepted the recommendation.

## **OTHER FINDINGS**

The remaining findings are reportedly being given attention by the University. We will review the University's progress towards the implementation of our recommendations in the next engagement.

## **AUDITOR'S OPINIONS**

The financial audit was previously released. Our auditors stated the financial statements of the University of Illinois as of and for the year ended June 30, 2025 are fairly stated in all material respects.

The single audit was previously released. Our auditors also conducted a Single Audit of the University as required by the Uniform Guidance and stated the University complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on the University's major federal programs for the year ended June 30, 2025.

## **ACCOUNTANT'S OPINION**

The accountants conducted a State compliance examination of the University for the year ended June 30, 2025, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Finding 2025-001. Except for the noncompliance described in this finding, the accountants stated the University complied, in all material respects, with the requirements described in the report.

The State Compliance Examination was conducted by RSM US  
LLP.

**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.

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FRANK J. MAUTINO  
Auditor General

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