WESTERN ILLINOIS UNIVERSITY
A Component Unit of the State of Illinois
STATE COMPLIANCE EXAMINATION

For the Year Ended June 30, 2025

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

WESTERN ILLINOIS UNIVERSITY
A Component Unit of the State of Illinois
STATE COMPLIANCE EXAMINATION
For the Year Ended June 30, 2025

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WESTERN ILLINOIS UNIVERSITY
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University Officials

President	Dr. Kristi Mindrup (12/06/24 – Present) Dr. Kristi Mindrup, Interim (04/01/24 – 12/05/24)
Provost and Academic Vice President	Dr. Mark A. Mossman (09/1/25 – Present) Dr. Mark A. Mossman, Interim (11/01/23 – 08/31/25)
Vice President for Student Success	Mr. Justin Schuch (03/01/25 – Present) Mr. Justin Schuch, Interim (04/29/24 – 02/28/25)
Vice President for Finance and Administration	Ms. Ketra Roselieb (10/01/24 – Present) Mr. John Smith (07/01/24 – 09/30/24)
Vice President for Quad Cities Campus Operations	Dr. Kristi Mindrup (07/01/20 – 03/31/24) *(position discontinued 04/01/24)*
Director of Financial Affairs, Controller	Ms. Jessica R. Dunn (11/16/24 – Present) *(position created 11/16/24)*
Executive Director of Financial Affairs	Ms. Ketra Roselieb (07/01/20 – 09/30/24) *(position discontinued 10/01/24)*
Director of Internal Auditing	Ms. Rita Moore
General Counsel	Ms. Victoria R. Smith (9/16/23 – 9/30/25) Ms. Anne Burton (4/1/26 – Present)

University offices are located at:

Macomb Campus
1 University Circle
Macomb, Illinois 61455-1390

Quad Cities Campus
3300 River Drive
Moline, Illinois 61265-1746

Western Illinois University

June 18, 2026

Plante & Moran, PLLC
537 E. Pete Rose Way
Suite 300
Cincinnati, OH 45202

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 Western Illinois University (the "University"). 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 University's compliance with the following specified requirements during the one-year period ended June 30, 2025. Based on this evaluation, we assert that during the year ended June 30, 2025, the University has materially complied with the specified requirements listed below.

A. The University 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 University 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 University 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 University 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 University on behalf of the State or held in trust by the University have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Yours truly,

Western Illinois University

SIGNED ORIGINAL ON FILE	SIGNED ORIGINAL ON FILE	SIGNED ORIGINAL ON FILE
Dr. Kristi Mindrup President	Ms. Ketra M. Roselieb VP for Finance and Administration	Ms. Anne Burton General Counsel

Office of the President
Sherman Hall 209, 1 University Circle, Macomb, IL 61455-1390
Tel 309.298.1824 Fax 309.298.2089

WESTERN ILLINOIS UNIVERSITY
A Component Unit of the State of Illinois
STATE COMPLIANCE EXAMINATION
For the Year 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 compliance and identifies material weaknesses overall internal control over compliance.

SUMMARY OF FINDINGS

Number of	Current Report	Prior Report
Findings	9	6
Repeated Findings	5	5
Prior Recommendations Implemented or Not Repeated	1	5

SCHEDULE OF FINDINGS

Item No.	Page	Last/First Reported	Description	Finding Type
			Current Findings	
2025-001	11	2024/2022	Inadequate Internal Control over Student Enrollment Reporting	Material Weakness and Material Noncompliance
2025-002	13	2024/2023	Inadequate Internal Control over Return of Title IV Funds	Material Weakness and Material Noncompliance
2025-003	15	New	Inadequate Internal Control over Subrecipient Payments	Material Weakness and Material Noncompliance
2025-004	16	2024/2023	Inadequate Controls over State Property	Significant Deficiency and Noncompliance

WESTERN ILLINOIS UNIVERSITY
A Component Unit of the State of Illinois
STATE COMPLIANCE EXAMINATION
For the Year Ended June 30, 2025

SCHEDULE OF FINDINGS (CONTINUED)

Item No.	Page	Last/First Reported	Description	Finding Type
			Current Findings	
2025-005	18	New	Noncompliance with the Cannabis Control Act	Significant Deficiency and Noncompliance
2025-006	19	New	Noncompliance with Western Illinois University Law Related to Reporting Requirements	Significant Deficiency and Noncompliance
2025-007	20	2024/2018	Lack of Adequate Control Over the Review of Internal Controls for Service Providers	Significant Deficiency and Noncompliance
2025-008	22	2024/2021	Weakness in Cybersecurity Programs and Practices	Significant Deficiency and Noncompliance
2025-009	24	New	Noncompliance with the Student Transfer Reform Act	Significant Deficiency and Noncompliance
			Prior Findings Not Repeated	
A	25	2024/2024	Noncompliance with the Illinois Pension Code	

SCHEDULE OF FINDINGS (CONTINUED)

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Western Illinois University personnel at an exit conference on June 18, 2026.

Attending were:

Western Illinois University
Dr. Kristi Mindrup, President
Ms. Erika Lowe Mullins, Trustee, Audit Committee Chair
Mr. Justin Schuch, Vice President for Student Success
Ms. Ketra Roselieb, Vice President for Finance and Administration
Ms. Jessica Dunn, Director of Financial Affairs, Controller
Mr. Robert Emmert, Director of University Technology
Mr. John Murphy, Director of Internal Audit
Ms. Jessica Lin, Associate Provost
Ms. Holly Sutton, Director of Accounting for External Gifts, Grants, and Contracts
Ms. Bobbi Smith, Director of Financial Aid
Ms. Stacie Hunt, Director of Administrative Information Management Systems
Ms. Katie Denney, Accounting Associate
Ms. Mary Pat Wohlford, Director of Sponsored Projects
Ms. Anne Burton, Legal Counsel
Ms. Keela Trennepohl, Director of the School of Agriculture
Mr. Zach Messersmith, Director of Governmental Relations

Office of the Auditor General
Ms. Stacie Sherman, OAG Audit Manager

Plante Moran
Mr. Steven Bishop, Partner
Ms. Jennifer Zanone, Principal
Ms. Manju Patnaik, Senior Manager

The responses to the recommendations for Findings 2025-001 through 2025-003 were provided by Ms. Deanna Eden, Assistant Comptroller in a correspondence dated March 4, 2026. The responses to the recommendations for findings 2025-004 through 2025-009 were provided by Ms. Deanna Eden, Assistant Comptroller in a correspondence dated June 9, 2026.

Plante & Moran, PLLC
Suite 100
250 S. High Street
Columbus, OH 43215
Tel: 614.849.3000
Fax: 614.221.3535
plantemoran.com

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

Honorable Christopher B. Meister
Auditor General
State of Illinois

and

Board of Trustees
Western Illinois University

Report on State Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by Western Illinois University 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 year ended June 30, 2025. Management of the University is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the University's compliance with the specified requirements based on our examination.

The specified requirements are:

A. The University 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 University 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 University 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 University 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 University on behalf of the State or held in trust by the University have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Honorable Christopher B. Meister
Auditor General
State of Illinois

and

Board of Trustees
Western Illinois University

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 University complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the University 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 University's compliance with the specified requirements.

Our examination disclosed material noncompliance with the following specified requirements applicable to the University during the year ended June 30, 2025. As described in the accompanying Schedule of Findings as items 2025-001 through 2025-003, the University 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 requirements described in the preceding paragraph, the University complied with the specified requirements during the year 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 2025-004 through 2025-009.

The University's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The University'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.

Honorable Christopher B. Meister
Auditor General
State of Illinois

and

Board of Trustees
Western Illinois University

Report on Internal Control Over Compliance

Management of the University 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 University's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the University's compliance with the specified requirements and to test and report on the University's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University'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 material weaknesses 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 items 2025-001 through 2025-003 to be material weaknesses.

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 2025-004 through 2025-009 to be significant deficiencies.

As required by the *Audit Guide*, immaterial findings excluded from this report have been reported in a separate letter.

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

Honorable Christopher B. Meister
Auditor General
State of Illinois

and

Board of Trustees
Western Illinois University

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

Cincinnati, Ohio
June 18, 2026

2025-001. **FINDING** Inadequate Internal Control over Student Enrollment Reporting

Federal Agency: U.S. Department of Education
Assistance Listing Number: 84.063, 84.268
Program Expenditures: $31,997,072
Program Name: Federal Pell Grant Program, Federal Direct Student Loans
Award Number(s): P063P231391, P063P241391, P063P251391, P268K241391, and P268K251391
Questioned Costs: None

Western Illinois University (University) did not have adequate procedures in place to complete accurate enrollment reporting for all students.

During our testing of Pell or Direct Loan borrowers, we noted 4 out of 40 (10%) students campus-level record and program-level record were not updated with accurate enrollment status changes. The sample was not a statistically valid sample.

The University is required to report enrollment reporting changes accurately. During the year, there were underlying problems with how data was being submitted to the National Student Clearinghouse (NSC), resulting in enrollment status changes and degree confirmations to be inaccurate for 4 students tested out of 40 students tested (10% of students tested).While the University had a policy in place to ensure enrollment reporting for degree confirmations and status changes were being submitted to the NSC, there was a flaw in the University's process that caused the fall graduate batch of students to be initially coded to "G-Not Applied" in the National Student Loan Data System (NSLDS). This was due to an error in the upload compared with underlying information in the NSLDS system. When the next batch of students were submitted to the NSLDS, this resulted in all "G-Not Applied" students to auto-update to "Withdrawn" in the NSLDS system.

For the Federal Pell Grant Program, 34 CFR Section 690.83(b)(2) requires an institution to submit in accordance with deadline dates established by the secretary, through publication in the Federal Register, other reports and information the secretary requires and shall comply with the procedures the secretary finds necessary to ensure that the reports are correct.

For the Federal Direct Student Loans, 34 CFR Section 685.309(b) requires changes in student status to be reported to the NSLDS in accordance with enrollment reporting in transmissions sent to the NSLDS, including updating all flagged information by NSLDS.

Uniform Guidance (2 CFR 200.303(a)) requires non-Federal entities receiving Federal awards to establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Effective internal controls should include procedures to ensure enrollment reporting is accurate.

2025-001. **FINDING** Inadequate Internal Control over Student Enrollment Reporting (Continued)

University officials indicated staff turnover required reassessment of internal documentation and procedures that were in place to ensure all required campus-level data and program-level data was being reported to NSLDS via NSC accurately due to a flaw in their process causing degree confirmations to be overridden.

Without sufficient controls around enrollment reporting there is a greater risk that student enrollment data will not be reported accurately. Inaccurate reporting of student enrollment data can result in inconsistencies between the University's records and the National Student Loan Data System as well as potential delays in the repayment of federal loans. (Finding Code No. 2025-001, 2024-001, 2023-001, 2022-002)

RECOMMENDATION

We recommend the University implement controls to ensure that all enrollment status changes and degree confirmations are being appropriately reported through NSC to NSLDS and that submissions of degree confirmations to NSC are appropriate to ensure enrollment status changes are reported accurately.

UNIVERSITY RESPONSE

The University agrees with the finding. The University is implementing enhanced internal controls to ensure enrollment status changes and degree confirmations are being appropriately submitted and reported.

2025-002. **FINDING** Inadequate Internal Control over Return of Title IV Funds

Federal Agency: U.S. Department of Education
Assistance Listing Number: 84.063, 84.268, 84.007, 84.379
Program Expenditures: $32,514,420
Program Name: Federal Pell Grant Program, Federal Direct Student Loans, Federal Supplemental Education Opportunity Grants, Teacher Education Assistance for College and Higher Education Grants
Award Number(s): P063P231391, P063P241391, P063P251391, P268K241391, P268K251391, P007A241313, P379T241391, and P379T251391
Questioned Costs: None

Western Illinois University (University) did not have adequate procedures in place to complete accurate and timely return of Title IV funds for all students within the required time period.

During our testing of borrowers that withdrew from the University, we noted 7 out of 40 (17.5%) students return of Title IV funds were not processed within the 45 day window, ranging from 60-163 days late. The sample was not a statistically valid sample.

A school participating in Title IV aid programs must establish and maintain proper administrative and fiscal procedures and initiate returns accurately within 45 days after the determined date of withdrawal (34 CFR 668.173(b)), and accurately calculate the amount of unearned title IV assistance to be returned to the Department of Education (34 CFR 668.22(g)).

Uniform Guidance (2 CFR 200.303(a)) requires non-Federal entities receiving Federal awards to establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Effective internal controls should include procedures to ensure the return of Title IV funds is accurate and timely.

University management indicated staffing shortages as well as regulatory and systemic changes during the 2024-2025 aid year caused this to occur.

Without sufficient controls in place to return Title IV funds, there is a greater risk that the school does not return funds timely or accurately or that students may not receive post-withdrawal disbursements timely or accurately. (Finding Code No. 2025-002, 2024-002, 2023-002)

RECOMMENDATION

We recommend the University implement controls to ensure that all refunds of Title IV funds are initiated within 45 days of the date of determination for the students withdrawal and additional controls to ensure proper review of the return of Title IV calculations. We also recommend these controls be monitored to ensure that all necessary refunds are completed within the required time frame and accurately.

2025-002. **FINDING** Inadequate Internal Control over Return of Title IV Funds (Continued)

UNIVERSITY RESPONSE

The University agrees with the finding. The University is committed to developing a comprehensive plan to ensure compliance with return of Title IV funds policies and procedures.

2025-003. **FINDING** Inadequate Internal Control over Subrecipient Payments

Federal Agency: Department of Agriculture
Assistance Listing Number: 10.310
Program Expenditures: $1,328,494
Program Name: Oilseed Pennycress: A New Cash Cover-Crop for the Midwest
Award Number(s): 2019-69012-29851
Questioned Costs: None

Western Illinois University (University) did not have adequate procedures in place to complete a timely disbursement of requested pass-through funds to subrecipients within the required time period.

During our testing of payments made on requests from subrecipients, there were 2 out of 8 (25%) tested instances of the University not disbursing funds within 30 days of the payment request, as required. For the samples mentioned, the funds were sent 32 days and 120 days after the request. The sample was not a statistically valid sample.

Uniform Guidance (2 CFR 200.305(b)(3)) states that when the reimbursement method is used, the Federal agency or pass-through entity must make payment within 30 calendar days after receipt of the payment request unless the Federal agency or pass-through entity reasonably believes the request to be improper.

Uniform Guidance (2 CFR 200.303(a)) requires non-Federal entities receiving Federal awards to establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Effective internal controls should include procedures to ensure the timely disbursement of funds to subrecipients.

The University did not have adequate procedures in place to ensure all payments to subrecipients were made within the 30 day requirement.

Without sufficient controls around return over subrecipient payments and overall cash management, there is a greater risk that the school will miss a payment to be passed through to the subrecipient, thus understating expenditures on the Schedule of Expenditures of Federal Awards. (Finding Code No. 2025-003)

RECOMMENDATION

We recommend the University implement controls to ensure that all payments to be passed through to subrecipients are identified and paid within the required time frame.

UNIVERSITY RESPONSE

The University agrees with the finding. The University is committed to developing a comprehensive plan to ensure compliance with payment of pass-through funds policies and procedures.

2025-004. **FINDING** Inadequate Controls over State Property

Western Illinois University (University) did not have proper controls over State property.

During our testing of equipment acquisitions, we noted 26 out of 40 (65%) acquisitions tested, totaling $285,971, were not recorded in the University's property records within 90 days of acquisition. These items were recorded 1 to 176 days late.

During our testing of equipment disposals, we noted 2 of 25 (8%) disposals tested, totaling $40,715, were not removed from the University's property records within 90 days after disposal of the equipment. These items were removed from records 41 and 100 days late.

During our equipment inventory observation, one of 50 (2%) items selected for observation from the inventory listing was unable to be located. We noted the item was not located because it was disposed of and there was a delay in recording the disposal on the property records. The cost of this item was $71,444.

The Illinois Administrative Code (44 Ill. Admin. Code 5010.400) requires the University to adjust property records within 90 days after acquisition, change, or deletion of equipment items.

The State Property Control Act (30 ILCS 605/4) requires responsible officers at the University to be accountable for the supervision, control and inventory of all property under their jurisdiction to ensure proper accounting and safeguarding of assets.

The Fiscal Control and Internal Auditing Act (Act) (30 ILCS 10/3001) requires the University to establish and maintain a system, or systems, of internal fiscal and administrative controls to help ensure property and other assets are safeguarded against waste, loss, unauthorized use, and misappropriation.

University officials stated the delay in recording the acquisitions and disposals was due to lack of oversight due to staffing reductions and that the University no longer has staff members fully dedicated to property accounting.

Failure to maintain accurate equipment inventory records could result in shortages, overstocking, theft, or waste. (Finding Code No. 2025-004, 2024-004, 2023-010)

RECOMMENDATION

We recommend the University record equipment acquisitions and disposals within 90 days after acquisition, change, or disposal of the equipment, as well as strengthen its controls over equipment inventory to ensure all records are accurate.

2025-004. **FINDING** Inadequate Controls over State Property (Continued)

UNIVERSITY RESPONSE

The University agrees with the finding. The University will make efforts to apply adequate staffing to properly record and dispose of assets in a timely manner.

2025-005. **FINDING** Noncompliance with the Cannabis Control Act

Western Illinois University (University) did not comply with the Cannabis Control Act (720 ILCS 550/15.2).

The University did not submit quarterly reports and did not submit an annual report on industrial hemp research to the Department of Agriculture during Fiscal Year 2025. Additionally, the University did not provide evidence that it notified local law enforcement in writing before conducting industrial hemp research. Finally, the University did not provide documentation that growing sites were registered with and certified by the Department of Agriculture.

The Cannabis Control Act (Act) (720 ILCS 550/15.2) requires any site which is used by an institution of higher education for growing or cultivating industrial hemp to be certified by, and registered with, the Department of Agriculture. The Act also requires the institution to provide quarterly reports and an annual report to the Department of Agriculture on the research and the research program shall be subject to random inspection by the Department of Agriculture, the Illinois State Police, or local law enforcement agencies. The University must submit the annual report to the Department of Agriculture on or before October 1.

The University stated that it no longer follows the Cannabis Control Act (720 ILCS 550/15.2) and instead now follows the Industrial Hemp Act (505 ILCS 89/1).

Failure to follow the provisions of the Cannabis Control Act inhibits the ability of the Department of Agriculture and local law enforcement to oversee industrial hemp research and represents noncompliance with State statute. (Finding Code No. 2025-005)

RECOMMENDATION

We recommend that the University implement policies and procedures to ensure compliance with the Act or seek statutory change. We further recommend the University strengthen controls to track, assign responsibility and ensure compliance with all statutory mandates.

UNIVERSITY RESPONSE

The University agrees with the finding. The University is committed to developing a comprehensive plan to ensure compliance as well as the possibility of repeal.

2025-006. **FINDING** Noncompliance with Western Illinois University Law Related to Reporting Requirements

Western Illinois University (University) did not submit its annual report to the Governor as required by the Western Illinois University Law (110 ILCS 690/35-105).

During our review of the University's reporting requirements, we noted the University did not submit its annual report, with a full account of the financial and other transactions of the University at the close of the fiscal year, to the Governor on or before November 15.

The Western Illinois University Law (110 ILCS 690/35-105) requires an annual report containing a full account of the financial and other transactions as of fiscal year end, which includes a statement of its endowment funds, to be submitted on or before November 15 to the Governor.

The University stated that due to staff oversight, it did not submit its annual report, including a statement of endowment funds, to the Governor by the November 15 deadline in Fiscal Year 2025.

Failure to submit required reports by the mandated due date reduces accountability and availability of timely information to the University's financial transactions. (Finding Code No. 2025-006)

RECOMMENDATION

We recommend the University take steps to ensure required annual reports with a full account of transactions are timely submitted to the Governor as required by State statute.

UNIVERSITY RESPONSE

The University agrees with the finding. Enhanced controls have been implemented to prevent a recurrence.

2025-007. **FINDING** Lack of Adequate Control Over the Review of Internal Controls over Service Providers

Western Illinois University (University) had weaknesses regarding the review of independent internal control reviews over its service providers.

We requested the University provide a listing of its service providers utilized, System and Organization Control (SOC) Reports reviewed, and review of Complementary User Entity Controls (CUECs) as documented. However, the University was not able to provide a complete listing of service providers, or the SOC report reviews.

Due to the conditions noted above, we were unable to conclude the University's population records of third-party service providers were complete, accurate, and reliable under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.36).

The finding was first noted during the University's Fiscal Year 2018 State Compliance examination. As such, University management has been unsuccessful in implementing a corrective action plan to remedy this deficiency.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the University 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.

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 Information Technology environment or operations to obtain assurance over the entities' internal controls related to the services provided. Such assurance may be obtained via System and Organization Control reports or independent reviews.

University management indicated the conditions noted were due to the complexities of implementing, coordinating, and executing a university-wide program that requires buy-in and participation from multiple stakeholders and departments.

2025-007. **FINDING** Lack of Adequate Control Over the Review of Internal Controls for Service Providers (Continued)

The lack of a comprehensive University-wide population of third-party service providers and the lack of a consistent process executed by the University departments to evaluate the third-party service providers make it difficult to identify and assess risks that third-party service providers have on security, integrity, availability, confidentiality, and security of University computer systems and data. (Finding Code No. 2025-007, 2024-006, 2023-005, 2022-005, 2021-008, 2020-010, 2019-006, 2018-006)

RECOMMENDATION

We recommend the University strengthen controls to identify and document all service providers utilized and determine and document if a review of controls is required. Where appropriate, we recommend the University:

- Establish and enforce a formal University-wide onboarding requirement and processes for all third-party service providers.
- Establish and enforce a formal University-wide requirement in obtaining SOC reports from third-party service providers.
- Establish and enforce a formal University-wide requirement in reviewing SOC reports.
- Establish and enforce a formal University-wide requirement in reviewing applicable Complementary User Entity Controls (CUECs) and mapping of these CUECs to existing internal controls at the University.

UNIVERSITY RESPONSE

The University agrees with this finding. The University understands the importance of strengthening controls over service providers and will continue to review policies and procedures related to SOC reports.

2025-008. **FINDING** Weakness in Cybersecurity Programs and Practices

Western Illinois University (University) did not maintain adequate internal controls related to its cybersecurity programs, practices, and control of confidential information.

The University carries out its mission using Information Technology, including various applications, which contain confidential or personal information such as names, addresses, social security numbers and health information of its students.

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 University's cybersecurity program, practices, and control of confidential information, we noted:

- *Data Risk Assessment*:
  - The recommendations as a result of the Confidential Data Risk Assessment were not remediated in Fiscal Year 2025.
- *Business Impact Analysis*:
  - A business impact analysis was not performed for Fiscal Year 2025.
- *Data Classification:*
  - The University currently does not have a documented policy that guides the storage of data.
- *Payment Card Industry Standards (PCI):*
  - Self Assessment Questionnaires (SAQs) were not completed for PCI during Fiscal Year 2025.
  - Evidence of PCI Data Security Standards (DSS) training was not provided for Fiscal Year 2025.

The *Framework for Improving Critical Infrastructure Cybersecurity* (Framework) 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 the implementation of the Framework to develop an organizational understanding to manage cybersecurity risk to systems, people, assets, data, and capabilities and implement appropriate safeguards, and activities to identify, detect and respond to any cybersecurity event or incident.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the University 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.

The University has documented Sensitive Data Handling Procedures/Standards, which notes that each individual who creates, uses, processes, stores, transfers, administers, and/or destroys sensitive University information is responsible and accountable for complying with the standard.

2025-008. **FINDING** Weakness in Cybersecurity Programs and Practices (Continued)

University officials indicated the issues were due to staffing constraints and competing priorities and they are still maturing cybersecurity related policies and procedures which includes guidance on reviewing all policies.

The lack of remediation for identified data risk assessment recommendations, the lack of a completed business impact analysis, lack of a data classification policy, and noncompliance with Payment Card Industry (PCI) requirements could result in unmitigated risks, ineffective controls, and increased exposure of the University's systems and data to cyber-attacks, unauthorized access, and potential compliance violations. (Finding Code No. 2025-008, 2024-005, 2023-007, 2022-006, 2021-009)

RECOMMENDATION

We recommend the University maintain internal controls related to its cybersecurity programs, practices, and control of confidential information. Specifically, we recommend the University:

- Remediate the recommendations that came as a result of the Confidential Data Risk Assessment.
- Implement a Business Impact Analysis to identify confidential and personal information susceptible to attacks.
- Establish adequate guidelines for the storage of sensitive data.
- Establish and enforce a formal University-wide requirement in completing SAQs for PCI.
- Establish and enforce a formal University-wide requirement for PCI DSS training for all employees who handle credit cards.

UNIVERSITY RESPONSE

The University agrees with this finding. The University will continue to implement the recommendations found in the Confidential Date Risk Assessment. The University will develop a business impact analysis plan. The University will continue to work on completing PCI SAQ's in a timely manner.

2025-009. **FINDING** Noncompliance with Student Transfer Reform Act

Western Illinois University (University) did not comply with the Student Transfer Reform Act (110 ILCS 150/20).

During our review of the University's reporting requirements, we noted the University did not submit exemptions to the Illinois Board of Higher Education (IBHE) for high unit majors where transfer students may be required to take more than 60 additional credit hours at the University.

Pursuant to the Student Transfer Reform Act (Act) (110 ILCS 150/20(a)), public universities must ensure transfer students are able to complete a baccalaureate degree with no more than 60 additional credit hours beyond the lower-division major requirements for majors requiring 120 credit hours, provided that the student remains enrolled in the same program of study and has completed University major transfer requirements. Programs such as high-unit majors are exempt from this subsection (a) upon agreement by the University's Board of Trustees and IBHE.

University officials indicated the University did not maintain centralized documentation evidencing which programs qualify for exemptions under the Act or the approval mechanism supporting those exemptions. As a result, programs with credit hour requirements exceeding statutory limits lacked formal exemption support.

Without documentation of approved exemptions, the University cannot demonstrate compliance with the Act for programs exceeding the 60-credit hour limitation. This may result in transfer students being required to complete excess coursework and exposes the University to potential statutory noncompliance. (Finding Code No. 2025-009)

RECOMMENDATION

We recommend the University review internal policies and procedures to ensure exemptions are reviewed and submitted timely.

UNIVERSITY RESPONSE

The University agrees with the finding. The University has initiated consultation with IBHE to confirm expectations for documenting agreement under Section 20(a) and will formalize this documentation for applicable programs.

WESTERN ILLINOIS UNIVERSITY
A Component Unit of the State of Illinois
PRIOR FINDINGS NOT REPEATED
For the Year Ended June 30, 2025

A. **FINDING** Noncompliance with the Illinois Pension Code

During the prior examination, the University did not comply with the Illinois Pension Code (Code) (40 ILCS 5/15-113.4).

During the current examination, our testing indicated the University was in compliance with the Illinois Pension Code. (Finding Code No. 2024-003)