



**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021**

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

**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021**

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AGENCY OFFICIALS

Executive Director (06/08/21 – Present)	Ms. Christina Shutt
Executive Director (Acting) (09/30/19 – 06/07/21)	Ms. Melissa Coultas
Executive Director (09/21/19 – 09/29/19)	Vacant
Executive Director (07/01/19 – 09/20/19)	Mr. Alan Lowe
Chief of Staff (08/01/19 – Present)	Ms. Melissa Coultas
Chief of Staff (07/01/19 – 07/31/19)	Ms. Nadine O’Leary
Chief Operating Officer (07/29/19 – Present)	Mr. Toby Trimmer
Chief Operating Officer (07/01/19 – 07/28/19)	Vacant
Chief Fiscal Officer (01/01/20 – Present)	Mr. Brett Cox
Chief Fiscal Officer (07/01/19 – 12/31/19)	Mr. Ed Harmeyer
General Counsel	Mr. David Kelm

BOARD MEMBERS

Chair of the Board (04/19/21 – Present)	Mr. Gary Johnson
Chair of the Board (04/06/21 – 04/18/21)	Vacant
Chair of the Board (10/15/19 – 04/05/21)	Mr. Ray LaHood
Historic Preservation Expert (10/07/19 – Present)	Ms. Joan Brodsky
Library and Museum Expert (10/07/19 – Present)	Ms. Kathryn Harris
Cultural Tourism Expert (10/07/19 – Present*)	Mr. Jason Lesniewicz
Business Administration Expert (10/15/19 – Present)	Mr. Martin Sandoval
Digitization, Conservation and Historic Preservation Expert (10/16/19 – Present)	Ms. Melinda Spitzer Johnston
Illinois Historian (10/07/19 – Present*)	Mr. Dan Monroe
Abraham Lincoln Historian (10/07/19 – Present)	Mr. J. Steven Beckett
Member (11/15/19 – Present)	Ms. Eunice Santos
Member (10/07/19 – Present)	Ms. Jessica Harris
Member (06/02/21 – Present)	Ms. Tiffany Mathis
Member (04/19/21 – 06/01/21)	Vacant
Member (10/07/19 – 04/18/21)	Mr. Gary Johnson

**Term ended on 10/07/21; re-appointment pending filing of appointment paperwork.*

The first appointments to the Abraham Lincoln Presidential Library and Museum’s Board of Trustees took effect 10/07/19. All Board Member positions were vacant prior to the initial dates listed above.

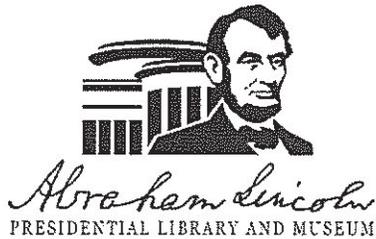
**STATE OF ILLINOIS
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AGENCY OFFICES

ALPLM offices are located at:

Presidential Museum:
212 North Sixth Street
Springfield, Illinois 62701

Presidential Library:
112 North Sixth Street
Springfield, Illinois 62701



MANAGEMENT ASSERTION LETTER

Date: MAY 4, 2022

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 Abraham Lincoln Presidential Library and Museum (ALPLM). 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 ALPLM's compliance with the following specified requirements during the two-year period ended June 30, 2021. Based on this evaluation, we assert that during the years ended June 30, 2020, and June 30, 2021, ALPLM has materially complied with the specified requirements listed below.

- A. The ALPLM 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 ALPLM 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 ALPLM has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. Other than what has been previously disclosed and reported in the Schedule of Findings, State revenues and receipts collected by the ALPLM 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 ALPLM on behalf of the State or held in trust by the ALPLM 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, Abraham Lincoln Presidential Library and Museum

SIGNED ORIGINAL ON FILE

Christina Shutt
Executive Director

SIGNED ORIGINAL ON FILE

Brett Cox
Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

David Kelm
General Counsel

**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021**

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 material weaknesses over internal control over compliance.

SUMMARY OF FINDINGS

Number of	<u>Current</u>	<u>Prior</u>
	<u>Report</u>	<u>Report</u>
Findings	12	15
Repeated Findings	7	*
Prior Recommendations Implemented or Not Repeated	8	*

*Effective July 1, 2017, Executive Order Number 2017-01 abolished the Historic Preservation Agency (HPA) and transferred all the powers, duties, functions, and responsibilities of HPA, except those relating to the Historic Preservation within the Department of Natural Resources’ Office of Land Management, to the newly created Abraham Lincoln Presidential Library and Museum (ALPLM). As such, comparative data for prior period is not available.

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First</u>	<u>Description</u>	<u>Finding Type</u>
		<u>Reported</u>		
Current Findings				
2021-001	11	2019/2019	Inadequate Controls over Receipts	Material Weakness and Material Noncompliance
2021-002	13	2019/2019	Property Control Weaknesses	Material Weakness and Material Noncompliance

**STATE OF ILLINOIS
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SCHEDULE OF FINDINGS (Continued)

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings (Continued)				
2021-003	17	2019/2019	Lack of Controls over Monthly Reconciliations	Material Weakness and Material Noncompliance
2021-004	19	New	Inadequate Controls over Reporting Requirements	Material Weakness and Material Noncompliance
2021-005	22	New	Inadequate Controls over Personal Services	Significant Deficiency and Noncompliance
2021-006	24	New	Noncompliance with Grant Agreement	Significant Deficiency and Noncompliance
2021-007	26	2019/2019	Inadequate Controls over Voucher Processing	Significant Deficiency and Noncompliance
2021-008	28	2019/2019	Failure to Develop a Formal Fraud Risk Assessment Program	Significant Deficiency and Noncompliance
2021-009	30	2019/2019	Inadequate Controls over Investment of Public Funds	Significant Deficiency and Noncompliance
2021-010	32	2019/2019	Contracts Not Filed Timely	Significant Deficiency and Noncompliance
2021-011	33	New	Lack of Disaster Recovery Plan Testing	Significant Deficiency and Noncompliance
2021-012	35	New	Weaknesses in Cybersecurity Programs and Practices	Significant Deficiency and Noncompliance

**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
STATE COMPLIANCE EXAMINATION
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SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Prior Findings Not Repeated				
A	37	2019/2019	Noncompliance with ALPLM Collections Policy	
B	37	2019/2019	Lack of Adequate Records Management Program	
C	37	2019/2019	Inadequate Controls over Employee Evaluations	
D	37	2019/2019	Noncompliance with Fiscal Control and Internal Auditing Act	
E	38	2019/2019	Inadequate Controls over Cash On-hand	
F	38	2019/2019	Inadequate Controls over Receivables	
G	38	2019/2019	Inadequate Controls over Locally Held Fund Reporting	
H	38	2019/2019	Weaknesses with Payment Card Industry Data Security Standards	

EXIT CONFERENCE

The ALPLM waived an exit conference in a correspondence from Melissa Coultas, Chief of Staff, on April 26, 2022. The responses to the recommendations were provided by Brett Cox, Chief Fiscal Officer, in a correspondence dated May 4, 2022.



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

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Trustees
State of Illinois, Abraham Lincoln Presidential Library and Museum

Report on State Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the State of Illinois, Abraham Lincoln Presidential Library and Museum (ALPLM) 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, 2021. Management of the ALPLM is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the ALPLM’s compliance with the specified requirements based on our examination.

The specified requirements are:

- A. The ALPLM 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 ALPLM 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 ALPLM 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 ALPLM 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 ALPLM on behalf of the State or held in trust by the ALPLM 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 ALPLM complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the ALPLM 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.

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

Our examination disclosed material noncompliance with the following specified requirements applicable to the ALPLM during the two years ended June 30, 2021. As described in the accompanying Schedule of Findings as items 2021-001 through 2021-004, the ALPLM had not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations. As described in the accompanying Schedule of Findings as item 2021-001, the ALPLM had not ensured the State revenues and receipts collected by the ALPLM were in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts was fair, accurate, and in accordance with law.

In our opinion, except for the material noncompliance from the specified requirements described in the preceding paragraph, the ALPLM complied with the specified requirements during the two years ended June 30, 2021, 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 2021-005 through 2021-012.

The ALPLM's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The ALPLM'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 ALPLM 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 ALPLM's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the ALPLM's compliance with the specified requirements and to test and report on the ALPLM's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the ALPLM's internal control. Accordingly, we do not express an opinion on the effectiveness of the ALPLM'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 2021-001 through 2021-004 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 2021-005 through 2021-012 to be significant deficiencies.

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

The ALPLM's responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The ALPLM'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
May 4, 2022

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2021

2021-001. **FINDING** (Inadequate Controls over Receipts)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not maintain adequate controls over receipts.

During our testing, we requested the ALPLM provide cash receipts population for Fiscal Years 2020 and 2021. The ALPLM provided its list of receipts from admission and non-admission revenues but was unable to provide a complete and detailed population of receipts from non-admission revenues. The list of receipts from non-admission revenues only included revenues starting May 2020.

Due to these conditions, we were unable to conclude whether the ALPLM’s population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the ALPLM’s receipts.

Even given the population limitation noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, we performed receipts testing and noted the following:

- Twenty-seven of 60 (45%) receipts tested, totaling \$56,997, did not include any documentation to support the date the receipt was received. Therefore, timeliness of the deposit could not be determined.
- Two of 60 (3%) receipts tested, totaling \$14,514, were deposited 5 and 37 days late.
- For 18 of 60 (30%) receipts tested, totaling to \$22,259, the Receipts Deposit Transmittal (RDT) forms were sent to the Office of Comptroller between 34 to 104 days after the State Treasurer issued the Treasurer’s Draft.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation and revenues are properly recorded and accounted for to permit the preparation of reliable financial and statistical reports and to maintain accountability over the State’s resources. In addition, the State Records Act (5 ILCS 160/9) requires the ALPLM to establish and maintain a program for agency records management, which include effective controls over maintenance of records.

STATE OF ILLINOIS
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SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2021

The State Officers and Employees Money Disposition Act (30 ILCS 230/2) requires the ALPLM to keep proper books detailing an itemized account of all moneys received for or on behalf of the State of Illinois. The detail is required to include the date of receipt, the payer, purpose and amount, and the date and manner of disbursement. In addition, it requires an Agency to transmit to treasury the money received within 24 hours if the single receipt is \$10,000 or more, or within 48 hours of actual physical receipt with respect to an accumulation of receipts exceeding \$500 but less than \$10,000.

The Statewide Accounting Management System (SAMS) Manual (Procedure 25.10.30) requires the moneys received by the ALPLM in the form of checks, drafts or similar instruments be delivered to the State Treasurer for collection. The State Treasurer shall remit such collected funds to the ALPLM by Treasurer's Draft. The draft shall be remitted to the Office of Comptroller to be ordered into the appropriate fund(s). Good internal controls require deposits be processed timely to increase the balance of funds available for expenditure. We determined 30 days to be a reasonable time frame.

The ALPLM officials stated the issues noted were due to competing priorities and staff availability.

Failure to timely remit cash receipts into the applicable State Treasury fund reduces the amount of cash available to pay current obligations and represents noncompliance with State laws and regulations. In addition, failure to establish and maintain internal controls over receipts transactions, including retention of supporting documentation, increases the risk of revenue loss, theft, or other irregularities not being found within the normal course of operations. (Finding Code No. 2021-001, 2019-001)

RECOMMENDATION

We recommend the ALPLM improve controls over the receipts process to ensure complete recording and timely deposit of receipt transactions and transmittal of receipt deposit forms. Further, we recommend the ALPLM maintain accurate documentation to support receipt transactions.

ALPLM RESPONSE

Accepted. ALPLM modified its receipt log at the beginning of Fiscal Year 2022 to document the date that receipts are received. ALPLM has received approval for a receipt-deposit extension from the Treasurer and Comptroller that will allow ALPLM to make timely deposits. Finally, ALPLM has adopted a checklist of daily priorities that is designed to ensure that RDT forms are prepared and submitted timely.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2021

2021-002. **FINDING** (Property Control Weaknesses)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not maintain sufficient controls over its property and related fiscal records.

During our testing, we requested the ALPLM provide various populations related to its equipment. The ALPLM provided its detailed list of owned equipment. However, the ALPLM was unable to provide a complete and detailed population of additions for Fiscal Years 2020 and 2021. The listing of additions supporting the amounts reported as additions on the ALPLM Reports of State Property (Form C-15) submitted to the Office of Comptroller only included Capital Development Board transfers-in. Equipment purchases during the examination period which are capitalizable were not recorded as additions. As a result, we were unable to test the ALPLM’s compliance relative to equipment additions.

Due to these conditions, we were unable to conclude whether ALPLM’s population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the ALPLM’s equipment.

Even given the population limitations noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, we performed testing and noted the following:

- For 22 of 29 (76%) equipment vouchers tested, there were 86 equipment items, totaling \$374,216, not capitalized and included in the ALPLM’s property records.

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

- The annual inventory certification filed with the Department of Central Management Services (DCMS) for both Fiscal Years 2020 and 2021 were inaccurate. The ALPLM did not include all additions of equipment during the examination period.

The Code (44 Ill. Admin Code 5010.220) requires all equipment with an acquisition value greater than the nominal value and equipment that is subject to theft with a value less than that nominal value must be reported to DCMS by the holding agency. As used in this Section, “nominal value” means the value of an item is \$1,000 or less.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2021

- The Form C-15s submitted to the Office of Comptroller for Fiscal Years 2020 and 2021 were inaccurate. We noted there were no equipment additions reflected in the quarterly reports during the examination period.

The Statewide Accounting Management System (SAMS) Manual (Procedure 29.10.30) states the Office of Comptroller has determined, for purposes of quarterly State property reporting, all assets with an individual value of \$1,000 or greater must be reported. Additionally, any items with an individual value of less than \$1,000 that are highly susceptible to theft must also be reported. The Code (44 Ill. Adm. Code 5010.400) requires the ALPLM to adjust property records within 90 days of acquisition, change, or deletion of equipment items.

- We selected 25 items of equipment from the ALPLM’s detailed list of equipment and requested to physically examine the items. We noted:
 - One (4%) item (a wireless headset), with a value of \$5,995, was not found. This item has been sent to DCMS surplus but still included in the ALPLM’s property records as of June 30, 2021.
 - Two (8%) items (a light fixture and a portable speaker), with a total value of \$6,518, had a different equipment description than noted on the ALPLM’s property records.

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

- We selected 25 items of equipment from various locations within the ALPLM to verify they were included on its property control records. We noted:
 - Five (20%) items (2 speakers, an audio device, a temperature scanner, and a display stand) were not found on the ALPLM’s property records.
 - Two (8%) items (a temperature scanner and a display stand) were not included on the 2021 annual inventory report submitted to DCMS.

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

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2021

- We selected 25 items of equipment from the ALPLM’s list of deletions. We noted:
 - Seven (28%) items, with a total value of \$94,838, were not timely removed from the property records, ranging from 276 to 406 days late.
 - For four (16%) items, with a total value of \$38,082, the ALPLM failed to provide the necessary information (i.e., historical cost, purchase price, and date) to the receiving agency.
 - For one (4%) item, with a recorded value of \$1,124, the deletion was not properly supported.
 - For one (4%) item, with a recorded value of \$1,400, the ALPLM failed to provide a signed and dated deletion form, thus we were unable to test the timeliness of recording the deletion.
 - For 10 (40%) items, with a total value of \$47,632, the decreasing inventory adjustment amount per deletion form showed a difference of \$46,912 compared to the property records.
 - For three (12%) items, with a total value of \$4,109, the decreasing inventory adjustment form was not properly approved. There is no signature of CMS representative on the deletion form.

The Code (44 Ill. Adm. Code 5010.400) requires the ALPLM to adjust property records within 90 days of acquisition, change, or deletion of equipment items. The Act (30 ILCS 605/4) requires responsible officers at each State agency to be accountable for the supervision, control, and inventory of property under their jurisdiction to ensure proper accounting and safeguarding of assets.

- For one of six (17%) equipment vouchers tested, totaling \$9,925, no State Property Surplus - New Furniture Affidavit has been submitted with DCMS prior to the purchase of new furniture.

The Act (30 ILCS 605/7a) requires agencies that desire to purchase new furniture, with a purchase price of \$500 or more, to first check with the Director of DCMS if any of the surplus furniture under the Director of DCMS’ control can be used in place of new furniture. The Act further requires, if an agency finds that it is unable to use the surplus property, the agency shall file an affidavit with the Director of DCMS prior to any purchase, specifying the types of new furniture to be bought, the quantities of each type of new furniture, the cost per type, and the total cost per category. The affidavit shall also clearly state why the furniture must be purchased new as opposed to obtained from the DCMS’ surplus.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2021

The ALPLM officials stated the ALPLM has been working to address deficiencies in property control but weaknesses noted and delays in fully implementing corrective actions are due to lack of staffing and competing priorities.

Failure to exercise adequate controls over State property increases the potential for fraud and possible loss or theft of State property, is noncompliance with the Act, the Code, and SAMS, and resulted in inaccurate property reporting. (Finding Code No. 2021-002, 2019-002)

RECOMMENDATION

We recommend the ALPLM improve its controls over State property to comply with applicable laws and regulations. Specifically, the ALPLM should implement procedures to ensure all equipment transactions are recorded timely and accurately, and documentation is retained. We further recommend the ALPLM include a supervisory review process in its procedures to ensure clerical, technical, and other errors are promptly detected and corrected.

ALPLM RESPONSE

Accepted. ALPLM has used the annual physical inventory process to identify and gather details on assets missing from ALPLM's asset records, and has a plan to clean up its asset data and migrate it to the State's enterprise resource planning system to leverage processes and controls available in the system. ALPLM is in the process of identifying resources available to implement the plan.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2021

2021-003. **FINDING** (Lack of Controls over Monthly Reconciliations)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not maintain adequate controls over monthly reconciliations.

The ALPLM expended \$11.3 million and \$9.9 million from three funds in Fiscal Years 2020 and 2021, respectively. In addition, the ALPLM collected and deposited \$1.3 million and \$0.6 million into two funds in Fiscal Years 2020 and 2021, respectively.

During our testing, we noted the following:

- Monthly Appropriations Status Report (SB01) reconciliations were not performed for 29 of 34 (85%) months tested during the examination period. For 4 of 34 (12%) months tested, the date when those reconciliations were prepared were not documented, thus the auditors were unable to determine timeliness of reconciliation.
- The Object Expense/Expenditures by Quarter Report (SA02) reconciliations were not performed for each month of Fiscal Year 2020.
- Monthly Revenue Status Report (SB04) and Monthly Cash Report (SB05) reconciliations were not performed for each month of Fiscal Years 2020 and 2021.
- The Monthly Agency Contract Report (SC14 Report) and the Monthly Obligation Activity Report (SC15 Report) reconciliations were not performed in Fiscal Year 2020.
- For 16 of 17 (94%) months tested, the ALPLM did not perform either an SC14 or SC15 monthly reconciliation in Fiscal Year 2021.

The Statewide Accounting Management System (SAMS) Manual (Procedures 11.40.20, 25.40.20, 09.40.30, and 07.30.20) requires agencies to perform reconciliations of the SB01, SB04, SB05, SA02, SC14 and SC15 to its internal records within 60 days of month end to ensure the early detection and correction of errors.

The ALPLM officials stated the non-performance of the reconciliations were the result of staffing turnover and competing priorities.

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Failure to timely prepare, review, and document monthly reconciliations could lead to unresolved differences between the ALPLM and the Office of Comptroller records, inaccurate financial reporting, and undetected loss or theft. Failure to document/perform reconciliation increases the opportunity for misappropriation of State assets. (Finding Code No. 2021-003, 2019-004)

RECOMMENDATION

We recommend the ALPLM ensure appropriation, expenditures, cash receipt, cash balance, and contracts reconciliations are prepared timely as required by the SAMS Manual.

ALPLM RESPONSE

Accepted. ALPLM has instituted an online tracking and notification system to provide reminders to responsible staff when it is time to perform reporting activities, including monthly reconciliations.

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2021-004. **FINDING** (Inadequate Controls over Reporting Requirements)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not file statutorily required reports and submissions.

During our testing, we noted the following:

- The ALPLM did not provide and deposit with the State Library copies of annual reports for Fiscal Years 2019 and 2020.

The State Library Act (15 ILCS 320/21(a)) requires ALPLM to provide and deposit with the Illinois State Library sufficient copies of all publications issued by such State agencies for its collection and for exchange purposes. In addition, the Illinois Administrative Code (Code) (23 Ill. Admin. Code 3020.100) defines “Publications” as all formats of media, including microforms, recordings, and other printed material paid for in whole or in part by funds appropriated by the General Assembly or issued at the request of a State agency, excepting however, correspondence, interoffice memoranda, and confidential publications.

- The ALPLM did not inform the Government Documents Section of the State Library in writing of the person responsible for the distribution of publications annually and within two weeks after any changes to the annual filing.

The Code (23 Ill. Admin. Code 3020.150) requires the ALPLM, by July 15 of each year, to inform the Government Documents Section in writing of the person, persons, or positions responsible for distribution of publications of that agency. The Code states the Government Documents Section shall be notified within two weeks after any changes to the annual filing.

- The Public Accountability Report Program and Indicator Worksheets for Fiscal Years 2020 and 2021 were submitted to the Office of Comptroller 10 and 20 days late, respectively.

The Statewide Accounting Management System (SAMS) Manual (Procedure 33.20.20) requires the ALPLM 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.

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- Four of 24 (17%) monthly Debt Transparency Act Reports were not submitted by the ALPLM to the Office of Comptroller. In addition, one of 24 (4%) monthly Debt Transparency Act Reports were submitted 31 days late.

The State Finance Act (30 ILCS 105/9.08) requires the ALPLM to provide a report to the Office of Comptroller identifying: (i) current State liabilities held at the agency, by fund source; (ii) whether the liabilities are appropriated; and (iii) an estimate of interest penalties accrued under the State Prompt Payment Act under criteria prescribed by the State Comptroller. The State Finance Act further requires the report be provided monthly in a time and form prescribed by the Office of Comptroller in which the Office of Comptroller may provide a waiver to the monthly reporting requirement if a State agency does not have State liabilities. In addition, the SAMS Manual (Procedure 33.17.20) states Debt Transparency Act reports are due on the 10th calendar day of each month.

- The annual reports for Fiscal Years 2019 and 2020 were submitted to the General Assembly and Governor's Office 38 and 9 days late, respectively.

The State Finance Act (30 ILCS 105/3) requires the ALPLM, at least 10 days preceding each regular session of the General Assembly, to make and deliver to the Governor an annual report of their 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 ALPLM did not submit an annual certification to the Office of the Auditor General for Fiscal Year 2020.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3003) requires the ALPLM's Executive Director, based on evaluation of the ALPLM's internal controls performed in accordance with guidelines established by the Comptroller in consultation with the Director of the Department of Central Management Services (DCMS), to prepare and transmit an annual certification by May 1 to the Office of the Auditor General, if the ALPLM's systems either comply or do not fully comply with the Fiscal Control and Internal Auditing.

- The ALPLM has one petty cash fund of \$1,000; however, it did not submit a Petty Cash Fund Usage Report (Form C-18) for calendar year 2019. In addition, the Form C-18 for calendar year 2020 was filed 295 days late.

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The SAMS Manual (Procedure 09.10.40) requires the ALPLM to complete a Form C-18 for each petty cash fund exceeding \$100 and it should be filed with the Office of Comptroller no later than January 31 for the preceding calendar year.

- The Fiscal Year 2021 Annual Real Property Utilization Report was filed 16 days late.

The State Finance Act (30 ILCS 605/7.1) requires an Annual Real Property Utilization Report, or annual update of such report, on forms required by DCMS, to be submitted to DCMS by July 31 of each year.

- The Fiscal Year 2021 Agency Fee Imposition Report was filed 16 days late.

The SAMS Manual (Procedure 33.16.20) requires the ALPLM to submit the Agency Fee Imposition Report to the Office of Comptroller by August 1 of each year.

The ALPLM officials indicated the exceptions were the result of competing priorities and staffing limitations, significant turnover among fiscal staff, disruptions from the COVID-19 pandemic which resulted in multiple periods of switching to remote work, and the ALPLM being unaware of some specific reporting requirements and related deadlines.

Failure to submit statutorily required reports and information prevents the appropriate oversight authorities from receiving relevant feedback and monitoring on programs and can have an effect on future decisions. Moreover, failure to submit such reports and accurate information represents noncompliance with applicable State laws and regulations. (Finding Code No. 2021-004)

RECOMMENDATION

We recommend the ALPLM strengthen its internal controls over reporting to ensure statutorily required reports are completed accurately and submitted timely as required by State laws.

ALPLM RESPONSE

Accepted. ALPLM has instituted an online tracking and notification system to provide reminders to responsible staff when it is time to perform reporting activities.

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2021-005. **FINDING** (Inadequate Controls over Personal Services)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not maintain adequate controls over employee performance evaluations and reporting.

- During testing of performance evaluations for 9 employees, we noted 13 of 15 (87%) performance evaluations for the period tested were not completed timely. The employee evaluations were completed between 1 and 484 days late.

The Code (80 Ill. Admin. Code 302.270) requires an evaluation of employee performance be prepared by the ALPLM not less often than annually, or in the case of an employee serving a six month probationary period, the ALPLM is required to prepare and submit two evaluations, one at the end of the third month of the employee’s probationary period and another 15 days before the conclusion thereof. In addition, prudent business practices require employee performance evaluations to be performed to communicate to employees the strengths and deficiencies in meeting their job responsibilities. In addition, the ALPLM’s Employee Handbook, Section 5, requires certified employees to be evaluated annually on their performance review date.

- During testing of the Agency Workforce Reports, we noted:
 - The data and statistical percentages for 5 of 16 (31%) employee category groups presented in the Fiscal Year 2019 report did not agree with supporting documentation.
 - The data and statistical percentages for 14 of 16 (88%) employee category group presented in the Fiscal Year 2020 report did not agree with supporting documentation.

The State Employment Records Act (5 ILCS 410 et seq.) requires State agencies to develop a comprehensive procedure to collect, classify, maintain, and publish, for State and public use, information providing the General Assembly and the People of the State with adequate information of the number of minorities, women, and physically disabled persons employed by State government within the State work force.

The ALPLM officials stated exceptions on Agency Workforce Reports were due to oversight. Further, the ALPLM officials stated while it has implemented a “tickler system” to inform supervisors when evaluations are due, the inconsistent nature of working from home and challenges of operating without a full-time Human Resources Director for 20 months during the examination period, supervisors were not consistently followed-up with to obtain the completed evaluations.

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Employee performance evaluations are a systematic and uniform approach for the development of employees and communication of performance expectations to employees. Employee performance evaluations serve as a foundation and documentation for salary adjustments, promotions, demotions, discharges, layoff, recall, or reinstatement decisions. Without timely completion of an employee performance evaluation, the employee would not be provided with formal feedback or assessment of his or her performance, and areas for improvement and current year's performance goals and objectives may not be identified and communicated in a timely manner.

Filing an inaccurate Agency Workforce Report is noncompliance with the State Employment Records Act and prevents the fulfillment of the purpose of the State Employment Records Act, which is to provide information to help guide efforts to achieve a more diversified State work force. (Finding Code No. 2021-005)

RECOMMENDATION

We recommend the ALPLM strengthen its controls over personal services to ensure performance evaluations are completed timely and Agency Workforce Reports are prepared accurately. In addition, we recommend the ALPLM submit revised Agency Workforce Reports.

ALPLM RESPONSE

Accepted. ALPLM was without any dedicated human resources staff through most of the audit period. ALPLM has hired a human resources director and is in the process of filling a staff position. Having dedicated human resources staff will allow us to track and follow up on employee performance evaluations and double-check Agency Workforce Reports for accuracy.

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2021-006. **FINDING** (Noncompliance with Grant Agreement)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not fully comply with the provisions of the grant agreement under its purview during the examination period.

The ALPLM entered into a grant agreement with the Illinois Office of the Secretary of State for the purpose of creation of the Stevenson Room exhibit to teach about the important role of the Stevenson family in Illinois and American History. The ALPLM was awarded a total amount of \$265,075. During our testing, we noted the following:

- Two of 4 (50%) required quarterly financial reports and program progress reports were not submitted. These were for the quarters ended September 30, 2019 and December 31, 2019.
- One of 4 (25%) quarterly financial reports and program progress reports was submitted 63 days late. This was for the quarter ended March 31, 2020.
- The remaining unused funds, totaling \$20,875, at the end of the grant term were not returned to the Illinois Office of the Secretary of State as required.

Article 14 of the Stevenson Grant Agreement (Agreement) requires the ALPLM to submit quarterly financial reports and program progress reports to the Illinois Office of the Secretary of State, no later than 15 days following the end of every quarter during the term of the Agreement. Further, Article 15 of the Agreement states it is subject to the terms of the Illinois Grant Funds Recovery Act (Act) (30 ILCS 705/1 et seq.) and all funds remaining at the end of the Agreement shall be returned to the Illinois Office of the Secretary of State within 45 days.

The ALPLM officials indicated the non-submission and late submission of quarterly reports were due to oversight. Further, the ALPLM officials stated funds not returned was the result of a misunderstanding between different divisions within the ALPLM and the Illinois Office of the Secretary of State.

Failure to submit required financial and progress reports limits transparency on the usage of the funds and represents noncompliance with the terms of the grant agreement. Failure to return unused funds is noncompliance with the Act. (Finding Code No. 2021-006)

RECOMMENDATION

We recommend ALPLM strengthen its controls over the monitoring of its grant agreement requirements to ensure the requirements are adhered to. We also recommend the ALPLM return unused grant funds as required.

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ALPLM RESPONSE

Accepted. ALPLM is in the process of establishing a development department to manage and facilitate grant-related processes, including ensuring that applicable grant requirements are monitored and followed.

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2021-007. **FINDING** (Inadequate Controls over Voucher Processing)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not maintain adequate controls over voucher processing.

During our examination, we tested 74 vouchers for expenditures, totaling \$5,255,507, and noted the following:

- 29 of 74 (39%) vouchers tested, totaling \$653,374, were approved more than 30 days after receipt of a proper bill. These vouchers were approved for payment between 3 to 330 days late.

The Illinois Administrative Code (74 Ill. Admin. Code 900.70(b)) requires the ALPLM to approve proper bills or deny bills with defects, in whole or in part, within 30 days after receipt.

- For four of 74 (5%) vouchers tested, totaling \$269,013, the detailed expenditure object code per the ALPLM's records did not match with the Office of Comptroller's record.

The Statewide Accounting and Management System (SAMS) Manual (Procedure 11.10.60) requires the ALPLM, when preparing documentation for the State Comptroller to pay an invoice, to determine which detail expenditure (object) code to use so that the Office of Comptroller can report expenditure information at a refined level. Those codes are found and defined in Chapter 11 of the SAMS Manual.

- One of 74 (1%) vouchers tested, totaling \$20,863, was paid more than 90 days after receipt of a proper bill. The ALPLM failed to process an additional voucher to pay the vendor required interest totaling \$188.

The State Prompt Payment Act (30 ILCS 540/3-2) requires the ALPLM to automatically pay interest penalties amounting to \$50 or more to the appropriate vendor.

- For one of five (20%) travel vouchers tested, totaling \$199, the top third of the travel voucher pertaining to the appropriation code was not properly completed.

The SAMS Manual (Procedure 17.20.10) requires for Box 5 of Travel Vouchers (Form C-10), the information to be entered by the agency should be the 16-digit appropriation (or non-appropriated) account code number.

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- For one (100%) printing voucher tested, totaling \$8,645, the published item did not have the information printed on the material as required by the Illinois Procurement Code (Code).

The Code (30 ILCS 500/20-105) states all books, pamphlets, documents, and reports published through or by the State of Illinois or any State agency, board, or commission shall have printed thereon “Printed by authority of the State of Illinois”, the date of each publication, the number of copies printed, and the printing order number. Each using agency shall be responsible for ascertaining the compliance of printing materials procured by or for it with this Section.

The ALPLM officials stated the exceptions were due to staff turnover and shortage involved in processing and approving invoices, competing priorities, and significant disruption in processing of invoices caused by the COVID-19 pandemic.

Failure to maintain adequate controls over voucher processing, which includes reviewing the vouchers for accuracy and ensuring timeliness of processing vouchers, increases the risk of errors or irregularities could occur that would not be identified by employees performing their functions in the normal course of business. Further, failure to include the required information on printed materials is noncompliance with the Code. (Finding Code No. 2021-007, 2019-013)

RECOMMENDATION

We recommend the ALPLM improve its procedures to ensure all vouchers are timely approved and processed for payment. In addition, we also recommend the ALPLM to ensure proper prompt payment interest is paid when required, detailed object code per records agree with the Office of Comptroller’s records, travel vouchers are appropriately completed, and published items have the required information per the Code.

ALPLM RESPONSE

Accepted. The ALPLM has implemented processes and training to Fiscal employees on proper voucher processing, which includes date stamping each invoice upon receipt of a proper invoice, a user friendly and searchable detail object code spreadsheet, and processing timely. ALPLM has included prompt pay interest processing in its schedule of deadlines to ensure prompt pay interest is paid in accordance with the State Prompt Payment Act.

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2021-008. **FINDING** (Failure to Develop a Formal Fraud Risk Assessment Program)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not develop a formal, adequate fraud risk assessment program.

The ALPLM managed expenditures of \$11.3 million and \$11.1 million in Fiscal Years 2020 and 2021, respectively. The ALPLM relied on current internal controls to identify and mitigate significant fraud risks. However, the ALPLM did not establish a formal, comprehensive, written risk assessment policy to assess specific risks associated with fraud during the examination period.

The Fiscal Control and Internal Auditing Act (Act) (30 ILCS 10/3001) requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that: (1) resources are utilized efficiently, effectively, and in compliance with applicable law; (2) obligations and costs are in compliance with applicable law; (3) funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation. Additionally, it is management’s responsibility to identify and mitigate significant fraud risks. Therefore, agencies should implement a formal, written policy regarding the evaluation of fraud risk and a system of controls designed to prevent and detect significant risks, including potential fraudulent activity within its organization. Preparing a written policy will serve to document the ALPLM’s awareness and responsibility for fraud risk identification and mitigation, as well as specific activities necessary to address significant specific fraud risk factors.

The ALPLM officials stated the development of a formal Fraud Risk Assessment Program had been started during the examination period but was not completed due to competing priorities.

Without an adequate program to identify and address fraud risks specific to the ALPLM, certain risks of fraud may go undetected and could result in misstatements in the ALPLM’s financial reporting, misappropriation of assets, or significant reputational damage. (Finding Code No. 2021-008, 2019-007)

RECOMMENDATION

We recommend the ALPLM establish an ongoing fraud risk assessment program. We specifically recommend the ALPLM implement a formal written policy regarding the evaluation of fraud risk and a system of controls to help prevent and detect significant risks of fraudulent activity within its organization. The ALPLM should ensure the risk assessment program includes evaluating whether appropriate internal controls have been implemented in any areas identified as posing a higher risk of fraudulent activity. In addition, the ALPLM’s executive staff should

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evaluate management's identification of significant fraud risks and the implementation of fraud risk preventions measures.

ALPLM RESPONSE

Accepted. ALPLM has implemented a policy for such a program and completed its first annual risk assessment in Fiscal Year 2022 in accordance with the policy.

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2021-009. **FINDING** (Inadequate Controls over Investment of Public Funds)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not exercise adequate controls over its investment of public funds activities.

The ALPLM maintained a locally held fund (Hostick Fund) which included cash and investments related to estate proceeds. As of June 30, 2020 and June 30, 2021, the Hostick Fund had a balance of \$2,901,069 and \$3,580,149, respectively.

As of June 30, 2021, we noted the ALPLM had a draft investment policy related to the investment of funds received for the Hostick Fund but was not yet approved by the ALPLM Board of Trustees. By default, the Hostick Fund was subject to the State Agency Investment Policy for Investments Not Under the Control of the Illinois State Treasurer’s Office (State Agency Investment Policy) developed by the Illinois State Treasurer’s Office (Treasurer). We noted the ALPLM was not in compliance with the State Agency Investment Policy as follows:

- The ALPLM was unable to provide a contract between the ALPLM and the investment management firm to support the agreement on the rights, duties, and accountability of the parties involved.
- The investment management firm utilized by the ALPLM was not listed as an approved broker by the Treasurer.
- The ALPLM posted investment related information to its website. However, the name of the ALPLM’s approved broker was missing in the posted information.

Section 1.0 of the State Agency Investment Policy states the policy applies to any State agency investment not under the control of the Treasurer for which no other specific investment policy exists. Section 4.0 of the State Agency Investment Policy limits investment broker/dealers with which State agencies may do business to those approved by the Treasurer. Section 8.0 of the State Agency Investment Policy requires financial institutions selected by the State agency to perform custody and safekeeping services will be required to enter into a contractual agreement approved by the State agency’s General Counsel.

The Accountability for the Investment of Public Funds Act (Act) (30 ILCS 237/10) requires State agencies with authority to invest public funds, to report by the 15th of each month on the Internet, investment information to include, but not limited to, the ALPLM’s approved broker.

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The ALPLM officials stated the issues noted were due to competing priorities in getting the new ALPLM investment policy developed and approved, and staff error in excluding the name of ALPLM’s approved broker on the website when the web page was reformatted.

Failure to comply with the State Agency Investment Policy could result in loss of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by authorized investment officers. Failure to comply with the Act’s provisions for public posting of investment information limits transparency related to the investment of public money by the State. (Finding Code No. 2021-009, 2019-008)

RECOMMENDATION

We recommend the ALPLM continue to develop an investment policy related to the Hostick Fund. In addition, we recommend the ALPLM comply with the requirements of the Act by posting the required information on its website, to include the ALPLM’s approved broker.

ALPLM RESPONSE

Accepted. ALPLM’s Board of Trustees approved a new investment policy on 7/21/2021 and has updated its website and internal procedures to ensure that required information is posted to the ALPLM website.

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2021-010. **FINDING** (Contracts Not Filed Timely)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not file its contracts timely.

During our review of three contractual agreements, we noted two of three (67%) contracts, totaling \$70,246, were filed with the Office of Comptroller 11 and 66 days late. No late filing affidavits were filed.

The Illinois Procurement Code (Code) (30 ILCS 500/20-80(b)) requires, when a grant or contract liability (except contracts paid from personal services and contracts between the State and its employees to defer compensation) exceeding \$20,000 is incurred by any State agency, a copy of the contract should be filed with the Office of Comptroller within 30 calendar days thereafter. Further, the Code (30 ILCS 500/20-80(c)) requires, when a contract has not been filed within 30 calendar days of execution, the agency should file with the Comptroller, an affidavit, signed by the chief executive officer of the agency, setting forth an explanation of why the contract liability was not filed within the required due date.

The ALPLM officials stated the exceptions noted were due to competing priorities and staff turnover.

Failure to timely file contracts and late filing affidavit with the Office of Comptroller is noncompliance with the Code. (Finding Code No. 2021-010, 2019-009)

RECOMMENDATION

We recommend the ALPLM implement procedures to ensure contracts are in compliance with the Illinois Procurement Code.

ALPLM RESPONSE

Accepted. ALPLM has modified its processes and checklist of priorities to ensure that contracts are filed timely with the Comptroller.

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2021-011. **FINDING** (Lack of Disaster Recovery Plan Testing)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not have a formal disaster contingency plan and had not performed a comprehensive disaster recovery testing.

The ALPLM carries out its daily operations using applications such as Mimsy and Events Management System. Mimsy tracks the artifacts maintained and the Event Management System tracks the various events held. During our review, we noted the ALPLM had not developed a disaster recovery plan for recovery of their applications and had not conducted a comprehensive disaster recovery test of its applications during the examination period.

The *Contingency Planning Guide for Information Technology Systems* published by the National Institute of Standards and Technology requires entities to develop and regularly test their disaster contingency plan to ensure the timely recovery of applications and data.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies 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.

ALPLM officials disagree with the finding.

Failure to have an adequately tested contingency plans leaves ALPLM exposed to the potential of failing to recover applications and data within an acceptable timeframe. (Finding Code No. 2021-011)

RECOMMENDATION

We recommend the ALPLM develop and conduct a comprehensive disaster recovery test of its applications.

ALPLM RESPONSE

Accepted. While ALPLM believes that this finding is improperly directed to ALPLM because responsibility for it lies with the Department of Innovation and Technology (DoIT) per statute, we accept the finding that disaster recovery plan testing was not performed during the audit period. ALPLM will continue to work with DoIT and encourage them to conduct appropriate disaster recovery plan testing.

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ACCOUNTANT’S COMMENT

It is very concerning ALPLM does not believe it has responsibility to ensure the means are available to recover applications utilized in its daily activities. Further, the State of Illinois, Department of Innovation and Technology, Enterprise Information Security Policy, Contingency Planning Policy (Policy), states the agency, along with DoIT, is responsible for the development of contingency plans and training of personnel in their roles and responsibilities. Lastly, the Policy states the contingency plans **must be tested by the agency** with the assistance of DoIT’s resources on a defined frequency to determine the plan’s effectiveness and **the agency’s readiness** to execute the plan.

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2021-012. **FINDING** (Weaknesses in Cybersecurity Programs and Practices)

The Abraham Lincoln Presidential Library and Museum (ALPLM) had not implemented adequate internal controls related to cybersecurity programs, practices, and control of confidential information.

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 the examination of the ALPLM's cybersecurity program, practices, and control of confidential information, we noted the ALPLM had not:

- developed a formal, comprehensive, adequate, and communicated security program (policies, procedures, and processes as well as clearly defined responsibilities over the security of computer programs and data) to manage and monitor the regulatory, legal, environmental, and operational requirements.
- established cybersecurity roles and responsibilities.
- performed a comprehensive risk assessment to identify and ensure adequate protection of information (i.e. confidential, or personal information) most susceptible to attack.
- developed a data classification policy, classified its data, and ensured adequate protection of their data.

In addition, the ALPLM did not ensure cybersecurity awareness training was completed. We noted 3 of 84 (4%) employees did not complete the confidentiality and cybersecurity training for Calendar Year 2020.

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 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 ALPLM 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 Data Security on State Computers Act (20 ILCS 450/25) requires every employee to annually undergo training by the Department of Innovation and Technology (DoIT) concerning cybersecurity.

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The ALPLM officials disagree with the finding.

The lack of adequate cybersecurity programs and practices could result in unidentified risk and vulnerabilities, which could ultimately lead to the ALPLM's confidential and personal information being susceptible to cyber-attacks and unauthorized disclosure. (Finding Code No. 2021-012)

RECOMMENDATION

We recommend the ALPLM:

- Develop a formal, comprehensive, adequate, and communicate security program (policies, procedures, and processes as well as clearly defined responsibilities over the security of computer programs and data) to manage and monitor the regulatory, legal, environmental, and operational requirements.
- Establish cybersecurity roles and responsibilities.
- Perform a comprehensive risk assessment to identify and ensure adequate protection of information.
- Develop a data classification policy, classify its data, and ensure adequate protection of their data.
- Ensure all staff complete the confidentiality and cybersecurity training.

ALPLM RESPONSE

Accepted. While ALPLM believes that this finding is improperly directed to ALPLM because responsibility for it lies with the Department of Innovation and Technology (DoIT) per statute, we accept the finding that these deficiencies existed during the audit period. ALPLM will continue to work with DoIT and encourage them to enact appropriate controls relative to the finding.

ACCOUNTANT'S COMMENT

It is concerning ALPLM does not believe they have responsibility over the security of their applications and data. In fact, DoIT's various security policies state the agencies must establish procedures in order to achieve policy compliance. Further, the Department of Innovation and Technology, Enterprise Information Security Policy, Risk Assessment, states the agency is to assist in conducting risk assessments, review the risk assessments and ensure remediation is timely conducted.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF FINDINGS – PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2021

A. **FINDING** (Noncompliance with ALPLM Collections Policy)

During the prior examination, the Abraham Lincoln Presidential Library and Museum (ALPLM) did not comply with its Museum Collection Policy relating to written loan requests and requirements.

During the current examination, the ALPLM updated its Collections and Care Policies and our sample testing showed ALPLM complied with its Policy. (Finding Code No. 2019-003)

B. **FINDING** (Lack of Adequate Records Management Program)

During the prior examination, the ALPLM failed to maintain an adequate records management program.

During the current examination, the ALPLM's Records Retention Schedule was approved by the State Records Commission. (Finding Code No. 2019-005)

C. **FINDING** (Inadequate Controls over Employee Evaluations)

During the prior examination, the ALPLM did not perform employee performance evaluations in a timely manner.

During the current examination, our sample testing indicated issues on employee performance evaluations persisted. As such, these issues will be reported as part of Finding 2021-005 within the ALPLM's *State Compliance Examination Report*. (Finding Code No. 2019-006)

D. **FINDING** (Noncompliance with Fiscal Control and Internal Auditing Act)

During the prior examination, the ALPLM did not timely file its annual internal control certification with the Office of the Auditor General.

During the current examination, our testing showed the issue on filing the annual internal control certification still persisted. As such, this issue will be reported as part of Finding 2021-004 within the ALPLM's *State Compliance Examination Report*. (Finding Code No. 2019-010)

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF FINDINGS – PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2021

E. **FINDING** (Inadequate Controls over Cash On-hand)

During the prior examination, the ALPLM did not establish a process to determine cash on-hand was reported to the Office of Comptroller.

During the current examination, our testing showed the ALPLM reported all cash on-hand to the Office of Comptroller. (Finding Code No. 2019-011)

F. **FINDING** (Inadequate Controls over Receivables)

During the prior examination, the ALPLM had inadequate controls over receivables and did not report all receivables to the Office of Comptroller.

During the current examination, our testing showed the ALPLM maintained adequate controls over receivables and reported all its receivables to the Office of Comptroller. (Finding Code No. 2019-012)

G. **FINDING** (Inadequate Controls over Locally Held Fund Reporting)

During the prior examination, the ALPLM did not have adequate controls over its locally held fund reporting.

During the current examination, our testing showed the ALPLM maintained adequate controls over its locally held fund. (Finding Code No. 2019-014)

H. **FINDING** (Weaknesses with Payment Card Industry Data Security Standards)

During the prior examination, the ALPLM had not completed all requirements to demonstrate full compliance with the Payment Card Industry Data Security Standards (PCI DSS).

During the current examination, our testing documented the ALPLM complied with the PCI DSS requirements. (Finding Code No. 2019-015)

**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
DISCLOSURES ACCOMPANYING A STATE COMPLIANCE EXAMINATION REPORT
For the Two Years Ended June 30, 2021**

DISCLOSURES REPORT

SUMMARY

A reading of the accompanying report components of the Abraham Lincoln Presidential Library and Museum (ALPLM) was performed by Adelfia LLC.

ACCOUNTANT'S REPORT

The accountants concluded omissions and uncorrected material misstatements of the other information exist, as described in the Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report.

EXIT CONFERENCE

The ALPLM waived an exit conference in a correspondence from Melissa Coultas, Chief of Staff, on April 26, 2022.



INDEPENDENT ACCOUNTANT’S REPORT
ON DISCLOSURES ACCOMPANYING A STATE COMPLIANCE
EXAMINATION REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Trustees
State of Illinois, Abraham Lincoln Presidential Library and Museum

Disclosures Accompanying a State Compliance Examination Report

Management of the State of Illinois, Abraham Lincoln Presidential Library and Museum (ALPLM) is responsible for the *Disclosures Accompanying a State Compliance Examination Report* (other information), which consists of the Fiscal Schedules and Analysis and Analysis of Operations report components as listed in the Table of Contents. The other information comprises disclosures which must be presented by management in accordance with *Report Components* memorandum published by the Auditor General of the State of Illinois, but does not include our *Independent Accountant’s Report on State Compliance and on Internal Control over Compliance* found in the separate *State Compliance Examination Report* included within this document. Our opinion on the ALPLM’s State compliance and internal control over compliance does not cover this other information, and we do not express an opinion or any form of assurance thereon.

In connection with our examination of the ALPLM, our responsibility is to read the other information and consider whether:

- 1) a material inconsistency exists between the other information and our knowledge and facts of the ALPLM we obtained as part of the ALPLM’s State compliance examination;
- 2) the other information appears to have been omitted; or,
- 3) the other information appears to be materially misstated.

If, based on the work performed, we concluded an omission or uncorrected material misstatement of the other information exists, we are required to describe it in this report. As described below, we have concluded other information was omitted and uncorrected material misstatements of the other information exists.

- 1) The ALPLM management was unable to provide a complete and detailed population of receipts from non-admission revenues for Fiscal Year 2020, thus we were unable to conclude the ALPLM's *Comparative Schedule of Cash Receipts and Deposits into the State Treasury* was complete and appropriately reported.
- 2) We have significant doubts about whether the ALPLM's *Schedule of Changes in Property* was complete and appropriately disclosed due to the inability of the ALPLM management to provide a complete and detailed population of additions for Fiscal Years 2020 and 2021.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
May 4, 2022

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
 Expenditure Authority For Fiscal Year 2021

(IN THOUSANDS)

For the Sixteen Months Ended October 31, 2021

Public Act 101-0637	Expenditure Authority (Net of Transfers)	Expenditures Through June 30, 2021	Lapse Period Expenditures July 1 to October 31, 2021	Total Expenditures 16 Months Ended October 31, 2021	Balances Reappropriated July 1, 2022	Balances Lapsed October 31, 2021
<u>FISCAL YEAR 2021</u>						
<u>APPROPRIATED FUNDS</u>						
General Revenue Fund - 001						
Lump sums and other purposes - ordinary and contingent expenses	\$ 7,624	\$ 6,295	\$ 934	\$ 7,229	\$ -	\$ 395
Subtotal, Fund 001	<u>\$ 7,624</u>	<u>\$ 6,295</u>	<u>\$ 934</u>	<u>\$ 7,229</u>	<u>\$ -</u>	<u>\$ 395</u>
Tourism Promotion Fund - 763						
Lump sums and other purposes - ordinary and contingent expenses	\$ 3,600	\$ 1,920	\$ 1,257	\$ 3,177	\$ -	\$ 423
Subtotal, Fund 763	<u>\$ 3,600</u>	<u>\$ 1,920</u>	<u>\$ 1,257</u>	<u>\$ 3,177</u>	<u>\$ -</u>	<u>\$ 423</u>

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
 Expenditure Authority For Fiscal Year 2021

(IN THOUSANDS)

For the Sixteen Months Ended October 31, 2021

Public Act 101-0637	Expenditure Authority (Net of Transfers)	Expenditures Through June 30, 2021	Lapse Period Expenditures July 1 to October 31, 2021	Total Expenditures 16 Months Ended October 31, 2021	Balances Reappropriated July 1, 2022	Balances Lapsed October 31, 2021
FISCAL YEAR 2021						
Presidential Library and Museum Operating Fund - 776						
Lump sums and other purposes - ordinary and contingent expenses	\$ 2,500	\$ 370	\$ 315	\$ 685	\$ -	\$ 1,815
Lump sums and other purposes - ordinary and contingent expenses	\$ 150	\$ -	\$ -	\$ -	\$ 150	\$ -
Subtotal, Fund 776	<u>\$ 2,650</u>	<u>\$ 370</u>	<u>\$ 315</u>	<u>\$ 685</u>	<u>\$ 150</u>	<u>\$ 1,815</u>
Subtotal - Appropriated Funds	<u>\$ 13,874</u>	<u>\$ 8,585</u>	<u>\$ 2,506</u>	<u>\$ 11,091</u>	<u>\$ 150</u>	<u>\$ 2,633</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 13,874</u>	<u>\$ 8,585</u>	<u>\$ 2,506</u>	<u>\$ 11,091</u>	<u>\$ 150</u>	<u>\$ 2,633</u>

Note 1: Expenditure authority, appropriations, expenditures, reappropriations, and lapsed balances were obtained from the Agency's records and have been reconciled to the State Comptroller's records as of October 31, 2021.

Note 2: Expenditure amounts are vouchers approved for payment by the Agency and submitted to the State Comptroller for payment to the vendor.

Note 3: The sum of \$150,000 is reappropriated to the ALPLM Presidential Library and Museum Operating Fund pursuant to Public Act 102-0017.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Expenditure Authority For Fiscal Year 2020

(IN THOUSANDS)

For the Sixteen Months Ended October 31, 2020

Public Act 101-0007	Expenditure Authority (Net of Transfers)	Expenditures Through June 30, 2020	Lapse Period Expenditures July 1 to October 31, 2020	Total Expenditures 16 Months Ended October 31, 2020	Balances Lapsed October 31, 2020
<u>FISCAL YEAR 2020</u>					
<u>APPROPRIATED FUNDS</u>					
General Revenue Fund - 001					
Lump sums and other purposes -					
44 ordinary and contingent expenses	\$ 7,624	\$ 6,678	\$ 741	\$ 7,419	\$ 205
Subtotal, Fund 001	<u>\$ 7,624</u>	<u>\$ 6,678</u>	<u>\$ 741</u>	<u>\$ 7,419</u>	<u>\$ 205</u>
Tourism Promotion Fund - 763					
Lump sums and other purposes -					
ordinary and contingent expenses	\$ 3,600	\$ 2,503	\$ 545	\$ 3,048	\$ 552
Subtotal, Fund 763	<u>\$ 3,600</u>	<u>\$ 2,503</u>	<u>\$ 545</u>	<u>\$ 3,048</u>	<u>\$ 552</u>
Presidential Library and Museum Operating Fund - 776					
Lump sums and other purposes -					
ordinary and contingent expenses	\$ 2,500	\$ 273	\$ 520	\$ 793	\$ 1,707
Subtotal, Fund 776	<u>\$ 2,500</u>	<u>\$ 273</u>	<u>\$ 520</u>	<u>\$ 793</u>	<u>\$ 1,707</u>

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
 Expenditure Authority For Fiscal Year 2020

(IN THOUSANDS)

For the Sixteen Months Ended October 31, 2020

Public Act 101-0007	Expenditure Authority (Net of Transfers)	Expenditures Through June 30, 2020	Lapse Period Expenditures July 1 to October 31, 2020	Total Expenditures 16 Months Ended October 31, 2020	Balances Lapsed October 31, 2020
<u>FISCAL YEAR 2020</u>					
Subtotal - Appropriated Funds	\$ 13,724	\$ 9,454	\$ 1,806	\$ 11,260	\$ 2,464
GRAND TOTAL - ALL FUNDS	<u>\$ 13,724</u>	<u>\$ 9,454</u>	<u>\$ 1,806</u>	<u>\$ 11,260</u>	<u>\$ 2,464</u>

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the Agency's records and have been reconciled to the State Comptroller's records as of October 31, 2020.

Note 2: Expenditure amounts are vouchers approved for payment by the Agency and submitted to the State Comptroller for payment to the vendor.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**

(IN THOUSANDS)

For the Fiscal Year Ended June 30,

	2021	2020	2019
<u>APPROPRIATED FUNDS</u>			
General Revenue Fund - 001			
Expenditure Authority	\$ 7,624	\$ 7,624	\$ 7,044
Expenditures:			
Lump sums and other purposes - ordinary and contingent expenses	\$ 7,229	\$ 7,419	\$ 6,898
Lump sums and other purposes - unpaid wages	-	-	144
Total Expenditures	\$ 7,229	\$ 7,419	\$ 7,042
Balances Lapsed	\$ 395	\$ 205	\$ 2
Tourism Promotion Fund - 763			
Expenditure Authority	\$ 3,600	\$ 3,600	\$ 2,500
Expenditures:			
Lump sums and other purposes - ordinary and contingent expenses	\$ 3,177	\$ 3,048	\$ 2,477
Total Expenditures	\$ 3,177	\$ 3,048	\$ 2,477
Balances Lapsed	\$ 423	\$ 552	\$ 23

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

(IN THOUSANDS)

For the Fiscal Year Ended June 30,

	2021	2020	2019
Presidential Library and Museum Operating Fund - 776			
Expenditure Authority	\$ 2,650	\$ 2,500	\$ 2,500
Expenditures:			
Lump sums and other purposes - ordinary and contingent expenses	\$ 685	\$ 793	\$ 986
Total Expenditures	\$ 685	\$ 793	\$ 986
Balances Reappropriated	\$ 150	\$ -	\$ -
Balances Lapsed	\$ 1,815	\$ 1,707	\$ 1,514
<u>TOTAL APPROPRIATED FUNDS</u>			
Expenditure Authority	\$ 13,874	\$ 13,724	\$ 12,044
Expenditures	\$ 11,091	\$ 11,260	\$ 10,505
Balances Reappropriated	\$ 150	\$ -	\$ -
Balances Lapsed	\$ 2,633	\$ 2,464	\$ 1,539

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**

(IN THOUSANDS)

For the Fiscal Year Ended June 30,

2021	2020	2019
------	------	------

- Note 1: Expenditure authority, appropriations, expenditures, reappropriations, and lapsed balances were obtained from the Agency’s records and have been reconciled to the State Comptroller’s records as of October 31, 2021 and October 31, 2020.
- Note 2: Expenditure amounts are vouchers approved for payment by the Agency and submitted to the State Comptroller for payment to the vendor.
- Note 3: The Agency received appropriations during Fiscal Year 2021 from Public Act 101-0637. In addition, the Agency received appropriations during Fiscal Year 2020 from Public Act 101-0007.

As further described in the *Independent Accountant’s Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
COMPARATIVE SCHEDULE OF NET EXPENDITURES
BY MAJOR ACTIVITY**

(IN THOUSANDS)

For the Fiscal Year Ended June 30,

	2021	2020	2019
<u>EXPENDITURE STATISTICS</u>			
All State Treasury Funds			
Total Operations Expenditures:	\$ 11,059	\$ 11,153	\$ 10,476
Percentage of Total Expenditures:	100%	99%	100%
Personal Services	6,199	6,236	5,877
Other Payroll Costs	454	433	433
All Other Operating Expenditures	4,406	4,484	4,166
Total Awards and Grants Expenditures:	\$ 1	\$ -	\$ -
Percentage of Total Expenditures:	0%	0%	0%
Total Permanent Improvements Expenditures:	\$ 28	\$ 97	\$ 29
Percentage of Total Expenditures:	0%	1%	0%
Total Refund Expenditures:	\$ 3	\$ 10	\$ -
Percentage of Total Expenditures:	0%	0%	0%
GRAND TOTAL - ALL EXPENDITURES	\$ 11,091	\$ 11,260	\$ 10,505

Note 1: Expenditures were obtained from the Agency's records and have been reconciled to the State Comptroller's records as of October 31, 2021 and October 31, 2020.

Note 2: Expenditure amounts are vouchers approved for payment by the Agency and submitted to the State Comptroller for payment to the vendor.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2021

Fiscal Year 2021 Compared to Fiscal Year 2020

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not have any significant variations in expenditures.

Fiscal Year 2020 Compared to Fiscal Year 2019

General Revenue Fund - 001

Lump sums and other purposes – unpaid wages

The expense in Fiscal Year 2019 pertains to a one-time payment of back wages related to the AFSCME contract. There was no payment of back wages in Fiscal Year 2020.

Tourism Promotion Fund – 763

Lump sums and other purposes – ordinary and contingent expenses

The increase was primarily related to equipment purchases in Fiscal Year 2020 to replace aging equipment (lighting and audio-visual equipment, microfilm reader/scanners, etc.) and to outfit renovated office space (cubicles, desks, chairs, etc.).

Presidential Library and Museum Operating Fund - 776

Lump sums and other purposes – ordinary and contingent expenses

The decrease in expenditures was due to COVID-19 pandemic which shut down the ALPLM campus for the entire fourth quarter of Fiscal Year 2020. As a result of the shut-down, the ALPLM was able to reduce spending on electricity, security, staff overtime, costs of cancelled programs and events, and other miscellaneous costs.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2021

Fiscal Year 2021

Tourism Promotion Fund - 763

Lump sums and other purposes - ordinary and contingent expenses

The significant lapse period spending was primarily due to turnover in fiscal staff that created a backlog of invoices received in May and June that were not processed until the lapse period.

Presidential Library and Museum Operating Fund – 776

Lump sums and other purposes - ordinary and contingent expenses

The significant lapse period spending was primarily due to turnover in fiscal staff that created a backlog of invoices received in May and June that were not processed until the lapse period.

Fiscal Year 2020

Presidential Library and Museum Operating Fund – 776

Lump sums and other purposes - ordinary and contingent expenses

The significant lapse period spending was primarily due to a complete turnover of fiscal staff between October 2019 and February 2020 that created disruption and payment delays. This, combined with delays and disruption caused by the COVID-19 pandemic and the related stay-at-home order from mid-March through June, pushed many payments into the lapse period. Over half of lapse period spending were payments for utilities.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND DEPOSITS INTO THE STATE TREASURY**

(IN THOUSANDS)

For the Fiscal Year Ended June 30,

	2021	2020	2019
<u>STATE TREASURY FUNDS</u>			
General Revenue Fund - 001			
Receipt Sources:			
Natural Resources	\$ -	\$ -	\$ 14
Total Receipts, per the Agency's Records	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14</u>
Receipts, per the Agency's Records	\$ -	\$ -	\$ 14
Deposits in Transit, Beginning of the Fiscal Year	-	-	-
Deposits in Transit, End of the Fiscal Year	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14</u>
Tourism Promotion Fund - 763			
Receipt Sources:			
Prior Year Refund	\$ 1	\$ -	\$ -
Total Receipts, per the Agency's Records	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>
Receipts, per the Agency's Records	\$ 1	\$ -	\$ -
Deposits in Transit, Beginning of the Fiscal Year	-	-	-
Deposits in Transit, End of the Fiscal Year	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND DEPOSITS INTO THE STATE TREASURY**

(IN THOUSANDS)

For the Fiscal Year Ended June 30,

	2021	2020	2019
Presidential Library and Museum			
Operating Fund - 776			
Receipt Sources:			
Admission Fees	\$ 483	\$ 1,084	\$ 1,595
Miscellaneous	132	79	153
Property Rental	14	53	96
Copy Petitions & Materials	7	40	-
Concession Revenue - Non-Food	10	-	-
Prior Year Refund	2	-	-
Parking Fees	-	36	67
Donation Box	-	-	1
Secretary of State	-	-	265
Total Receipts, per the Agency's Records	<u>\$ 648</u>	<u>\$ 1,292</u>	<u>\$ 2,177</u>
Receipts, per the Agency's Records	\$ 648	\$ 1,292	\$ 2,177
Deposits in Transit, Beginning of the Fiscal Year	-	-	-
Deposits in Transit, End of the Fiscal Year	35	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 613</u>	<u>\$ 1,292</u>	<u>\$ 2,177</u>
<u>GRAND TOTAL - ALL FUNDS</u>			
Receipts, per the Agency's Records	\$ 649	\$ 1,292	\$ 2,191
Deposits in Transit, Beginning of the Fiscal Year	-	-	-
Deposits in Transit, End of the Fiscal Year	35	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 614</u>	<u>\$ 1,292</u>	<u>\$ 2,191</u>

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2021

Fiscal Year 2021 Compared to Fiscal Year 2020

Presidential Library and Museum Operating Fund – 776

Admission Fees

The significant decrease was primarily due to the COVID-19 pandemic which kept the museum closed or capacity-limited for most of Fiscal Year 2021. Even when the museum was open, tourism was stifled as patrons were nervous about getting out and nearly all school groups cancelled field trips to the museum.

Fiscal Year 2020 Compared to Fiscal Year 2019

Presidential Library and Museum Operating Fund – 776

Admission Fees

The decrease was primarily due to the COVID-19 pandemic which resulted in closure of the museum for the entire fourth quarter of Fiscal Year 2020, which is typically the busiest time of year for the museum.

Secretary of State

The ALPLM received a one-time grant in Fiscal Year 2019 to develop the Stevenson Room, a permanent exhibit in the library featuring the Stevenson family who were prominent in Illinois politics. No grant received in Fiscal Year 2020.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF LOCALLY-HELD FUND RECEIPTS AND DISBURSEMENTS**

(IN THOUSANDS)

For the Fiscal Year Ended June 30,

	2021	2020	2019
<u>LOCALLY-HELD FUNDS</u>			
King Hostick Public Trust Fund - 1331			
Balance, Beginning of the Fiscal Year	\$ 2,901	\$ 3,117	\$ 2,992
Receipts	709	(123)	282
Disbursements	30	93	157
Balance, End of the Fiscal Year	\$ 3,580	\$ 2,901	\$ 3,117

Note 1: These balances were obtained from the Agency's records and have been reconciled to the Agency's *Report of Receipts and Disbursements for Locally Held Funds* for each locally held fund submitted to the Office of Comptroller as of June 30, 2021 and June 30, 2020.

Note 2: This schedule is presented on the cash basis of accounting.

Note 3: Fund 1331 is created for the purpose of acquiring and conserving the Lincolniana collection of the Presidential Library. Mr. King Hostick's estate is the source of the fund. Pursuant to the authority set forth in the Public Use Trust Act (30 ILCS 160), a bequest was used to establish the trust. Aside from the preservation of the collection, the trust is used for purchase or lease of supplies or equipment needed by the Presidential Library and to help fund special events, activities and publications which support or promote the Presidential Library and its programs.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF CHANGES IN PROPERTY

For the Two Years Ended June 30, 2021

(IN THOUSANDS)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Net Transfers</u>	<u>Ending Balance</u>
<u>FISCAL YEAR 2021</u>					
Property					
Building and Building Improvements	\$ 142,924	\$ -	\$ -	\$ 483	\$ 143,407
Equipment	7,906	-	196	(115)	\$ 7,595
Total	<u>\$ 150,830</u>	<u>\$ -</u>	<u>\$ 196</u>	<u>\$ 368</u>	<u>\$ 151,002</u>
<u>FISCAL YEAR 2020</u>					
Property					
Building and Building Improvements	\$ 142,566	\$ -	\$ -	\$ 358	\$ 142,924
Equipment	7,943	-	12	(25)	\$ 7,906
Total	<u>\$ 150,509</u>	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ 333</u>	<u>\$ 150,830</u>

Note 1: These balances were obtained from the Agency's records and have been reconciled to the Agency's quarterly *Agency Report of State Property* reports submitted to the Office of State Comptroller for the two years ended June 30, 2021.

Note 2: The Fiscal Year 2020 beginning balance did not agree with the Fiscal Year 2019 ending balance of property in the previous compliance examination report due to the Agency's subsequent revision of the June 30, 2019 *Agency Report of State Property*.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
FUNCTIONS AND PLANNING
For the Two Years Ended June 30, 2021

Functions

The Abraham Lincoln Presidential Library and Museum (ALPLM) is a State agency pursuant to the Abraham Lincoln Presidential Library and Museum Act (20 ILCS 3475). The ALPLM’s mission is to inspire civic engagement through the diverse lens of Illinois history and sharing with the world the life and legacy of Abraham Lincoln.

In carrying out its mission, the ALPLM is responsible for the operation and maintenance of the ALPLM site in support of its two major programs: (1) Educational, Cultural and Public Programming and (2) Presidential Library Research and Collections. Performance metrics for these programs are provided in the tables below.

Despite being closed or capacity-limited for much of Fiscal Years 2020 to 2021, the ALPLM has continued to make progress toward its mission, including but not limited to:

- Welcomed the Museum’s five-millionth visitor
- Opened the “State of Sound” exhibit on Illinois music and related programming
- Education programs like Future Presidents of America and Teaching with Primary Sources
- Implemented comprehensive policy regarding management of historic collections
- Acquired new collection items (i.e. Lincoln’s first inaugural desk, important new letter)
- Unveiled new exhibits in the Library: Lincoln’s Life in Letters and the Stevenson Room
- Hired a qualified museum/library professional as Executive Director to lead ALPLM
- Launched a new, modernized website and implemented various virtual programs
- Completed (via Capital Development Board) a campus-wide security camera upgrade
- Took steps to ensure accountability and transparency of all the ALPLM funding sources

Educational, Cultural and Public Programming

<u>Metric</u>	<u>Fiscal Year</u>		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Museum Visitors	73,237	119,866	232,704
Student Impressions from Educational Programming	81,575	47,191	N/A
Public Programming Participants	31,038	7,280	9,523
ALPLM Website and Social Media Views	938,892	451,842	435,430
Attendees at Annual Conference on Illinois History	404	N/A	N/A
Educational Programming Participants	11,177	2,418	N/A

Presidential Library Research and Collections

<u>Metric</u>	<u>Fiscal Year</u>		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Number of Visitors to the Library	2,124	15,967	39,600
Library Material Requests Addressed	3,723	2,701	2,264

As further described in the *Independent Accountant’s Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
FUNCTIONS AND PLANNING
For the Two Years Ended June 30, 2021

Planning

The ALPLM has assembled a team of professionals in key leadership positions. Individual divisions and program areas have short and long-term goals that fit within the ALPLM's overall mission. Formal strategic planning efforts were underway early in 2020 but were thwarted by COVID-19 pandemic and the need to pivot to working from home, virtual programming, etc. By the time that work settled down, the Board was actively searching for the new Executive Director, and it did not make sense to develop a strategic plan and long-term goals until the new Executive Director started in June 2021. Strategic planning efforts resumed early in Fiscal Year 2022, and the Board approved a new mission statement in January 2022.

Significant Challenges

The ALPLM continues to face challenges. The COVID-19 pandemic continues to impact attendance, events, and related revenues. The facility and core museum exhibits and shows are now sixteen years old, requiring more maintenance and planning to meet changing needs and perspectives. The ALPLM has excellent leadership and staff and is well positioned to tackle the challenges ahead.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
NUMBER OF EMPLOYEES**

For the Fiscal Year Ended June 30,

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>AVERAGE FULL-TIME EMPLOYEES</u>			
Number of Employees	82	80	74

Note 1: This schedule presents the average number of employees at the Agency.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
DISCLOSURE OF EMERGENCY PURCHASE
For the Two Years Ended June 30, 2021

Fiscal Year 2021

Prevent or Minimize Disruption to Critical State Services

Gift Shop Concessions

Since the inception of the museum, a gift shop has served museum patrons and generated revenues for the benefit of the Abraham Lincoln Presidential Library and Museum (ALPLM). Event Network LLC had been operating the gift shop under a contract with the Abraham Lincoln Presidential Library Foundation (Foundation), a separate 501(c)(3) organization, pursuant to a memorandum of understanding (MOU) between the ALPLM and the Foundation. The MOU expired on March 31, 2021. The ALPLM directly entered into an emergency contract with Event Network LLC to enable the store to continue operating to serve museum patrons and avoid substantial revenue losses to the ALPLM. That emergency contract has since been extended to allow completion of a competitive procurement, which is in progress. The contract has no cost as it is a revenue-generating lease agreement.

Fiscal Year 2020

The ALPLM did not have any emergency purchases during Fiscal Year 2020.

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**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
ANALYSIS OF OVERTIME AND COMPENSATORY TIME**

For the Fiscal Year Ended June 30,

	2021	2020	2019
<u>OPERATIONAL DIVISION</u>			
General Office			
Overtime Hours Paid	3,238	N/A	N/A
Compensatory Hours Granted	3,951	N/A	N/A
Total	7,189	N/A	N/A
Value of Overtime Hours Paid	\$ 140,254	N/A	N/A
Value of Compensatory Hours Granted	171,138	N/A	N/A
Total Costs	\$ 311,392	N/A	N/A

Note 1: Information for Fiscal Years 2020 and 2019 were not available since the system used for timekeeping and payroll prior to Fiscal Year 2021 does not have reporting capabilities to present this information.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.