



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

**ABRAHAM LINCOLN PRESIDENTIAL
 LIBRARY AND MUSEUM**

State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: May 16, 2024

FINDINGS THIS AUDIT: 10				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	6	6	2019	2,4,5,6		
Category 2:	1	3	4	2021	1,3	7,8,9	
Category 3:	0	0	0				
TOTAL	1	9	10				
FINDINGS LAST AUDIT: 12							

SYNOPSIS

- **(23-01)** The Abraham Lincoln Presidential Library and Museum (ALPLM) did not maintain adequate controls over its personal services function.
- **(23-02)** The Abraham Lincoln Presidential Library and Museum (ALPLM) did not maintain sufficient controls over its property and related fiscal records.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

Category 3: Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

INADEQUATE CONTROLS OVER PERSONAL SERVICES.

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not maintain adequate controls over its personal services function.

- During testing of personnel files for 10 employees, we noted the following:
 - One (10%) employee signed the Employment Eligibility Verification Form (Form I-9) four days late.
 - Five performance evaluations for the period tested for three (30%) employees were completed 26 to 270 days late.
 - Eight performance evaluations for the period tested for five (50%) employees were not completed.
 - Two performance evaluations were not signed and dated for two (20%) employees. Thus, the auditors were unable to determine the timeliness of completion of the performance evaluation.
 - During testing of leave authorizations, we noted for 5 of 10 (50%) employees tested, leave requests were approved 1 to 172 days late.
 - During testing of employee deductions for 10 employees, we noted the following:
 - Five (50%) employees' federal withholding tax deductions did not agree with the Employee's Federal Withholding Certificate (Form C-25 and/or Form W-4) within the employee's personnel file, difference ranging between \$21 to \$209.
 - Three (30%) employee's State withholding tax deductions did not agree with the Employee's Illinois Withholding Allowance Certificate (Form C-25 and/or Illinois Form W-4) within the employee's personnel file, difference ranging between \$5 to \$10.
 - During testing of the Statement of Economic Interest (SOEI), we noted for 13 (100%) required filers tested, we were unable to determine whether the ALPLM certified the names and mailing addresses of the
- I-9 form not signed timely**
- Performance evaluations not completed timely**
- Performance evaluations not completed**
- Leave Requests approved late**
- Federal withholding tax deductions not in agreement with employee's Federal Withholding Certificate**
- State withholding deductions not in agreement with the Illinois Withholding Allowance Certificate**

persons to the Secretary of State (SOS) on or before February 1 each year.

Sexual harassment training not completed timely

- During testing of required trainings, we noted two of 10 (20%) employees tested completed the calendar year 2022 sexual harassment and discrimination prevention training 12 days late. In addition, the training completion report during the examination period showed six employees completed the calendar year 2022 sexual harassment and discrimination prevention training six to 13 days late and one employee did not complete the calendar year 2021 sexual harassment and discrimination prevention training and ethics training.
- During the prior year examination, we noted the ALPLM did not accurately report information on its Fiscal Years 2019 and 2020 Agency Workforce Reports. The ALPLM failed to submit the corrected Reports within 30 days after the release of the ALPLM's prior audit by the Auditor General.
- During our review of the annual census data reconciliation, we noted the following:

Census data reconciliation was submitted 100 days late

- The Fiscal Year 2021 census data reconciliation was submitted 100 days late. In addition, for three of 11 (27%) employees' census data tested, the ALPLM failed to reconcile the information per ALPLM records to the State Employees' Retirement System (SERS) census data.

Census Data reconciliation not performed

- The Fiscal Year 2022 census data reconciliation was not performed and submitted by the ALPLM to the SERS. (Finding 1, pages 11-15)

We recommended the ALPLM strengthen its procedures and internal controls for:

- Employee personnel files to ensure complete and accurate documentation is maintained;
- Monitoring performance evaluations to ensure performance evaluations are completed timely;
- Monitoring leave requests to ensure authorization and approval;
- Payroll vouchers to ensure withholding taxes are accurate;
- Economic interest statements, to ensure a complete and accurate list of filers is submitted and maintained;
- Trainings to ensure mandatory employee trainings are timely completed;
- Submission of corrected Agency Workforce Reports; and
- Census reconciliation to enable timely and complete reconciliation of census data with ALPLM records.

ALPM accepted the recommendation

ALPLM officials accepted the recommendation and stated they have a dedicated Human Resources Director and a staff position which will allow for the completion of personnel files to ensure all required documents are included as well as follow up on employee evaluations and census data. In addition, ALPLM officials stated the required training and Statement of Economic Interests are being tracked to ensure completion by staff.

PROPERTY CONTROL WEAKNESSES

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

ALPLM was unable to provide a complete and detailed population of equipment additions

During our testing, we requested the ALPLM provide various populations related to its equipment. The ALPLM provided its detailed list of owned equipment for both Fiscal Years 2022 and 2023. We also noted the ALPLM completed the transfer of its equipment records to DoIT's Enterprise Resource Planning (ERP) System Asset Management Module by end of Fiscal Year 2023. However, the ALPLM was unable to provide a complete and detailed population of additions for Fiscal Years 2022 and 2023. 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 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 § 205.36) 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:

Items Purchased were not included in the property records

- For 12 of 40 (30%) equipment vouchers tested, there were 31 equipment items (three handheld scanner software, four wireless microphones, a desk system, four wireless video transmission systems, a sliding table saw, 10 laser projectors, a resin printer, a workstation, a showcase system, a weapon storage, a refrigerated drinking fountain, a camera, and two camera accessories), totaling \$184,576, not capitalized and included in the ALPLM's property records.

Freight cost not capitalized as part of the equipment cost

- For one of 40 (3%) equipment vouchers tested (a fog machine), the freight charge amounting to \$420 was not capitalized as part of the equipment cost.

Equipment not valued at the correct dollar amount

- For one of 40 (3%) equipment vouchers tested (a theatrical snow machine), the equipment cost recorded in the inventory listing did not consider the purchase discount amount of \$3,825.

Annual inventory certifications filed with DCMS were inaccurate and incomplete

- The annual inventory certifications filed with the Department of Central Management Services (DCMS) for both Fiscal Years 2022 and 2023 were inaccurate and incomplete. The ALPLM did not include all additions of equipment during the examination period.

No equipment additions were reflected in the quarterly reports during the examination period

- The Quarterly Agency Reports of State Property (Form C-15s) submitted to the Office of Comptroller for Fiscal Years 2022 and 2023 were inaccurate and incomplete. There were no property additions reported in the form C-15 for all quarters in fiscal year 2022 and for the first three quarters in Fiscal Year 2023. The additions in Fiscal Year 2023 fourth quarter Form C-15 is a balancing figure to agree the ending balance of equipment per Form C-15 to the ALPLM property records per ERP. The Agency was unable to provide a listing to support the property additions amount reported.

Equipment found in different location than the property listing

- We selected 40 items of equipment from the ALPLM's detailed list of equipment and requested to physically examine the items. We noted:

- One (3%) equipment item tested (a printer), valued at \$2,999, was found in a different location.

Incorrect tag number

- One (3%) equipment item tested (a desk system), valued at \$39,717, the tag number per inventory records did not match the actual physical tag.

Rental property included on property records

- One (3%) equipment item tested (a printer), valued at \$5,300, is a rental property that should not have been tagged and included in the ALPLM's property records.

Equipment items not recorded on Annual Certification to DCMS

- Two (5%) equipment items tested (an audio amplifier and a desk system), with a total value of \$45,671, were not traced to the annual inventory report to DCMS.

- We selected 40 items of equipment from various locations within the ALPLM to verify they were included on its property control records. We noted:

Equipment item has two tag numbers

- One (3%) equipment item tested (a desk system), valued at \$4,739 has two inventory tag numbers.

Equipment items not included on property records or inventory certification

- Two (5%) equipment items tested (a monitor and a scanner) have tag numbers and deemed capitalizable but not traced to the property records as of June 30, 2023 and inventory report to DCMS.

Equipment items' physical location did not match location on property records

- For two (5%) equipment items tested (a flatbed scanner and a three dimension printer), with a total value of \$6,658, the location per physical inspection did not match with ALPLM property records. (Finding 2, pages 16-19) **This finding has been repeated since 2019.**

We recommended 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 recommended the ALPLM strengthen its supervisory review process in its procedures to ensure clerical, technical, and other errors are promptly detected and corrected.

ALPM accepted the recommendation

ALPLM officials accepted the recommendation and stated they completed a review of all property control to ensure items are recorded accurately on the annual inventory. A scanning tool was used to scan the items and internal forms have been created to track additions to inventory as well as movement and deletion from inventory.

OTHER FINDINGS

The remaining findings pertain to inadequate controls over reporting requirements, monthly reconciliations and grant agreements; voucher processing internal controls not operating effectively; untimely deposit of receipts; lack of disaster recovery plan testing; weaknesses in cybersecurity programs and practices and system access controls. We will review the ALPLM's progress towards the implementation of our recommendations in our next State compliance examination.

ACCOUNTANT'S OPINION

The accountants conducted a State compliance examination of the ALPLM for the two years ended June 30, 2023, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Finding 2023-001 through 2023-006. Except for the noncompliance described in these findings, the accountants stated the ALPLM complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by Adelfia LLC.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

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

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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