



State of Illinois
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2023

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, 2023**

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AGENCY OFFICIALS

Executive Director	Ms. Christina Shutt
Chief of Staff (05/10/23 – Present)	Mr. Mark Mahoney
Chief of Staff (04/01/23 – 05/09/23)	Vacant
Chief of Staff (07/01/21 – 03/31/23)	Ms. Melissa Coultas
Chief Operating Officer (10/16/23 – Present)	Mr. Christen Stanley
Chief Operating Officer (05/01/23 – 10/15/23)	Vacant
Chief Operating Officer (07/01/21 – 04/30/23)	Mr. Toby Trimmer
Chief Fiscal Officer (12/16/23 – Present)	Ms. Tammy Miner
Chief Fiscal Officer (12/01/23 – 12/15/23)	Vacant
Chief Fiscal Officer (07/01/21 – 11/30/23)	Mr. Brett Cox
General Counsel (08/16/23 – Present)	Ms. Gloria Legette
General Counsel (05/01/23 – 08/15/23)	Vacant
General Counsel (07/01/21 – 04/30/23)	Mr. David Kelm

BOARD MEMBERS

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

**Term ended on 10/07/23; application for re-appointment submitted on 01/09/24, pending finalization. The Chair is still serving pending re-appointment.*

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AGENCY OFFICES

The ALPLM's primary administrative 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

April 26, 2024

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

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, 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, 2023. Based on this evaluation, we assert that during the years ended June 30, 2022, and June 30, 2023, the 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

Tammy Miner
Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Gloria Legette
General Counsel

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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	10	12
Repeated Findings	9	7
Prior Recommendations Implemented or Not Repeated	3	8

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings				
2023-001	11	2021/2021	Inadequate Controls over Personal Services	Material Weakness and Material Noncompliance
2023-002	16	2021/2019	Property Control Weaknesses	Material Weakness and Material Noncompliance
2023-003	20	2021/2021	Inadequate Controls over Reporting Requirements	Material Weakness and Material Noncompliance
2023-004	23	2021/2019	Inadequate Controls Over Monthly Reconciliations	Material Weakness and Material Noncompliance

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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)				
2023-005	25	2021/2019	Voucher Processing Internal Controls Not Operating Effectively	Material Weakness and Material Noncompliance
2023-006	30	2021/2019	Untimely Deposit of Receipts	Material Weakness and Material Noncompliance
2023-007	32	2021/2021	Inadequate Control over Grant Agreement	Significant Deficiency and Noncompliance
2023-008	34	2021/2021	Lack of Disaster Recovery Plan Testing	Significant Deficiency and Noncompliance
2023-009	36	2021/2021	Weaknesses in Cybersecurity Programs and Practices	Significant Deficiency and Noncompliance
2023-010	38	New	Weaknesses in System Access Controls	Significant Deficiency and Noncompliance
Prior Findings Not Repeated				
A	40	2021/2019	Failure to Develop a Formal Fraud Risk Assessment Program	
B	40	2021/2019	Inadequate Controls over Investment of Public Funds	
C	40	2021/2019	Contracts Not Filed Timely	

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EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with ALPLM personnel at an exit conference on April 18, 2024.

Attending were:

Abraham Lincoln Presidential Library and Museum

Christina Shutt, Executive Director

Tammy Miner, Chief Fiscal Officer

Office of the Auditor General

Stacie Sherman, OAG Manager

Adelfia LLC

Gilda Priebe, Partner

Ria Coronel, Manager

Gionelle Ceniza, Senior IS Specialist

The responses to the recommendations were provided by Ms. Tammy Miner, Chief Fiscal Officer, in a correspondence dated April 23, 2024.



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, 2023. 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.

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

Our examination does not provide a legal determination on the 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, 2023. As described in the accompanying Schedule of Findings as items 2023-001 through 2023-006, 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 2023-003 and 2023-006, 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, 2023, 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 2023-007 through 2023-010.

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 2023-001 through 2023-006 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 2023-007 through 2023-010 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
April 26, 2024

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2023

2023-001. **FINDING** (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 performance evaluation.

The Code of Federal Regulation (CFR) (8 CFR § 274a.2), *Verification of Identity and Employment Authorization*, designates Form I-9 as the means of documenting this verification. In addition, the CFR requires a person or entity that hires or recruits or refers for a fee an individual for employment must ensure that the individual properly completes section 1 - "Employee Information and Verification" - on the Form I-9 at the time of hire and signs the attestation.

The Illinois Administrative Code (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, the ALPLM's Employee Handbook Section 5, requires (a) initial probationary employees are evaluated twice during the six-month probationary period, one at the mid-point of the period and one two (2) weeks prior to the end point of such probation; (b) certified employees are evaluated annual on their annual performance review date; and (c) employees who have been promoted are evaluated during the final month of the probationary period.

ALPLM officials stated the issues noted were due to employee oversight and staff turnover.

Failure to complete the Form I-9 properly may result in potential employment issues and could subject the State to unnecessary legal costs and penalties. Employee performance evaluations are a systematic and uniform approach for

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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.

- During testing of leave authorizations, we noted for 5 of 10 (50%) employees tested, leave requests were approved 1 to 172 days late.

Section 1 of the ALPLM's Employee Handbook requires employees to schedule their vacation time with their supervisor as soon in advance as possible. When requesting use of vacation or personal time and equivalent time off for a holiday, an "Official Leave Request & Call-in report" form must be completed by the employee and approved by the supervisor prior to the use.

Section 6 of the Handbook, Item 6 *Work Rules* requires time off, such as personal time, holiday liquidation, vacation, or other absences, shall be scheduled ahead to be consistent with the operating needs of the Agency, except in emergency situations, and shall also be in accordance with the appropriate bargaining unit agreement or Personnel Rule, whichever is applicable.

ALPLM officials stated the exceptions noted were due to employee oversight.

Failure to ensure leave requests are approved in advance undermines accountability controls and may result in unauthorized leaves and time-offs.

- 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.

The Statewide Accounting Management System (SAMS) (Procedure 23.10.10) states all deductions from gross pay reflected on the payroll voucher file must in turn be supported by a deduction authorization maintained by the employing agency. The Voluntary Payroll Deductions Act of 1983 (Act) (5 ILCS 340/4)

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states an employee may authorize the withholding of a portion of his or her salary or wages for contribution to any qualified organization as defined by the Act, and the agency may direct the State Comptroller to deduct, upon written request of a State employee, for each regular payroll period, from the salary or wages of the employee the amount specified in the written request for payment to the organization designated by the employee.

ALPLM officials stated the exceptions were due to oversight.

Failure to accurately calculate and review employee payroll withholding amounts may result in inaccurate deductions from ALPLM employees and misuse of State funds.

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

The Illinois Governmental Ethics Act (5 ILCS 420/4A-106) requires the ALPLM to certify to the SOS the names and mailing addresses of those persons required to file a SOEI on or before February 1 annually.

ALPLM officials stated the issue noted was due to employee turnover and no back-up documentation being maintained.

Failure to maintain documentation for certification of employees required to file SOEI hinders the ALPLM's ability to support its filing.

- 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.

The State Officials and Employees Ethics Act (5 ILCS 430/5-10.5(a-5)) requires each officer, member, and employee to complete annually a harassment and discrimination prevention training program. The State Officials and Employees Ethics Act (5 ILCS 430/5-10(a)) each officer, member, and employee to complete annually an ethics training program.

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ALPLM officials stated the issues noted were due to employee oversight.

Failure to complete trainings within the required timeframe may lead to employees being unaware of State policies and their obligations regarding ethics and harassment and discrimination prevention.

- During the prior 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.

The Illinois State Auditing Act (30 ILCS 5/3-2.2(b)) requires a State agency that has materially failed to comply with the requirements of the State Employment Records Act, within 30 days after release of the audit by the Auditor General, shall prepare and file with the Governor and the Office of the Secretary of State corrected reports covering the periods affected by the noncompliance.

ALPLM officials stated the issues noted were due to employee oversight and competing priorities.

Failure to correct a materially inaccurate or improperly filed Agency Workforce Report prevents transparency of information needed to help guide efforts to achieve a more diversified State work force.

- During our review of the annual census data reconciliation, we noted the following:
 - 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.
 - The Fiscal Year 2022 census data reconciliation was not performed and submitted by the ALPLM to the SERS.

The SERS Guidance states the *AICPA’s Audit and Accounting Guide: State and Local Governments* recommends employee census data be reconciled annually by each employer to a report provided by SERS and used by its actuaries. Based on the Fiscal Years 2021 and 2022 SERS Guidance, the ALPLM was requested that the reconciliation and subsequent certification be completed and submitted to SERS prior to September 1, 2021 and November 1, 2022, respectively.

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ALPLM officials stated the issues noted were due to employee oversight, competing priorities, and current employees having no access to the Fiscal Year 2022 census data information from SERS as it may have been sent to the previous employee who is no longer with the ALPLM.

Untimely and non-submission of census data certification and failure to reconcile census data hinders the process to ensure census data is accurate to reduce payroll errors and risks of financial misstatements. (Finding Code No. 2023-001, 2021-005)

RECOMMENDATION

We recommend 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.

ALPLM RESPONSE

Accept. ALPLM has a dedicated Human Resources Director and a staff position. This will allow for completion of personnel files to ensure all required documents are included as well as follow-up on employee evaluations and census data. The required training is being tracked to ensure completion by staff. The Statement of Economic Interests are also being tracked to ensure compliance from all required staff.

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SCHEDULE OF FINDINGS – CURRENT FINDINGS
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2023-002. **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 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:

- 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.

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.

- 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.
- 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 of \$3,825.

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The Statewide Accounting Management System (SAMS) Manual (Procedure 03.30.20) states the basic cost of equipment usually is determined by all the costs necessary to acquire the asset and place it into service which include the cost of equipment, in addition to the net invoice cost, are freight charges, assembly, and installation costs.

- 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.

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. Further, the State Property Control Act (Act) (30 ILCS 605/6.02) states “nominal value” means the value of an item is \$2,500 or less. Prior to January 23, 2023, nominal value is \$1,000 or less.

- 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.

The 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 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.
 - 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.

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- 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.
- 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.

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.

- We selected 40 items of equipment from various locations within the ALPLM to verify they were included on its property control records. We noted:
 - One (3%) equipment item tested (a desk system), valued at \$4,739, has two inventory tag numbers.
 - 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.
 - 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.

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.

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

During the prior examination, 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. During the current examination, the ALPLM officials stated the issues noted were due to oversight, competing priorities, and staff shortages.

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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. 2023-002, 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 to strengthen its supervisory review process in its procedures to ensure clerical, technical, and other errors are promptly detected and corrected.

ALPLM RESPONSE

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

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2023-003. **FINDING** (Inadequate Controls over Reporting Requirements)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not comply with statutory reporting responsibilities.

During testing, we noted the following:

- The annual report for Fiscal Year 2021 was submitted to the General Assembly and Governor’s Office 5 days late. In addition, the ALPLM did not provide and deposit with the State Library a copy of the annual report for Fiscal Year 2021

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 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 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. Further, “Publications” means any document, report, directory, bibliography, rule, regulation, newsletter, pamphlet, brochure, periodical or 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, inter-office memoranda, and confidential publications.

- The Fiscal Year 2022 Program and Indicator Worksheet was submitted to the Office of Comptroller 4 days late.

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.

- Two of 24 (8%) 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 was submitted 10 days late.

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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.

- Two of four (50%) Travel Headquarter (TA-2) Reports were filed by the ALPLM with the Legislative Audit Commission (LAC) five and 73 days late.

The State Finance Act (30 ILCS 105/12-3) requires TA-2 Reports be filed with the LAC no later than each July 15 for the period from January 1 through June 30 of that year and no later than each January 15 for the period from July 1 through December 31 of the preceding year.

- For one of two (50%) Agency Fee Imposition Reports tested, the ALPLM did not include membership fees collected totaling \$58,379 in the Fiscal Year 2023 Report.

SAMS Manual (Procedure 33.16.20) requires all agencies to submit the Agency Fee Imposition Report to the Office of Comptroller. Fees are charges by State agencies to citizens and private organizations and include assessments, fares, fees, fines, levies, licenses, penalties, permits, registrations, tolls, and tuition.

The ALPLM officials indicated the issues noted were due to competing priorities, staffing limitations, significant turnover among fiscal staff, and being unfamiliar with the reporting requirements.

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. 2023-003, 2021-004)

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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

Accept. ALPLM has an online tracking and notification system to provide reminders to responsible staff when it is time to perform reporting activities, including monthly reconciliations. Due to competing priorities, staffing limitations, significant turnover among fiscal staff and being unfamiliar with reporting requirements, there was still a delay in completing some of the reports timely. ALPLM is working on strengthening internal controls to ensure reports are completed in a timely manner.

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2023-004. **FINDING** (Inadequate Controls Over Monthly Reconciliations)

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

The ALPLM expended \$12.6 million and \$13.9 million from three funds in Fiscal Years 2022 and 2023, respectively. In addition, the ALPLM collected and deposited \$2.0 million and \$2.4 million into three funds in Fiscal Years 2022 and 2023, respectively.

During testing of the ALPLM’s monthly reconciliations, we noted the following:

- Fifteen of 31 (48%) monthly reconciliations of the ALPLM’s internal records to the Office of Comptroller’s *Monthly Obligation Activity Report* (SC-15) or the *Monthly Agency Contract Report* (SC-14) were not performed.
- Nine of 31 (29%) monthly reconciliations of the ALPLM’s internal records to the Comptroller’s SC-15 or SC-14 were not initialed and dated. As a result, we were unable to determine whether the reconciliation was timely performed.
- Fourteen of 31 (45%) monthly reconciliation of the ALPLM’s internal records to the Comptroller’s *Monthly Appropriations Status Report* (SB01) were not performed.
- Five of 31 (16%) monthly reconciliation of the ALPLM’s internal records to the Comptroller’s SB01 were not performed timely, ranging from one to 62 days late.
- Nine of 24 (38%) monthly reconciliation of the ALPLM’s internal records to the Comptroller’s *Monthly Revenue Status Report* (SB04) were not performed.
- Four of 24 (16%) monthly reconciliation of the ALPLM’s internal records to the Comptroller’s SB04 were not performed timely, ranging from one to 62 days late.
- Thirty-six of 48 (75%) monthly reconciliations of the ALPLM’s internal records to the Comptroller’s *Monthly Cash Report* (SB05) for two funds were not performed.

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- One of 48 (2%) monthly reconciliations of the ALPLM’s internal records to the Comptroller’s SB05 was performed 22 days late.

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

The Statewide Accounting Management System (SAMS) Manual (Procedure 07.30.20) requires the ALPLM to reconcile its records to the Comptroller’s SB01, SB04, SB05, and SC14 or SC15 on a monthly basis within 60 days of month end to ensure the early detection and correction of errors.

During the prior examination, the ALPLM officials stated the non-performance of the reconciliations were the result of staffing turnover and competing priorities. During the current examination, the ALPLM officials stated the issues noted were due to competing priorities and staff shortages.

Failure to timely and properly document reconciliations of the ALPLM’s records to the Office of Comptroller’s reports hinders the ability of staff to identify and correct errors which could result in incomplete and inaccurate financial information and represents noncompliance with SAMS Manual. (Finding Code No. 2023-004, 2021-003, 2019-004)

RECOMMENDATION

We recommend the ALPLM ensure all required monthly reconciliations are performed, documented, and reviewed timely.

ALPLM RESPONSE

Accept. ALPLM continues to attribute this to competing priorities and staff turnover. ALPLM is working on filling vacant positions and has a monthly/quarterly reminder to ensure reconciliations are performed timely.

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2023-005. **FINDING** (Voucher Processing Internal Controls Not Operating Effectively)

The Abraham Lincoln Presidential Library and Museum (ALPLM) internal controls over its voucher processing functions were not operating effectively during the examination period.

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

Our testing noted four of 140 (3%) attributes were not properly entered into the ERP System. Therefore, the ALPLM’s internal controls over voucher processing were not operating effectively.

The Statewide Accounting Management System (SAMS) (Procedure 17.20.20) requires the ALPLM to, after receipt of goods or services, verify the goods or services received met the stated specifications and prepare a voucher for submission to the Comptroller’s Office to pay the vendor, including providing vendor information, the amount expended, and object(s) of expenditure. Further, the Illinois Administrative Code (Code) (74 Ill. Admin. Code 900.30) requires the ALPLM to maintain records which reflect the date goods were received and accepted, the date services were rendered, and the proper bill date. Finally, the Fiscal Control and Internal Auditing Act (Act) (30 ILCS 10/3001) requires the ALPLM establish and maintain a system of internal fiscal and administrative controls to provide assurance expenditures are properly recorded and accounted for to maintain accountability over the State’s resources.

Due to this condition, we qualified our opinion because we determined 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.

Even given the limitations noted above, we conducted an analysis of the ALPLM’s expenditures data for Fiscal Years 2022 and 2023 to determine compliance with the State Prompt Payment Act (30 ILCS 540) and the Code (74 Ill. Admin. Code 900.70). We noted the following noncompliance:

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- The ALPLM owed 85 vendors interest totaling \$6,681 in Fiscal Years 2022 and 2023; however, the ALPLM had not approved these vouchers for payment to the vendors.

The Act (30 ILCS 540) requires agencies to pay vendors who had not been paid within 90 days of receipt of a proper bill or invoice interest.

- The ALPLM did not timely approve 2,538 of 3,743 (68%) vouchers processed during the examination period, totaling \$7,901,933. We noted these late vouchers were approved by the ALPLM between 31 and 359 days late.

The Code (74 Ill. Admin. Code 900.70) requires the ALPLM to timely review each vendor's invoice and approve proper bills within 30 days after receipt.

We noted in our testing of general vouchers the following:

- One of 35 (3%) general vouchers tested, the equipment's acquisition value was not properly recorded. The value was overstated by \$180 in the ALPLM's property records.

The State Property Control 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.

- The ALPLM paid three and seven duplicate vouchers in Fiscal Years 2022 and 2023, resulting in overpayments of \$332 and \$10,739, respectively.

The Act (30 ILCS 10/3001) requires the ALPLM to establish and maintain a system of internal fiscal and administrative controls to provide assurance expenditures are properly recorded and accounted for to maintain accountability over the State's resources.

We noted in our testing of travel vouchers the following:

- Three of 11 (27%) vouchers tested, totaling \$1,619, were not timely approved, ranging from 9 to 39 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.

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- One of 11 (9%) vouchers tested, amounting to \$260, did not contain the required certification to ensure employees using privately owned vehicles for State business are properly licensed and insured as required by State law.

The Illinois Vehicle Code (625 ILCS 5/10-101(b)) requires every employee of the State, who operates for purposes of State business a vehicle not owned, leased, or controlled by the State shall procure insurance in the limit of the amounts of liability not less than the amounts required.

- One of 11 (9%) vouchers tested, amounting to \$1,151, the ALPLM used an incorrect SAMS object code (*Out-of-State Travel, Payments to Vendors* instead of *Out-of-State Travel, Reimbursements to Employees*).

SAMS (Procedure 11.50.30) prescribes the description of the detail expenditure account codes for *Out-of-State Travel, Reimbursements to Employees* and *Out-of-State Travel, Payments to Vendors*.

- Two of 11 (18%) vouchers tested, totaling \$513, were submitted 63 to 177 days after end of travel.

The Internal Revenue Service (IRS) Publication 535 requires employee travel expense reimbursements to be considered taxable wages if the travel expenses are not submitted within a reasonable period, typically within 60 days of the expense being incurred.

- One of 11 (9%) vouchers tested, for out-of-state travel amounting to \$231, was not submitted within 30 days prior to travel date, to the Governor's Office of Management and Budget (GOMB) for pre-approval. The voucher was submitted 7 days before departure date. In addition, one of 11 (9%) vouchers tested, for out-of-state travel amounting to \$260, did not have GOMB pre-approval.

The Code (80 Ill. Admin. Code 2800.700) states travel outside of Illinois (including travel outside the contiguous United States) requires the approval of the GOMB prior to the travel. All requests shall be submitted to GOMB's on-line travel system (eTravel) at least 30 days in advance of the departure date.

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

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During the prior examination, 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. During the current examination, the ALPLM officials stated the issue on different receipt dates was due to human error, the prompt pay interest was due to not having a consistent policy in place for processing these types of vouchers, and the rest of the issues were due to oversight, competing priorities, staff availability, and human error.

Failure to properly enter the key attributes into the State’s ERP when processing a voucher for payment hinders the reliability and usefulness of data extracted from the ERP, which can result in improper interest calculations and expenditures. Failure to timely process proper bills and approve vouchers for payment of interest due represents noncompliance with the Code and the Act. Failure to process general vouchers accurately and detect duplicate payments may result in additional costs to the State. Failure to submit travel vouchers in a timely manner may cause travel expenditures to be reported in an incorrect period and may require the travel expense reimbursements to be reported as taxable wages to the employee. Finally, failure to obtain GOMB’s approval for out-of-state travel may result in unofficial travel not detected in a timely manner and additional costs to the State for unexpected reimbursements of travel. (Finding Code No. 2023-005, 2021-007, 2019-013)

RECOMMENDATION

We recommend the ALPLM design and maintain internal controls to:

- Provide assurance its data entry of key attributes into ERP is complete and accurate;
- Approve vouchers for payment of interest due to vendors;
- Ensure proper bills are approved within 30 days of receipt;
- Ensure vouchers are accurately recorded and not paid in duplicate;
- Ensure that travel vouchers are submitted timely from last travel date;
- Ensure employees using privately owned vehicles for State business maintain the required certification, are properly licensed and insured as required by State law; and
- Ensure out-of-state travels are pre-approved and duly authorized.

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ALPLM RESPONSE

Accepts. ALPLM has implemented processes and training 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 State Prompt Payment Act. This issue was due to competing priorities, staff limitations and staff turnover. While this is a repeat finding, there have been significant strides in improving this area.

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2023-006. **FINDING** (Untimely Deposit of Receipts)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not deposit receipts timely.

During testing of 40 receipts, we noted the following:

- Nine (23%) receipts tested, totaling \$185,205, were deposited one to eight days late.
- Seven (18%) receipts tested, totaling \$154,292, the Receipts Deposit Transmittal (RDT) forms were sent to the Office of Comptroller between 32 to 74 days after the State Treasurer issued the Treasurer's Draft.

During testing of four refund receipts, we noted all (100%) refund receipts totaling \$15,811 were deposited two to 563 days late.

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

The State Officers and Employees Money Disposition Act (Act) (30 ILCS 230/2) requires ALPLM 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 money received by the ALPLM in the form of checks, drafts or similar instruments to 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 funds. 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.

During the prior examination, the ALPLM officials stated the issues noted were due to competing priorities and staff availability. During the current examination, the ALPLM officials stated the issues noted were due to competing priorities, staff availability, and the time it takes to complete reconciliation between the Treasurer's Draft and relevant back-up documents.

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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. (Finding Code No. 2023-006, 2021-001, 2019-001)

RECOMMENDATION

We recommend the ALPLM strengthen its controls over receipts to ensure timely deposits are made as required by the Act.

ALPLM RESPONSE

Accepts. ALPLM has made strides in improving this finding by obtaining a receipt-deposit extension from the Treasurer and Comptroller that will allow timely deposit of receipts. In addition, ALPLM is in the process of enabling a check reader that will allow deposit of receipts in a timely manner.

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2023-007. **FINDING** (Inadequate Control over Grant Agreement)

The Abraham Lincoln Presidential Library and Museum (ALPLM) did not maintain adequate control over a grant agreement under its purview during the examination period.

The ALPLM entered into an intergovernmental grant agreement (IGA) with the Illinois State Board of Education (ISBE) for ALPLM to create three-dimensional scans of artifacts to expand access to artifacts for educators, students, and life-long learners, especially those without the means to visit the ALPLM. The scans will be used to curate an online exhibit, allowing for a detailed and three-dimensional view that is freely accessible by all. The ALPLM was awarded a total amount of \$150,000.

During our testing, the ALPLM failed to provide documentation to support submission of required reports to ISBE. As such, we were unable to determine the timeliness of submission of the seven quarterly reports and one close-out report during the examination period.

Article 13.1 (Required Periodic Financial Reports) and Article 14.1 (Required Periodic Performance Reports) of the IGA required ALPLM to file quarterly financial and performance reports ending September 30, December 31, March 31, and June 30 of each fiscal year no later than 20 days after the end of each quarter. In addition, Article 13.2 (Close-out Reports) and Article 14.2 (Close-out Performance Reports) of the IGA required ALPLM to submit a close-out financial and performance report no later than 20 days following the end of the period of performance or termination.

ALPLM officials indicated the issues noted were due to no available information maintained to track the submission dates of report.

Failure to maintain documentation of report submission limits transparency on compliance with reporting requirements of the IGA and hinders the ALPLM’s ability to support its report filing. (Finding Code No. 2023-007, 2021-006)

RECOMMENDATION

We recommend the ALPLM strengthen its controls over the monitoring of its grant agreement requirements to ensure the requirements are adhered to and sufficient documentation is maintained.

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ALPLM RESPONSE

Accepts. ALPLM has established a development department to manage and facilitate grant-related processes, including ensuring that applicable grant requirements are monitored and followed.

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2023-008. **FINDING** (Lack of Disaster Recovery Plan Testing)

The Abraham Lincoln Presidential Library and Museum (ALPLM) had not performed a comprehensive disaster recovery testing.

The ALPLM carries out its daily operations using applications to track artifacts maintained and to track various events held. During our review, we noted the ALPLM 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 (NIST) 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.

The ALPLM officials stated the lack of Disaster Recovery Plan Testing was due to staffing and competing priorities.

Failure to have an adequately tested contingency plans leaves the ALPLM exposed to the potential of failing to recover applications and data within an acceptable timeframe. (Finding Code No. 2023-008, 2021-011)

RECOMMENDATION

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

ALPLM RESPONSE

Accepts. While ALPLM continues to believe that this finding is improperly directed to ALPLM because responsibility for it lies with the Department of Innovations and Technology (DoIT) per statutes, we accept the finding that disaster recovery plan testing was not performed during the audit period. ALPLM will continue to work with DoIT to 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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2023-009. **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.
- Developed a data classification policy, classified its data, and ensured adequate protection of their data.
- Adequately monitored and assessed risks or vulnerabilities of information systems and data.
- Developed policies and procedures on tracking confidential information on missing equipment and data wiping to ensure retrieval of sensitive data and software by the agency or the university prior to either its sale, donation, or transfer is prevented.

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

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the 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 ALPLM officials indicated employee turnover and competing priorities caused a delay in the completion of these activities.

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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. 2023-009, 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.
- Develop a data classification policy, classify its data, and ensure adequate protection of their data.
- Develop policies and procedures to monitor and assess risks or vulnerabilities of information systems and data; and
- Develop policies and procedures on tracking confidential information on equipment.

ALPLM RESPONSE

Accepts. ALPLM has drafted a Cybersecurity Program and Practices with the first draft being signed on September 2023. Although the computers that were sent to surplus had the drives removed before the computers were sent, ALPLM did not have policies and procedures on data wiping. The Cybersecurity Program and Practice policies and procedures will be updated to include these procedures. In addition, all employees are required to complete the cybersecurity training provided in the OneNet training center annually. ALPLM computers are supported by DoIT and all information is backed up by DoIT.

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ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2023

2023-010. **FINDING** (Weaknesses in System Access Controls)

The Abraham Lincoln Presidential Library and Museum (ALPLM) had not implemented adequate internal controls related to applications access and control.

To carry out its mission, the ALPLM utilizes several IT applications. In order to determine if access was appropriate, we requested the ALPLM to provide the population of users with access to all its applications. However, the ALPLM was unable to provide a complete population of users during the examination period, as well as the documentation of the periodic access review performed. Therefore, we were unable to determine if users' system roles and responsibilities were appropriate.

Further, for one user listing provided and tested, it was noted two of six (33%) active users as of report extract date of November 15, 2023, have been terminated/separated from the ALPM since July 31, 2022 and March 31, 2023, respectively. However, access to the application system was retained.

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 that revenues, expenditures, and transfer of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

The *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Access Control section, requires entities to develop access provisioning policies and procedures and ensure access is provided on a needed basis.

The ALPLM officials stated the exceptions were due to limited staff and employee turnovers.

The lack of adequate controls over access could result in unauthorized access and disclosure of confidential information. (Finding Code No. 2023-010)

RECOMMENDATION

We recommend the ALPLM to periodically obtain and review security access reports and ensure timely removal of access of terminated employees and appropriateness of user access rights.

**STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2023**

ALPLM RESPONSE

Accepts. The ALPLM is working diligently on completing a list of the System Access Controls and maintaining those lists to ensure users who terminate employment have access to those systems removed. Due to staffing limitations, there were limited manpower to perform the review and ensure users were timely removed from the system.

STATE OF ILLINOIS
ABRAHAM LINCOLN PRESIDENTIAL LIBRARY AND MUSEUM
SCHEDULE OF FINDINGS – PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2023

A. **FINDING** (Failure to Develop a Formal Fraud Risk Assessment Program)

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

During the current examination, we noted the ALPLM developed a formal, adequate fraud risk assessment program. (Finding Code No. 2021-008, 2019-007)

B. **FINDING** (Inadequate Controls over Investment of Public Funds)

During the prior examination, it was noted Abraham Lincoln Presidential Library and Museum (ALPLM) did not exercise adequate controls over its investment of public funds activities. Specifically, the ALPLM had a draft investment policy not yet approved by the ALPLM Board of Trustees and did not comply with the State Agency Investment Policy.

During the current examination, we noted the Board of Trustees approved the ALPLM investment policy. However, we did note an immaterial condition of noncompliance with the Accountability for the Investment of Public Funds Act, which will be reported in the ALPLM's *Report of Immaterial Findings*. (Finding Code No. 2021-009, 2019-008)

C. **FINDING** (Contracts Not Filed Timely)

During the prior examination, the Abraham Lincoln Presidential Library and Museum (ALPLM) did not file its contracts timely.

During the current examination, our testing indicated the ALPLM filed its contract agreements timely and late filing affidavits were filed when applicable. (Finding Code No. 2021-010, 2019-009)