



**STATE OF ILLINOIS
DEPARTMENT OF CENTRAL
MANAGEMENT SERVICES**

COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2021

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



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STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

TABLE OF CONTENTS

	<u>Page(s)</u>
<i>State Compliance Examination Report</i>	
Agency Officials	1
Management Assertion Letter	2-3
State Compliance Report:	
Summary	4-6
Independent Accountant’s Report on State Compliance and on Internal Control Over Compliance	7-9
Schedule of Findings	
Current Findings.....	10-52
Prior Findings Not Repeated	53
Status of Management Audit Recommendations	54-74
<i>Disclosures Accompanying a State Compliance Examination Report</i>	
Summary.....	75
Independent Accountant’s Report on Disclosures Accompanying a State Compliance Examination Report..	76
Fiscal Schedules and Analysis:	
Schedule of Appropriations, Expenditures, and Lapsed Balances:	
Fiscal Year 2021	77
Fiscal Year 2020	78
Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances	79-84
Comparative Schedule of Net Expenditures by Major Activity.....	85
Analysis of Significant Variations in Expenditures	86
Analysis of Significant Variations in Lapse Period Spending..	87
Comparative Schedule of Cash Receipts and Deposits into the State Treasury	88-93
Analysis of Significant Variations in Receipts	94-97
Schedule of Locally Held Fund Receipts and Disbursements	98
Schedule of Changes in Property	99-100

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

TABLE OF CONTENTS (Continued)

Disclosures Accompanying a State Compliance Examination Report (Continued)

Analysis of Operations:

Functions and Planning	101-104
Number of Employees	105
Cost Statistics	106-108
Disclosure of Emergency Purchases	109-116
Analysis of Overtime and Compensatory Time	117
Disclosure of Emergency Purchases under the Gubernatorial COVID-19 Disaster Proclamations	118-129

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

For the Two Years Ended June 30, 2021

AGENCY OFFICIALS

Director (2/18/2020 – Present)	Ms. Janel Forde
Director (Acting) (7/1/2019 – 2/17/2020)	Ms. Janel Forde
Assistant Director (Acting) (9/7/2021 – Present)	Ms. Raven DeVaughn
Assistant Director (3/28/2022 – Present)	Mr. Mark Mahoney
Assistant Director (Acting) (5/1/2021 – 3/27/2022)	Mr. Mark Mahoney
Assistant Director (12/4/2020 – 4/30/2021)	Vacant
Assistant Director (Acting) (7/15/2019 – 12/3/2020)	Mr. Michael Merchant
Assistant Director (7/1/2019 – 7/14/2019)	Vacant
Chief of Staff	Mr. Anthony Pascente
Chief Administrative Officer (5/1/2021 – Present)	Ms. Sarah Kerley
Chief Administrative Officer (7/1/2019 – 4/30/2021)	Mr. Mark Mahoney
Chief Operating Officer	Ms. Aysegul Kalaycioglu
Chief Fiscal Officer (1/21/2021 – Present)	Ms. Karen Pape
Chief Fiscal Officer (Acting) (7/1/2019 – 1/20/2021)	Ms. Karen Pape
General Counsel (7/22/2019 – Present)	Mr. Terrence Glavin
General Counsel (7/1/2019 – 7/21/2019)	Vacant
Chief Internal Auditor	Mr. Jack Rakers

Agency main offices are located at:

702 Stratton Office Building
401 South Spring Street
Springfield, IL 62706



MANAGEMENT ASSERTION LETTER

May 6, 2022

Sikich LLP
3201 West White Oaks Drive, Suite 102
Springfield, IL 62704

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, Department of Central Management Services (Department). 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 Department'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, the Department has materially complied with the specified requirements listed below.

- A. The Department 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 Department 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 Department 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 Department 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. Include this paragraph only if applicable during the examination period.

- E. Money or negotiable securities or similar assets handled by the Department on behalf of the State or held in trust by the Department have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Sincerely,

SIGNED ORIGINAL ON FILE

Director

SIGNED ORIGINAL ON FILE

Chief Financial Officer

SIGNED ORIGINAL ON FILE

General Counsel

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
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

<u>Number of</u>	<u>Current</u> <u>Report</u>	<u>Prior</u> <u>Reports</u>
Findings	16	13
Repeated Findings	10	5
Prior Recommendations Implemented or Not Repeated	3	4

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First</u> <u>Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings				
2021-001	10	2019/2019	Failure to determine premiums that allow for establishment of actuarial sound reserve	Material Weakness and Material Noncompliance
2021-002	13	New	Inadequate monitoring of internal service fund billings	Significant Deficiency and Noncompliance
2021-003	16	2020/2020	Lack of census data reconciliations	Significant Deficiency and Noncompliance
2021-004	18	2019/2019	Failure to adhere to the provisions of the Fiscal Control and Internal Auditing Act	Material Weakness and Material Noncompliance

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

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				
2021-005	23	New	Weaknesses in emergency purchases and real property lease administration	Material Weakness and Material Noncompliance
2021-006	26	2019/2013	Failure to timely conduct yearly performance appraisals	Significant Deficiency and Noncompliance
2021-007	27	2019/2017	Noncompliance with the State Employment Records Act	Significant Deficiency and Noncompliance
2021-008	29	2019/2019	Weaknesses related to personal services	Significant Deficiency and Noncompliance
2021-009	32	2019/2006	Inadequate monitoring of interagency agreements	Significant Deficiency and Noncompliance
2021-010	33	New	Inadequate procedures regarding State vehicles	Significant Deficiency and Noncompliance
2021-011	37	2019/2019	Weaknesses in cybersecurity programs and practices	Significant Deficiency and Noncompliance
2021-012	39	2019/2013	Inadequate controls over electronic surplus property	Significant Deficiency and Noncompliance
2021-013	41	New	System access weaknesses	Significant Deficiency and Noncompliance
2021-014	43	New	Disaster recovery planning weakness	Significant Deficiency and Noncompliance
2021-015	44	2019/2019	Noncompliance with statutory mandates	Significant Deficiency and Noncompliance

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

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				
2021-016	51	New	Failure to implement the rules describing the State Employees' Group Insurance Program	Significant Deficiency and Noncompliance
Prior Findings Not Repeated				
A	53	2019/2002	Inadequate controls over property and equipment	
B	53	2019/2019	Untimely and inaccurate processing of receipts	
C	53	2019/2019	Inadequate review of external service providers	

EXIT CONFERENCE

The Department waived an exit conference in a correspondence from Amy Lange, Audit Liaison, on April 26, 2022. The responses to the recommendations were provided by Jack Rakers, Chief Internal Auditor, in a correspondence dated May 5, 2022.

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on State Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the State of Illinois, Department of Central Management Services (Department) 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 Department is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Department's compliance with the specified requirements based on our examination.

The specified requirements are:

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

Our examination disclosed material noncompliance with the following specified requirements applicable to the Department for the two years ended June 30, 2021. As described in the accompanying Schedule of Findings as items 2021-001, 2021-004, and 2021-005 the Department had not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

In our opinion, except for the material noncompliance with the specified requirements described in the preceding paragraph, the Department 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 2021-002, 2021-003, and 2021-006 through 2021-016.

The Department's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The Department'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 Department 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 Department's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Department's compliance with the specified requirements and to test and report on the Department's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department'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, 2021-004, and 2021-005 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 as items 2021-002, 2021-003, and 2021-006 through 2021-016 to be significant deficiencies.

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

The Department's responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The Department'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

Springfield, Illinois
May 6, 2022

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

SCHEDULE OF FINDINGS

2021-001. FINDING (Failure to determine premiums that allow for establishment of actuarial sound reserve)

The Department of Central Management Services (Department) failed to determine premiums that will allow for the establishment of an actuarially sound reserve for the Community College Health Insurance Program (Program).

In the Fiscal Year 2018 and 2019 compliance examination, we reported the Department had failed to determine premiums that would allow for the establishment of an actuarially sound reserve. During Fiscal Year 2021 testing, we continued to identify exceptions, as noted below:

- The State Employees Group Insurance Act of 1971(5 ILCS 375/6.9(e)(1) (Act)) states, for a community college benefit recipient, up to 75% of the total insurance rate shall be paid from the Community College Health Insurance Security Fund (Fund). During testing, we noted the Fund covered 75.044% of the total insurance rate for benefit recipients. The projected total additional cost to the Fund was \$10,846.
- The Act (5 ILCS 375/6.(e)(2)) states the balance of the rate of insurance, including the entire premium for any coverage for community college dependent beneficiaries that has been elected, shall be paid by deductions authorized by the community college benefit recipient. During testing, we noted the Fund covered 1.619% of the total insurance rate for benefit recipients. The projected total additional cost to the Fund was \$38,633.

Additionally, the Act (5 ILCS 375/6.9(e)) requires the Department to determine premiums that will allow for the establishment of an actuarially sound reserve for the Community College Health Insurance Program. At June 30, 2021 the Program had a fund deficit of \$104.136 million and the Program experienced a loss of \$16.165 million. The Program does not have an actuarially sound reserve.

The Department's management stated the methodology utilized to calculate the rates for the Program, given the relatively small population participating in the program, the reliability of the historical claims data, and its impact on the unadjusted rate increases were questioned. The resulting adjustment made to the unadjusted rates was to provide for a consistent rate increase across all categories such that the overall expected participant contributions would equal the overall contributions projected utilizing the unadjusted rates which were based upon the language in the statute. This would provide for a revenue stream similar to one provided under that stature while minimizing the significant financial impact to the retired participants of the program.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-001. FINDING (Failure to determine premiums that allow for establishment of actuarial sound reserve) – Continued

The Department also stated it calculated rates for the 0-25 age group by taking 40% of the 26-64 rate that was being calculated based on the statutory 25% of cost. The reason the Department did this was due to the size of the self-insured population in the 0-25 range being small enough to make the underlying data not very reliable. Additionally, the contract group negotiates fully insured rates that are based on using the same rate for 0-25 that is used for 26-64. Since it's understood that the underlying costs for the two different age groups would be considerably different, the same 40% ratio is used in the calculation. When the auditors did their calculation, they adhered strictly to the statutory requirement of calculating 25% of the cost (or 100% of the cost for dependents). The difference between the Department's calculation and the auditors is what caused the differences in calculated rates.

Department management further stated that while the Department has historically dealt with a prolonged hold cycle in the Program, the balance between delayed payments and excessive premium increases has been weighed to protect the affordability of coverage for the over 7,000 enrollees while continuing to manage the finances with limited resources prescribed in the Act. The Department continues to seek a legislative remedy to the funding for the program to address the lack of the ability to create an actuarially sound reserve.

This weakness in internal control over financial and fiscal operations poses a reasonable possibility that future misstatements of the Department's financial statements or noncompliance will occur and not be prevented or detected or corrected on a timely basis.

The premiums established for the fund were not in compliance with the Act, resulting in additional costs to the State. Additionally, failure to determine premiums that will allow for the establishment of an actuarially sound reserve makes the Program more vulnerable to negative economic impacts, could result in an inability to pay liabilities, and results in statutory noncompliance. (Finding Code No. 2021-001, 2019-002)

RECOMMENDATION

We recommend the Department ensure premium rates meet the requirements established by the Act. Additionally, we recommend the Department either comply with the law by working with the Governor's Office of Management and Budget to obtain the necessary appropriation to supplement the Community College Health Insurance Program or seek legislative relief from the statutory requirement.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-001. FINDING (Failure to determine premiums that allow for establishment of actuarial sound reserve) – Continued

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. With the passage of the Fiscal Year 2023 budget, there was established an additional \$25M appropriation from the General Revenue Fund for deposit into the Community College Health Insurance Security Fund. While this will not completely eliminate the backlog of payables, it will provide some reduction. Additionally, the Department will continue to work with the Governor’s Office, the Governor’s Office of Management and Budget, the General Assembly, and the various constituency representative to develop a legislative solution to the funding issues of the program.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-002. FINDING (Inadequate monitoring of internal service fund billings)

The Department of Central Management Services (Department) did not adequately monitor billings for the Professional Services Fund and the Health Insurance Reserve Fund.

During testing of internal service fund billings, amounts due from other agencies, and amounts due from component units we noted the following:

- Several State employees are collectively represented by the Downstate Teamsters, Cook County Teamsters Local No. 700, Fox Valley Teamsters Local No. 330, and Teamsters Local No. 916 at the:
 - Department;
 - Department of Corrections (DOC);
 - Department of Innovation and Technology (DoIT);
 - Department of Human Services (DHS);
 - Department of Transportation (DOT);
 - Illinois State Police (ISP), which are paid for by the ISP, Illinois Gaming Board (IGB), Illinois State Toll Highway Authority (ISTHA), and DOT;
 - Department of Veterans' Affairs (DVA);
 - Department of Natural Resources (DNR); and,
 - Department of Employment Security (covered position currently vacant).

Pursuant to the various agreements, these employees covered by these agreements can choose to opt-out of the State Employee Group Insurance Program (SEGIP)'s healthcare benefits and receive their employee healthcare through the union's plan. Those employees who opt-out will participate in SEGIP for vision, dental, and life insurance benefits as an employee and then transition to SEGIP for all of their Other Postemployment Benefits (OPEB), including healthcare benefits, at retirement. In order to pay the unions for these employees' healthcare costs, SEGIP initially pays the union and the Department then prepares supplemental billings for SEGIP to recover these costs and collect the associated retiree portion of group insurance contributions for SEGIP from each employee's employer. These payments are made to the Health Insurance Reserve Fund.

As of June 30, 2021, \$6,522,614 in supplemental billings were due to the Department. We noted the Department did not actively monitor its amounts due from multiple State agencies and ISTHA to ensure amounts due were timely collected. As such, we noted six of nine (67%) agencies made no payments or payments significantly lower than what was due since 2018. A summary of the amount owed by year and agency is as follows:

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-002. FINDING (Inadequate monitoring of internal service fund billings) – Continued

Agency	Agency Number	FY 2019	FY 2020	FY 2021	Total
CMS*	416	-	-	163,948	163,948
DNR**	422	169,450	252,411	268,947	690,808
DOC**	426	542,138	579,149	276,859	1,398,146
DHS**	444	18,480	217,398	162,016	397,894
DoIT*	448	-	-	42,188	42,188
ISP***	493	93,041	108,497	110,033	311,571
DOT*	494	-	-	598,540	598,540
ISTHA**	557	790,845	785,011	668,251	2,244,107
IGB***	565	340,199	319,110	16,102	675,411
Total		1,954,152	2,261,577	2,306,885	6,522,614

*Making payments

**No payments made since 2019

*** Payments significantly lower than amount owed

After these issues were brought to the attention of the Department, \$3,735,687 was collected for these billings by December 2021.

- The Department develops charges for professional services to be paid into the Professional Services Fund by using the last full fiscal year's expenditures, devising a percentage of the total expenditures, and then prorating the amounts to the agencies by fund and dollar amount that receive professional services from the Department. This percentage is then multiplied by the professional services annual budget to determine the amount billed to each agency. During testing we noted agencies receiving professional services from the Department were billed based on the percentages established for Fiscal Year 2020 instead of Fiscal Year 2021. This resulted in 41 of 45 (91%) agencies receiving professional services from the Department being billed for the incorrect amount. The amounts under billed to agencies ranged from \$200 to \$269,200, and the amounts overbilled to agencies ranged from \$200 to \$704,900.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance resources and funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial reports. Additionally, the Illinois Administrative Code (74 Ill. Adm. Code 1000.20) states the Department shall make reasonable efforts to bill and collect Internal Service Fund receivables in the fiscal year in which the user agency's account liability was incurred.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-002. FINDING (Inadequate monitoring of internal service fund billings) – Continued

The Department stated, originally, the invoices were sent to Shared Services which then distributed invoices to respective agencies. Shared Services was subsequently eliminated which caused a disruption in the invoice distribution thus resulting in increased amounts due from agencies. The Department also stated fiscal staff continued to prepare and distribute the invoices to respective agencies during the examination period, but due to key management vacancies the Department was unable to sufficiently monitor and follow up with the non-compliant agencies.

Further, the Department stated issues related to professional service billings were a result of human error. The limited staff did not allow for a thorough review and oversight by supervisory personnel.

Failure to timely collect internal service fund billings result in a reduced cash balance and agencies paying these billings in a fiscal year where the liability was not incurred. Failure to bill agencies receiving professional services from the Department resulted in agencies paying incorrect amounts, which could result in material misstatements in their financial reporting. (Finding Code No. 2021-002)

RECOMMENDATION

We recommend the Department ensure internal service fund billings are properly calculated and that the Department timely follows up on outstanding billings.

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. We have implemented processes and procedures to complete timely monitoring and follow up on internal service fund billings to ensure agencies are paying these billings in the fiscal year where the liability is incurred.

Regarding the professional services billing, the Department has updated its procedures and review processes to help ensure billings are properly calculated.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-003. FINDING (Lack of census data reconciliations)

The Department of Central Management Services (Department) did not have a reconciliation process to provide assurance census data submitted to its pension and other postemployment benefits (OPEB) plans was complete and accurate.

Census data is demographic data (date of birth, gender, years of service, etc.) of the active, inactive, or retired members of a pension or OPEB plan. The accumulation of inactive or retired members' census data occurs before the current accumulation period of census data used in the plan's actuarial valuation (which eventually flows into each employer's financial statements), meaning the plan is solely responsible for establishing internal controls over these records and transmitting this data to the plan's actuary. In contrast, responsibility for active members' census data during the current accumulation period is split among the plan and each member's current employer(s). Initially, employers must accurately transmit census data elements of their employees to the plan. Then, the plan must record and retain these records for active employees and then transmit this census data to the plan's actuary.

We noted the Department's employees are members of both the State Employees' Retirement System of Illinois (SERS) for their pensions and the State Employees Group Insurance Program sponsored by the Bureau of Benefits within the State of Illinois, Department of Central Management Services (Bureau) for their OPEB. In addition, we noted these plans have characteristics of different types of pension and OPEB plans, including single employer plans and cost-sharing multiple-employer plans.

During testing, we noted the Department had not performed an initial complete reconciliation of its census data recorded by both SERS and its Bureau to the personnel records of the Department's employees to establish a base year of complete and accurate census data.

After establishing a base year, the Department had not developed a process to annually obtain from SERS and CMS the incremental changes recorded by SERS and CMS in their census data records and reconcile these changes back to the Department's internal supporting records.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-003. FINDING (Lack of census data reconciliations) – Continued

For employers where their employees participate in plans with multiple-employer and cost-sharing features, the American Institute of Certified Public Accountants' *Audit and Accounting Guide: State and Local Governments* (AAG-SLG) (§ 13.177 for pensions and § 14.184 for OPEB) notes the determination of net pension/OPEB liability, pension/OPEB expense, and the associated deferred inflows and deferred outflows of resources depends on employer-provided census data reported to the plan being complete and accurate along with the accumulation and maintenance of this data by the plan being complete and accurate. To help mitigate against the risk of a plan's actuary using incomplete or inaccurate census data within similar agent multiple-employer plans, the AAG-SLG (§ 13.181 (A-27) for pensions and § 14.141 for OPEB) recommends an employer annually reconcile its active members' census data to a report from the plan of census data submitted to the plan's actuary, by comparing the current year's census data file to both the prior year's census data file and its underlying records for changes occurring during the current year.

Further, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds applicable to operations are properly recorded and accounted for to permit the preparation of reliable financial and statistical reports.

Department management attributed the lack of an initial complete reconciliation to competing priorities and limited staffing.

Failure to reconcile active members' census data reported to and held by both SERS and its Bureau to the Department's personnel records could result in each plan's actuary relying on incomplete or inaccurate census data in the calculation of the Department's pension and OPEB balances, which may result in a misstatement of these amounts. (Finding Code No. 2021-003, 2020-002)

RECOMMENDATION

We recommend the Department work with both SERS and its Bureau to develop an annual reconciliation process of its active members' census data from the Department's underlying personnel records to a report from each plan of census data submitted to the plan's actuary. After completing an initial full reconciliation, the Department may limit the annual reconciliation to focus on the incremental changes to the census data file from the prior actuarial valuation, provided no risks are identified that incomplete or inaccurate reporting of census data may have occurred during prior periods.

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. Bureau of Personnel (BoP) has completed the initial reconciliation of census data. BoP is prepared to ensure annual reconciliations are completed in conjunction with SERS.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-004. FINDING (Failure to adhere to the provisions of the Fiscal Control and Internal Auditing Act)

The Department of Central Management Services (Department) entered into interagency agreements that failed to adhere to the provisions of the Fiscal Control and Internal Auditing Act (Act).

The Act requires each designated State agency to maintain a full-time program of internal auditing (30 ILCS 10/2001(a)). In addition, each chief internal auditor transferred under Executive Order 2003-10 to the Department of Central Management Services shall be transferred to the auditor's designated State agency, and if an auditor does not have a designated State agency or has more than one designated State agency, then the chief executive officer of a State agency shall appoint such person as the chief internal auditor of a State agency (30 ILCS 10/2001(a-5)). The Act also states, “[a]gencies which do not have full-time internal audit programs may have internal audits performed by the Department of Central Management Services” (30 ILCS 10/2001(b)).

During the engagement period, the Department was a party to interagency agreements with the following designated State agencies to provide internal audit services:

- Illinois Department of Agriculture
- Illinois Department of Corrections
- Illinois Department of Financial and Professional Regulation
- Illinois Department of Human Rights
- Illinois Department of Labor
- Illinois Department of Insurance
- Illinois Finance Authority

We noted the following issues with these interagency agreements:

- The Illinois Department of Agriculture, the Illinois Department of Financial and Professional Regulation, the Illinois Department of Human Rights and the Illinois Finance Authority are defined as designated State agencies under 30 ILCS 10/1003(a). The Illinois Department of Agriculture, the Illinois Department of Financial and Professional Regulation and the Illinois Department of Human Rights are defined as departments of State government under the Civil Administrative Code (Code) (20 ILCS 5/5-15). The Act (30 ILCS 10/2001(a)) requires each designated State agency to maintain a full-time program of internal auditing. These agencies did not have a Chief Internal Auditor during the engagement period and strictly relied on the Department to provide internal audit services. The interagency agreements ultimately resulted in these four agencies not maintaining their own full-time internal audit function. Further, these interagency agreements resulted in the Department’s Chief Internal Auditor not working full time with the Department’s own internal audit function.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-004. FINDING (Failure to adhere to the provisions of the Fiscal Control and Internal Auditing Act) – Continued

The Illinois Department of Corrections, the Illinois Department of Labor and the Illinois Department of Insurance utilized internal audit services of the Department during the engagement period, but did not appoint their own Chief Internal Auditor. The agreements with the Illinois Department of Labor and the Illinois Department of Insurance were terminated during Fiscal Year 2021.

The Act was originally a Legislative Audit Commission initiative designed to address deficiencies noted in a May 1988 management audit of Illinois' State Programs of Internal Auditing. The audit report's conclusions and recommendations and the legislation that became the Act (House Bill 2031 of the 86th General Assembly which was signed into law as P.A. 86-936) demonstrated an understanding that agencies which are not required to have their own full-time program of internal auditing could obtain internal auditing assistance from an agency such as the Department of Central Management Services. In other words, each designated State agency must have a full-time program of internal auditing and each State agency that is not so designated is not required to have a full-time program of internal auditing but may receive internal audit services from the Department.

In 2003, by Executive Order (2003-10) the Governor transferred the internal auditors from the various State agencies and consolidated them into a bureau at the Department. In 2009, the General Assembly unanimously rejected this consolidation of internal audit authority in the Department and directed that the internal auditors and their functions be returned to their respective designated State agencies (P.A. 96-795, effective July 1, 2010).

The Illinois Office of the Auditor General requested the Illinois Attorney General make a ruling on the Department acting as the full-time internal audit function for these agencies. The Attorney General ruled in a recent Opinion No. 19-001, issued August 9, 2019, on page 18, that multiple designated State agencies may not appoint the same individual as their chief internal auditor through an intergovernmental agreement. Should designated State agencies desire to consolidate or combine their internal audit functions, they must either seek authorizing legislation from the General Assembly or follow the process for reassigning functions among or reorganizing executive agencies which are directly responsible to the Governor as established by article V, section 11, of the Illinois Constitution of 1970, and the Executive Reorganization Implementation Act (15 ILCS 15). The ruling was issued after these agreements were executed.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-004. FINDING (Failure to adhere to the provisions of the Fiscal Control and Internal Auditing Act) – Continued

- The Department did not obtain the Governor’s approval for the Department to provide professional internal auditing services to these State agencies.

The Code (20 ILCS 405/405-293(a)) states that Department “is responsible for providing professional services for or on behalf of State agencies for all functions transferred to the Department by Executive Order No. 2003-10. . .” Since the part of Executive Order 2003-10 related to internal audit was reversed by P.A. 96-795 this portion of the Section is not applicable in the circumstances. The Section goes on to state that the Department may “with the approval of the Governor, provide additional services to or on behalf of State agencies.” “Additional services” is not defined and no approval for the Department to provide internal auditing services specifically to these designated State agencies under the Act was obtained from the Governor.

- During testing of the reimbursement to the Department, we noted the following reimbursement arrangements:

Agency	Reimbursement Arrangement
Illinois Department of Agriculture	Allows the Department to use Illinois Department of Agriculture appropriations for processing payroll.
Illinois Department of Corrections	When and if more than two full-time equivalent employees are hired, the payroll expenses will be supported by the Illinois Department of Corrections via payroll agreements.
Illinois Department of Financial and Professional Regulation	Allows the Department to use Illinois Department of Financial and Professional Regulation appropriations for processing payroll.
Illinois Department of Human Rights	The Illinois Department of Human Rights agrees to transfer one full-time equivalent employee to the Department. Upon termination of this agreement, the Department will reimburse the Illinois Department of Human Rights for the full-time equivalent employee.
Illinois Department of Labor	The Illinois Department of Labor agrees to transfer one full-time equivalent employee to the Department. Upon termination of this agreement, the Department will reimburse the Illinois Department of Labor for the full-time equivalent employee.
Illinois Department of Insurance	Allows the Department to use Illinois Department of Insurance appropriations for processing payroll.
Illinois Finance Authority	The Department is to pay all expenses related to the agreement.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-004. FINDING (Failure to adhere to the provisions of the Fiscal Control and Internal Auditing Act) – Continued

- The Department inconsistently established reimbursement arrangements for these agreements and did not follow any of the reimbursement arrangements in the interagency agreement. The Department spent 13,759 and 13,390 hours in Fiscal Years 2020 and 2021, respectively, but did not seek reimbursement for providing internal audit services in accordance with the agreements. The Department does not plan to charge these agencies for this service. Since the Department does not plan to process vouchers through the Illinois Department of Agriculture's, Illinois Department of Financial and Professional Regulation's or Illinois Department of Insurance's appropriations, we believe there is a significant internal control risk with potentially delegating a State's appropriation authority unnecessarily.

The Act (30 ILCS 10/3001) requires the Department 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; and (3) funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation.

Department management indicated many of the agencies they support are having a difficult time finding candidates that meet their auditing needs. Department management indicated the Department's main focus was on ensuring that audits and internal audit documents were completed so continued to honor the interagency agreements established. Department management indicated the Department's billing practice did not reflect the most up-to-date intergovernmental agreements due to the complexities of invoicing for the bureau's services across multiple agencies and payroll systems.

The establishment of intergovernmental agreements to provide internal audit functions to other designated agencies hinders the operational autonomy intended by the General Assembly for internal auditors and resulted in the Department's Chief Internal Auditor not working full time with the Department's own internal audit function. Management at these agencies cannot terminate an appointed chief internal auditor prior to the conclusion of their term without cause and a hearing before the Executive Ethics Commission, but management can terminate the interagency agreement with the Department at any time for any reason.

Failure to obtain the approval of the Governor for expanding the professional services provided by the Department limits governmental oversight and represents noncompliance with the Code.

Granting the Department authorization to expend the agency payroll appropriations weakens its overall internal control environment and represents noncompliance with State law. (Finding Code No. 2021-004, 2019-001)

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-004. FINDING (Failure to adhere to the provisions of the Fiscal Control and Internal Auditing Act) – Continued

RECOMMENDATION

We recommend the Department not enter into interagency agreements which result in agencies and the Department not maintaining their own full-time internal audit function. We recommend any other services provided to agencies be done only with the approval of the Governor. Further, we recommend the Department consistently establish and enforce reimbursement arrangements for its interagency agreements.

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. We are in the process of addressing the identified billing issues, which will allow the necessary changes to the provisions of the intergovernmental agreements and become compliant.

As for the issue identified about the Chief Internal Auditor at Central Management Services providing support for other designated state agencies, the Bureau has now trained multiple staff that are close to being qualified to becoming Chief Internal Auditors. As such, we are committed to exploring options that will entice them to consider these positions.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-005. FINDING (Weaknesses in emergency purchases and real property lease administration)

The Department of Central Management Services (Department) did not exercise adequate controls over its emergency purchases and real property leases.

During our testing of the Department's emergency procurement contracts during the engagement period, we noted the following issues:

- One of 29 (3%) emergency purchases was not published in the online electronic bulletin within five calendar days. The emergency purchase was published four calendar days late. The untimely publication in the online electronic bulletin also resulted in the Chief Procurement Office (CPO) not filing a statement with the Procurement Policy Board and the Auditor General within 10 calendar days after the procurement. The statement was filed six calendar days late.

The Illinois Procurement Code (Code) (30 ILCS 500/20-30(b)) requires notice of all emergency procurements be published in the online Illinois Procurement Bulletin no later than five days after the contract is awarded. Additionally, the Code (30 ILCS 500/20-30(c)) requires the Chief Procurement Officer conducting a procurement as an emergency purchase to file a statement with the Procurement Policy Board and the Auditor General with the estimated cost of the purchase within 10 calendar days after the procurement.

- One of 29 (3%) emergency purchases for a real property lease, totaling \$45,478, was not filed with the Office of Comptroller (Comptroller) via a Contract Obligation Document (Form C-23).

SAMS Procedure 15.20.40 requires State agencies to file leases for real property exceeding \$20,000 with the Comptroller.

- The Department continued to make payments to a vendor after one emergency purchase for a real property lease and subsequent three-month extension expired without being granted additional approval through another extension hearing. These payments were not obligated with the Comptroller. Monthly lease payments totaled \$20,830; however the Department split the monthly payments, keeping individual payments under \$20,000. The lease payments totaled \$128,517.

The Code (30 ILCS 500/20-30(a)) allows an emergency purchase to be extended beyond 90 days if the chief procurement officer determines additional time is necessary and that the contract scope and duration are limited to the emergency. Prior to execution of the extension, the chief procurement officer must hold a public hearing and provide written justification for all emergency contracts.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-005. FINDING (Weaknesses in emergency purchases and real property lease administration) – Continued

- Twelve of 29 (41%) emergency purchases were for month to month payments for real property leases that expired before and/or after an emergency contract was in place, with no contract obligated with the Comptroller. The Code (30 ILCS 500/40-25) allows leases to continue on a month-to-month or other holdover basis for a total of no more than six months. These 12 real property leases had exhausted the six allowed month-to-month payments under the expired lease on file with the Comptroller prior to making these month-to-month payments with no current obligation filed with the Comptroller. By continuing to make month-to-month payments without a current obligation number, the Department effectively extended the month-to-month lease payments beyond the statutorily allowed duration of time. The leases with month-to-month payments without an obligation filed with the Comptroller had payments totaling \$643,704. Additionally, for one of these leases, monthly lease payments totaled \$35,280; however, the Department split the monthly payments keeping individual payments under \$20,000. These lease payments totaled \$105,839.

During our analysis of payments without contract numbers, we noted four real property leases with month-to-month payments totaling \$236,953 that did not have obligations filed with the Comptroller. The Code allows leases to continue on a month-to-month or other holdover basis for a total of no more than six months. These four real property leases had exhausted the six month-to-month payments under the expired lease on file with the Comptroller prior to making these month-to-month payments with no current obligation filed with the Comptroller. By continuing to make month-to-month payments without an obligation number, the Department effectively extended the month-to-month lease payments beyond the statutorily allowed duration of time instead of making an emergency purchase.

Department management indicated the cause for the untimely emergency purchase filing was a delay in the responsible bureau approving the emergency purchase due to competing priorities.

The Department stated issues related to failure to obligate real property leases with the Comptroller were due to staff shortages and the fiscal supervisor being on leave. The issues regarding extending the month-to-month payments beyond six months were due to staff turnover, lack of knowledge base, and human error.

Failure to properly procure services pursuant to the Code represents noncompliance with the Code, can result in a possible mismanagement of State funds, and hinders public oversight. Additionally, failing to file obligations with the Comptroller circumvents controls in place to avoid unauthorized State payments and makes it difficult for the Comptroller to track holdover payments to ensure the holdover period does not exceed six months, which resulted in month-to-month lease payments beyond the statutorily allowed duration. (Finding Code No. 2021-005)

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-005. FINDING (Weaknesses in emergency purchases and real property lease administration) – Continued

RECOMMENDATION

We recommend the Department ensure all emergency purchases are timely published in the online electronic bulletin. Additionally, we recommend the Department takes steps to ensure all real property leases are filed with the Comptroller and payments on these leases are properly obligated in accordance with SAMS. Lastly we recommend the Department implement procedures to monitor real property lease terms to avoid exhausting the six month statutorily allowed holdover period without a new lease agreement in place.

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. We will continue to make every effort to ensure compliance with the recommendations and best practices put forth from the Comptroller by utilizing the SAMS manual when completing invoice processing and leasing payments. Maintaining a high level of knowledge and expertise with invoicing procedures and payment submissions is critical and with this in mind, new training modules are being developed to ensure understanding and compliance with established procedures. Further, Standard Operating Procedures have been drafted outlining the invoice and leases processes. Regularly scheduled meetings have been established to enhance the internal control systems, enforce policies, and keep lines of communication open between fiscal staff and the Deputy Director's office, ensuring that the Department is compliant with all fiscal policies and procedures.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-006. FINDING (Failure to timely conduct yearly performance appraisals)

The Department of Central Management Services (Department) failed to conduct employee evaluations on a timely basis.

During our testing of 60 employee performance evaluations, we noted evaluations for seventeen (28%) employees were not conducted in accordance with Department policies or the Code. The evaluations were performed seven to 370 days late. In addition, annual evaluations were not performed for six of 60 (10%) employees tested.

The Department's internal personnel policy states, "Participation in the evaluation process is a requirement for all CMS employees. Evaluations take place every 12 months..." The Illinois Administrative Code (80 Ill. Adm. Code 302.270(d)) (Code) requires each agency to prepare such evaluations not less often than annually. Evaluations are due 30 days after the ending of the review period.

This finding was originally noted during the compliance examination of the two years ended June 30, 2013. In the subsequent examinations, the Department has not been successful in completely implementing corrective action.

Department management indicated, while the performance of timely employee evaluations has continued to be stressed by management, the execution of timely employee evaluations was more difficult during the engagement period because of the COVID-19 pandemic.

Performance evaluations are a systemic and uniform approach used for the development of employees and communication of performance expectations. These evaluations should serve as the foundation for salary adjustments, promotion, demotion, discharge, layoff, recall, and reinstatement decisions. (Finding Code No. 2021-006, 2019-005, 2017-005, 2015-004, 2013-013)

RECOMMENDATION

We recommend the Department enforce its procedures throughout the Department to ensure the completion of performance evaluations in accordance with State rules and internal personnel policy.

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. Bureau of Personnel will continue to stress to Department managerial/supervisory staff the importance of employee evaluations and the necessity to complete them in a timely manner.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-007. FINDING (Noncompliance with the State Employment Records Act)

The Department of Central Management Services (Department) did not file accurate Agency Workforce Reports (reports) with the Office of the Governor and the Office of the Secretary of State.

During our testing of the 2019 report, we noted the following:

- The Department incorrectly reported various totals and percentages due to calculation errors. We noted 24 calculation errors in the report.
- The Department reported the total contractual employees; however, failed to report contractual employees by race and gender.
- The report was not filed with the Secretary of State and Governor until January 16, 2020, 15 days late.

During our testing of the 2020 Agency Workforce Report, we noted the following:

- The total for females in Openings Filled Promotions was reported as 17 employees (81%), however it was actually 16 employees (76%).
- The Department reported the total contractual employees; however, failed to report contractual employees by race and gender.

The 2017 Corrected Agency Workforce Report was not filed with the Secretary of State until September 10, 2020, 65 days after the compliance examination for the two years ended June 30, 2019 release date of July 7, 2020.

The Department was first cited for this noncompliance in the compliance examination for the two years ended June 30, 2017. In the years since the finding was first noted, the Department has been not been successful in correcting this finding.

The State Employment Records Act (Act) (5 ILCS 410/1 et seq.) requires State agencies to annually report to the Office of the Secretary of State and the Governor's Office the number of minorities, women, and physically disabled persons along with the related salary and statistical information to provide State officials and administrators with the information to help guide efforts to achieve a more diversified workforce. Additionally, the Act (5 ILCS 410/20) requires agencies to file, as public information and by January 1 each year, a copy of all reports required by this Act with the Office of the Secretary of State, and shall submit an annual report to the Governor.

The Illinois State Auditing Act (30 ILCS 5/3-2.2) requires agencies to file corrected reports within 30 days after release of the audit by the Auditor General.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-007. FINDING (Noncompliance with the State Employment Records Act) – Continued

Department officials indicated the Department currently does not have a procedure to capture the race and gender data for contractual employees. Department officials indicated the Department's Legal and Equal Employment Opportunity Officer is exploring ways to capture this data going forward. Department officials indicated the late filings and other errors were attributed to employee oversight.

The data contained in the report is important to the State's efforts in achieving a diversified workforce. Failure to timely and accurately prepare the report results in noncompliance with the State Employment Records Act and the Illinois State Auditing Act. (Finding Code No. 2021-007, 2019-006, 2017-006)

RECOMMENDATION

We recommend the Department ensure the Agency Workforce Report is properly completed and timely submitted to the Secretary of State and Office of the Governor. Additionally, we recommend the Department file revised reports within 30 days after the release of the audit by the Auditor General as required by the Illinois State Auditing Act.

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. The Department understands the importance of properly completing the Agency Workforce Report (Report) and will make every effort to do so going forward. Corrected 2019 and 2020 Agency Workforce Reports will be timely filed with the Governor's Office and the Secretary of State.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-008. FINDING (Weaknesses related to personal services)

The Department of Central Management Services (Department) demonstrated weaknesses related to personal services.

During testing, we noted the following:

- The Department failed to maintain and complete the *Employment Eligibility Verification Form* (Form I-9).
 - Form I-9 was absent for three of 60 (5%) employees tested.
 - Form I-9 was not signed by the employer within three business days of the hire for four (7%) of 60 employees tested.

The Immigration Reform and Control Act of 1986 (8 U.S. Code § 1324a) Part 274a: Control and Employment of Aliens (8 C.F.R. § 274a.2) states that person or entity that hires an individual for employment must ensure the individual properly completes Section 1 of Form I-9 at the time of hire and sign Section 2 of Form I-9 within three business days of the hire. Section 274a.2 further states a paper (with original handwritten signatures), electronic, original paper scanned into an electronic format, or a combination of paper and electronic, or microfilm or microfiche copy of the original signed version of Form I-9 must be retained by an employer for three years after the date of the hire or one year after the date the individual's employment is terminated, whichever is later.

Department management indicated the assurance of employees completing/submitting the I-9 form was due to employee error.

Failure to comply with U.S. Department of Homeland Security regulations could subject the State to unnecessary legal costs and penalties.

- Department employees did not receive statutorily required training as follows:
 - Five of seven (71%) new employees tested did not complete new hire ethics training within 30 days of the commencement of their employment. The State Officials and Employees Ethics Act (5 ILCS 430/5-10), requires public employees and appointees to complete ethics training at least annually. New employees, appointees, and officials are required to complete ethics training within 30 days of the commencement of their employment or office.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-008. FINDING (Weaknesses related to personal services) – Continued

- Two of 40 (5%) employees tested did not complete sexual harassment training during 2019. Additionally, five of seven (71%) new employees tested did not complete new hire sexual harassment training within 30 days. The State Officials and Employees Ethics Act (5 ILCS 430/5-10.5), states until 2020, each officer, member, and employee must complete, at least annually, a sexual harassment training program. Beginning in 2020, each officer, member, and employee must complete, at least annually, a harassment and discrimination training program. A person who fills a vacancy in an elective or appointed position that requires training under this Section must complete his or her initial sexual harassment training program within 30 days after commencement of his or her office or employment.

Department management indicated the exceptions noted were caused by competing priorities.

Failure to comply with statutory requirements related to employee training results in statutory noncompliance and could fail to establish expectations for employee behavior.

- Two of 40 (5%) employees tested did not submit their timesheets within a week of the last day of the timesheet.

According to the CMS Policy Manual, “The daily timesheet must be submitted to the employee’s supervisor for approval on a weekly basis.”

Department management indicated the delay of employees submitting their weekly timesheet was due to employee oversight.

Not submitting timesheet timely diminishes management oversight. (Finding Code No. 2021-008, 2019-007)

RECOMMENDATION

We recommend the Department ensure the original, properly completed Form I-9 is retained in employee personnel files. In addition, we recommend the Department ensure employees complete required training and reinforce to employees the importance of submitting timesheets in accordance with Department policy.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-008. FINDING (Weaknesses related to personal services) – Continued

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. Bureau of Personnel (BoP) implemented New Employee Orientation (NEO) for all new Department employees as part of the onboarding process. New employees to the Department are required to submit the completed I-9 form as part of the onboarding process on their first day of employment. BoP will adjust the language of the onboarding documentation and NEO website to include distinct requirements for employee submission of paperwork/training completion which will allow the employer the opportunity to meet required timelines for sign-off of completed, mandatory documentation. This will include completion instructions of all required onboarding paperwork and trainings.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-009. FINDING (Inadequate monitoring of interagency agreements)

The Department of Central Management Services' (Department) process to monitor interagency agreements was inadequate.

During our testing of the Departments' interagency agreements, we noted three of six (50%) interagency agreements tested were not signed by all parties prior to the commencement of the services. These agreements were signed between 29 and 233 days late.

The Department was first cited for this noncompliance in the compliance examination for the two years ended June 30, 2006. In the years since the finding was first noted, the Department has not been successful in correcting this finding.

The Illinois Intergovernmental Cooperation Act (5 ILCS 220/5) states that an agency may contract with another agency to transfer authority or privileges, provided that the contract is approved by both agencies. The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires that agencies establish internal fiscal and administrative controls to provide assurance that resources, obligations and costs are in compliance with applicable laws, rules and agreements. Good internal controls require the approval of agreements prior to the effective date.

Department management indicated the late signing of the agreements was due to negotiations with the counterparty agency; the result of services which were required on an emergency basis in the early days of the State's COVID response, and multi-agency discussion and collaboration.

The Department entered into 64 agreements with other State agencies and other units of government during the examination period. The purpose of these agreements is to assist the Department in fulfilling its mandated mission. In order to assess whether the agreements are reasonable, appropriate, and sufficiently document the responsibilities of the appropriate parties, the contracts and agreements need to be approved prior to the effective date and executed before the commencement of services. (Finding Code No. 2021-009, 2019-004, 2017-004, 2015-005, 2013-014, 11-15, 09-16, 08-18, 07-27, 06-17)

RECOMMENDATION

We recommend the Department ensure all interagency agreements are approved by an authorized signer prior to the effective date of the agreement and executed prior to the commencement of services.

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. The Department has implemented language into agreements which allows for a flexible effective date upon full execution of the agreement.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-010. FINDING (Inadequate procedures regarding State vehicles)

The Department of Central Management Services (Department) had several weaknesses regarding State vehicles. We noted deficiencies over vehicle fuel requirements, vehicle maintenance records and accident reports as follows:

- During our testing of the Department's minimum fuel requirements for vehicles purchased during the engagement period, we noted sixteen of 40 (40%) vehicles tested were not in compliance with fuel type and minimum fuel efficiency requirements. None of these noncompliant vehicles had an Exemption Request Form filed nor were they approved by the Chief Procurement Officer prior to purchase. Upon further investigation, we noted 194 noncompliant vehicles purchased in Fiscal Years 2020 and 2021 totaling \$3,426,652.

The Illinois Procurement Code (30 ILCS 500/25-75) requires all gasoline-powered vehicles purchased from State funds to be either flexible fuel or fuel efficient hybrid vehicles. The Illinois Procurement Code defines flexible fuel vehicles as automobiles or light trucks that operate on either gasoline or E-85 fuel and fuel efficient hybrid vehicles as automobiles or light trucks that use a gasoline or diesel engine and an electric motor to provide power and gain at least a 20% increase in combined US-EPA city-highway fuel economy over the equivalent or most-similar conventionally-powered model. Further, the Illinois Procurement Code states that the Chief Procurement Officer may determine that certain vehicle procurements are exempt based on intended use or other reasonable considerations such as health and safety of Illinois citizens. Additionally, the Illinois Procurement Code (30 ILCS 500/45-40) specifies the procurement of a model of new passenger automobiles that, according to the most current mileage study published by the U.S. Environmental Protection Agency, can achieve at least the minimum average fuel economy in miles per gallon imposed upon manufacturers of vehicles under Title V of The Motor Vehicle Information and Cost Savings Act. The State purchasing officer may exempt procurements when there is a demonstrated need, submitted in writing, for an automobile that does not meet the minimum average fuel economy standards.

Department management indicated the noncompliance with minimum fuel requirements for vehicles purchased during the engagement period was caused by oversight.

Failure to purchase vehicles meeting the minimum fuel requirements is noncompliance with State statute and can result in negative environmental impacts.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-010. FINDING (Inadequate procedures regarding State vehicles) – Continued

- During our testing of the Department’s vehicle maintenance records during the engagement period we noted the following:
 - Seventeen of 20 (85%) vehicles tested for proper vehicle maintenance did not have oil changes performed at the required intervals. Days ranged from 21 to 470 days overdue for oil changes, and mileage overdue ranged from 1,090 to 18,823.
 - Twelve of 20 (60%) vehicles did not have timely tire rotations performed. Out of these 12 vehicles, 10 (83%) vehicles did not have tire rotations performed at all during the examination period, and the other two vehicles had tire rotations performed, but they were not performed timely.
 - Fifteen of 20 (75%) vehicles did not receive an inspection once per year. Four of the 15 (27%) vehicles did not have inspections performed during either fiscal year 2020 or 2021.

The Illinois Administrative Code (Code) (44 Ill Adm. Code 5040.400) requires all state-owned or leased vehicles undergo regular service and/or repair in order to maintain the vehicles in road worthy, safe, operating condition and appropriate cosmetic condition. The Code requires the driver to check oil, coolant, and battery water levels (if possible) regularly. The Code (44 Ill. Adm. Code 5040.410) also requires agencies have vehicles inspected by the Department at least once per year and maintain vehicles in accordance with the schedules provided by the Department or with other schedules acceptable to the Department that provide for proper care and maintenance of special use vehicles. Furthermore, according to the most recent authoritative memorandum on vehicle maintenance provided by the Department to its vehicle coordinator, the Department requires oil changes for vehicles ten model years and older every 3,000 miles or 12 months, whichever comes first. The recommended interval policy for nine model years and newer is 5,000 miles or 12 months, whichever comes first. Tire rotation is recommended every second oil change or once every two years, whichever comes first.

Department management indicated the issues with vehicle maintenance records were attributed to several fixable problems: failure to properly track repair and maintenance intervals; inaccurate work orders related to data entry and job codes errors; work being completed using the State commercial fuel card, which does not require a work order; user divisions not bringing vehicles for repair and maintenance because there is a chance the vehicle will be removed from service, etc.

The failure to maintain vehicles properly can cause these vehicles to not function at an optimum level and could cost the State additional amounts in future years through additional repair bills and shortened useful lives for the vehicles.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-010. FINDING (Inadequate procedures regarding State vehicles) – Continued

- During our testing of the Department’s accident reports filed during the engagement period, we noted the following noncompliance with the Illinois Administrative Code (44 Ill. Adm. Code 5040.520) (Code):
 - The Department did not ensure the accident reports (SR-1) were submitted in an accurate and timely manner. We noted the accident report for 1 of 8 (13%) accidents tested was submitted seven calendar days late and was neither signed nor dated. In addition, the SR-1 form for two of eight (25%) accidents was either not signed or not dated.
 - We noted a discrepancy between the Code (44 Ill. Adm. Code 5040.520) (Code) and the CMS Auto Liability Coordinators’ Manual (Manual). The Code requires State vehicles that are involved in an accident of any type to file an SR-1 accident report form. However, the Frequently Asked Questions section of the Manual states, “Do incidents involving deer or wildlife need to be reported? No.” This is contradictory to the language in the Code that states all accidents need reported.

The Code (44 Ill. Adm. Code 5040.520) requires a driver of a State owned or leased vehicle which is involved in an accident of any type report such accident to the appropriate law enforcement agency, the State’s insurance carrier and to the Department by completing the Motorist’s Report of Illinois Motor Vehicle Accident (Form SR-1). The Form SR-1 is to be completed, as nearly as possible, in its entirety including a clear description of the accident and the conditions surrounding the accident no later than three days following an accident and submitted to the office of the current insurance carrier. All accidents must be reported to the Division of Risk Management within seven days to ensure coverage under the State’s auto liability plan.

Department management indicated issues noted regarding accident reporting were due to a lack of employee training on how to report accidents. The discrepancy between the Code and the Manual was due to an oversight in ensuring the Code reflected current practice.

When accident reports are not submitted timely and accurately, facts of the accident may become unclear and it is more difficult to follow up on any possible liability. The inconsistency between the Code and the Manual provides inconsistent guidance to State agencies and can result in noncompliance from these agencies. (Finding Code No. 2021-010)

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-010. FINDING (Inadequate procedures regarding State vehicles) – Continued

RECOMMENDATION

We recommend the Department:

- Ensure all vehicle purchases meet the minimum fuel requirements established in the Illinois Procurement Code or seek the approval from the Chief Procurement Office for those that do not meet these requirements.
- Enforce vehicle maintenance schedules to reduce future year expenditures for repairs and to extend the useful lives of vehicles.
- Send a formal notice to those employees whose jobs involve travel to remind them of the requirement and importance of filing accident reports in a timely manner.
- Monitor the submission of accident reports to ensure the requirements are being met as required by the Illinois Administrative Code.
- Modify the Manual or the Code to provide consistent guidance to State agencies.

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. The Department is updating its Standard Operating Procedures (SOP) to include clear instructions on procedures to purchase vehicles that meet the minimum fuel requirements as stated in the Illinois Procurement Code (30 ILCS 500/25-75).

The Department is migrating to Version 19 of FleetFocus, its fleet management system. The new version will improve fleet record-keeping and data reliability; allow better maintenance tracking and inspection compliance; and send automatic reminders to non-compliant vehicle users. SOPs will also include policy/procedure on required vehicle preventive maintenance and inspections and tools to improve compliance. Division of Vehicles will continue to provide training to State agency vehicle coordinators to increase timely preventive maintenance and inspections.

SOPs will be updated to include current procedures on accident reporting, ensuring vehicle using agencies and drivers understand their responsibilities in how and when to report an accident.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-011. FINDING (Weaknesses in cybersecurity programs and practices)

The Department of Central Management Services (Department) had not implemented adequate internal controls related to cybersecurity programs and practices.

As a result of the Department's mission to support the State by delivering innovative, responsive, and effective services that provide the best value for Illinois State government and the people it serves, the Department maintains computer systems that contain large volumes of confidential or personal information such as names, addresses, and Social Security numbers of the citizens of the State.

The Illinois State Auditing Act (30 ILCS 5/3-2.4) requires the Auditor General to review State agencies and their cybersecurity programs and practices. During our examination of the Department's cybersecurity program, practices, and control of confidential information, we noted the Department had not:

- Ensured all employees completed cybersecurity training annually. Specifically, we noted two of 40 (5%) employees tested did not complete security awareness training.
- Required contractors to complete security awareness training.
- Ensured the backups of its data performed by the Department of Innovation and Technology (DoIT) were successful.
- Performed a comprehensive risk assessment.

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 concerning cybersecurity. Additionally, 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 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.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-011. FINDING (Weaknesses in cybersecurity programs and practices) – Continued

Department management indicated its ongoing resource shortage prevented it from addressing these requirements.

The lack of adequate cybersecurity programs and practices could result in unidentified risk and vulnerabilities and ultimately lead to the Department's volumes of personal information being susceptible to cyber-attacks and unauthorized disclosure. (Finding Code No. 2021-011, 2019-010)

RECOMMENDATION

We recommend the Department:

- Ensure all employees complete security awareness training annually.
- Require contractors to complete security awareness training.
- Ensure backups completed by DoIT are successful.
- Perform an annual comprehensive risk assessment.

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. We will request a list from DoIT of any end-users that does not complete Security Awareness Training during the allotted time frame.

The Department will work with DoIT to establish a regular schedule to receive and review the backup status of Department servers and comprehensive risk assessments.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-012. FINDING (Inadequate controls over electronic surplus property)

The Department of Central Management Services (Department) continued to have inadequate controls over the surplus of electronic equipment inventory.

During the engagement period, the Department entered into a Memorandum of Understanding (MOU) with the Department of Innovation and Technology (DoIT) to ensure 1) any Information Technology (IT) equipment controlled by DoIT transferred to CMS Surplus Property for disposal, sale or transfer would be wiped of any and all data prior to the transfer and 2) DoIT staff, under the direction of the Department's Chief Information Officer, would ensure any IT equipment received by the Department from a university or agency outside the jurisdiction of DoIT is properly wiped of all data prior to transfer to any other entity other than CMS. DoIT is to maintain records and/or logs of the processes used to wipe the data and will make the records and/or logs available to the Department upon request.

We requested the Department provide a population of IT equipment sent to DoIT for wiping. However, the Department was unable to provide a population of IT equipment. The Department did provide the certificates received from DoIT documenting the wiping process completed. Due to the Department not providing a population of the IT equipment sent to DoIT during the engagement period, we were unable to conclude the Department'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 Department's compliance with the Act.

The Illinois Administrative Code (44 Ill. Admin. Code 5010.110) requires the Department to regulate the accountability and control of all State-owned tangible personal property and regulate the disposal of all State-owned tangible personal property.

The State Records Act (5 ILCS 160/8) requires the Department's Secretary make and preserve records containing adequate and proper documentation of the functions, decisions, and essential transactions of the Department to protect the legal and financial rights of the State and of persons directly affected by the Department's activities.

The Data Security on State Computers Act (20 ILCS 450) requires agencies to implement a policy to mandate all hard drives of surplus electronic data processing equipment be erased, wiped, sanitized, or destroyed in a manner that prevents retrieval of sensitive data and software before being sold, donated or transferred by (i) overwriting the previously stored data on a drive or a disk at least 3 times or physically destroying the hard drive and (ii) certifying in writing that the overwriting process has been completed by providing the following information: (1) the serial number of the computer or other surplus electronic data processing equipment; (2) the name of the overwriting software or physical destruction process used; and (3) the name, date, and signature of the person performing the overwriting or destruction process.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-012. FINDING (Inadequate controls over electronic surplus property) – Continued

This finding was first noted during the engagement for the two years ended June 30, 2013. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management stated the cause for the noted issues was the inability to implement legislative remedy to transfer the responsibility of the Act from the Department to DoIT.

Failure to ensure and document computer equipment is wiped on a timely basis increases the risk of unauthorized disclosure of confidential and sensitive information. (Finding Code No. 2021-012, 2019-011, 2017-003, 2015-007, 2013-005)

RECOMMENDATION

We recommend the Department continue to seek legislative remedy to transfer the responsibility of the Data Security on State Computers Act from the Department to DoIT. In addition, we recommend the Department strengthen its controls in identifying and documenting all surplus IT equipment.

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. The Department will continue to seek legislative remedy to transfer the responsibility of the Data Security on State Computers Act from the Department to DoIT. In addition, DoIT has updated the Return to DoIT Service Request in Service Now which will help in identifying and documenting the return of all surplus IT equipment.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-013. FINDING (System access weaknesses)

The Department of Central Management Services (Department) had not established adequate controls for accessing its computing environment.

During fieldwork, we examined the Department's system access controls over the following significant applications:

- Enterprise Resource Planning (ERP)
- FleetFocus FA and the Vehicle Information Billing System
- MyBenefits
- Tenancy Rate Management System (TeRMS)
- Annual Survey Interface (ARPUR)
- Internet Billing System (IBiS)
- Deferred Comp (DEFC)
- Group Insurance Membership
- IBID/Asset Works

Our testing noted 9 of 13 (69%) Group Insurance Membership application users continued to have access after their separation. Access was removed 262 to 490 days after the users' separation date.

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 and comply with the controls over the timely termination of access rights and the periodic review of access rights.

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

Department management stated the failure to perform annual user access reviews was due to staff turnover and general oversight.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-013. FINDING (System access weaknesses) – Continued

Without the implementation of adequate access controls, there is an increased risk unauthorized individuals may gain access to applications and data. (Finding Code No. 2021-013)

RECOMMENDATION

We recommend the Department ensure users' access rights are terminated in a timely manner.

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. Measures have been put in place to ensure compliance including communicating new offboarding procedures to management teams and establishing regular user access reviews with DoIT.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-014. FINDING (Disaster recovery planning weakness)

The Department of Central Management Services (Department) had not developed a Department-wide Disaster Recovery plan.

In order to carry out its mission, the Department utilizes several IT applications including MyBenefits, Deferred Comp, and Group Insurance Membership. During our examination, we requested the Department's disaster recovery plan to ensure timely recovery of its applications and data. However, the Department had not developed a Department-wide disaster recovery plan.

The *Contingency Planning Guide for Information Technology Systems* published by the National Institute of Standards and Technology (NIST) requires entities to have an updated and regularly tested 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 Department indicated a lack of resources and COVID-19 prevented it from developing a Department-wide disaster recovery plan.

Without an adequately documented and tested disaster recovery plan, the Department cannot ensure its critical applications could be recovered within an acceptable period, and therefore minimizing the impact associated with a disaster. (Finding Code No. 2021-014)

RECOMMENDATION

We recommend the Department develop a Department-wide disaster recovery plan to ensure the timely recovery of their application and data. Additionally, once developed, we recommend the Department periodically test the plan.

DEPARTMENT RESPONSE

The Department accepts the finding and the recommendation. A draft of the Department-wide Disaster Recovery Plan is being reviewed for finalization.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-015. FINDING (Noncompliance with statutory mandates)

The Department of Central Management Services (Department) did not comply with various statutory mandates.

During testing we noted the following:

- The State Prompt Payment Act (30 ILCS 540/11) (Act) requires the Department to publish the monthly report information submitted by qualified purchasers containing certain information under paragraph 9, subsection (f) of Section 8 and the information required to be submitted under Section 9 of the Act, which includes the State contract number(s) related to each assigned receivable purchased by the qualified purchaser during the month; related to each assigned receivable with respect to which the qualified purchaser has received payment of the base invoice amount from the State during that month; and related to a listing of any payments of assigned penalties received from the State during the month. Neither of the two reports tested contained the State contract number. Department personnel indicated their programming does not currently collect the contract numbers and the Department is seeking legislation to amend or remove this requirement.

Failure to include all required elements represents noncompliance with the Act and excludes valuable information for the users of the Report.

- The Illinois Procurement Code (30 ILCS 500/45-35)(e)(4)) (Code) requires the State Use Committee to prepare a report for the Governor and General Assembly no later than December 31 of each year. During our testing, we noted the Department submitted the Fiscal Year 2020 State Use Program Annual Report 17 days late. Department management indicated the late submission was due to oversight during the transition from a previous administration.

Failure to submit the State Use Program Annual Report timely may limit the General Assembly and Governor's ability to oversee the State Use Committee.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-015. FINDING (Noncompliance with statutory mandates) – Continued

- The Business Enterprise for Minorities, Women, and Persons with Disabilities Act (30 ILCS 575/8g) requires the Department to provide a report to the Business Enterprise Program Council (Council) identifying all State agency non-construction solicitations that exceed \$20,000,000 and that have less than a 20% established goal prior to publication. The report is required to contain the following information: the name of the awardee, the total bid amount, the established Business Enterprise Program goal, the dollar amount and percentage of participation by businesses owned by minorities, women, and persons with disabilities, and the names of the certified firms identified in the utilization plan. The Fiscal Year 2020 Business Enterprise Program Council 20/20 Contract Report omitted the following report components required by the Business Enterprise for Minorities, Women, and Persons with Disabilities Act:
 - Name of the awardee
 - Dollar amount and percentage of participation by businesses owned by minorities, women, and persons with disabilities
 - Names of the certified firms identified in the utilization plan

Department management indicated the missing report components were due to an oversight caused by a change in personnel.

Failure to produce and submit reports with all required information could prevent the Council from receiving all relevant information and represents statutory noncompliance.

- The Business Enterprise for Minorities, Women, and Persons with Disabilities Act (30 ILCS 575/5) appointed the Director as chairperson of the Business Enterprise Council for Minorities, Women, and Persons with Disabilities (Council) during the examination period. Public Act 101-0657 transferred the chairperson of the Council to the Commission on Equity and Inclusion after the examination period. The Council failed to review the State agencies' and public institutions' compliance plans during the engagement period. It is the Council's authority and responsibility to review compliance plans submitted by each State agency and public institutions of higher education (30 ILCS 575/5(2)(d)). Department management indicated the Council's Compliance Subcommittee was unable to have enough members attend the meetings to form a quorum, so review of the compliance plans was delayed.

Failure to review State agencies' and public institutions' compliance plans represents statutory noncompliance and could result in inadequate or undetected errors in the compliance plans.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-015. FINDING (Noncompliance with statutory mandates) – Continued

- The State Library Act (15 ILCS 320/21(a)) (Act) requires all State agencies provide and deposit with the Illinois State Library sufficient copies of all publications issued by the agency for its collection and for exchange purposes. During our testing, we noted two of four (50%) tested publications tested were not deposited with the Illinois State Library. Once the Department was notified of the requirement they filed the publications with the Illinois State Library on February 24, 2022. Department management indicated the failure to deposit copies of its issued publications with the Illinois State Library was due to oversight and unfamiliarity with the requirements of the Act.

Failure to deposit copies of all agency publications into the Illinois State Library limits public access to the Department’s documents, hinders the archival responsibilities of the State Library, and represents noncompliance with the Act.

- The Western Illinois Economic Development Authority Act (Act) (70 ILCS 532/20) creates the Authority to promote development within the geographic confines of Warren, Henderson, Hancock, McDonough, Fulton, Mason, Cass, Schuyler, Brown, Adams, Scott, Morgan, and Pike counties. The Act appoints the Director of the Department, or a designee as an ex-officio member of the Authority. The Department was unable to provide evidence of service to the Authority during the examination period. Additionally, the Authority’s Board of Directors listing does not include a representative from the Department. Department management indicated the designee as ex-officio of the Authority has been vacant for some time due to oversight. The Department further indicated it appointed an ex-officio member to the Authority in October 2021.

Failure to appoint a representative from the Department to the Authority represents statutory noncompliance and can hinder the Authority’s ability to carry out its objectives to promote development within the geographic confines of Warren, Henderson, Hancock, McDonough, Fulton, Mason, Cass, Schuyler, Brown, Adams, Scott, Morgan, and Pike counties.

- The Civil Administrative Code of Illinois (20 ILCS 405/405-105(11)) (Code) requires that any settlement of a public liability claim filed against a State employee on the basis of an occurrence in the course of the employee’s State employment to be approved by the Director and, in cases of settlements exceeding \$100,000, by the Governor, and a settlement of any public liability claim against the State or a State employee shall require an unqualified release of any right of action against the State and the employee. During testing we noted:
 - Two of 40 (5%) settlements tested were not approved by the Director, as required by the Code.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-015. FINDING (Noncompliance with statutory mandates) – Continued

- One of 40 (3%) settlements tested did not include a statement signed by the claimant, approving the settlement and completing settlement of all claims against the named employee, the State, its officers and employees. This release also waives and forgoes any further administrative or judicial course of action that the claimant may have or later be entitled.

Department officials attributed the exceptions to employee turnover because the individual responsible for administering the settlement process retired during the engagement period.

Failure to meet all of the statutory requirements established for public liability claim settlements is a violation of State statute. A lack of oversight regarding the approvals could lead to overpayments of public liability claims. Additionally, failure to obtain the release waiving further administrative or judicial course of action could subject the State to additional liability.

- The Civil Administrative Code of Illinois (Code) (20 ILCS 405/405-130(b)) created the State Government Suggestion Award Board (Board) to administer the State Government Suggestion Award Program (Program). The membership of the Board was to include eight members, appointed two each by the President of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives, and the Minority Leader of the House of Representatives and, as ex-officio, non-voting members, the directors of the Governor's Office of Management and Budget and the Department. The Code (20 ILCS 405/405-130(a)) also requires the Department to assist in the implementation of the Program. The Board was mandated to meet monthly and annually report to the General Assembly by January 1st on the operation of the Program, including the nature and cost-savings of implemented suggestions, and any recommendations for legislative changes it deems appropriate.

During the examination, we noted the Board did not meet or submit any reports to the General Assembly. The Department did not provide evidence they took measures to implement the Program. The Department provided no evidence of actions taken during the examination period to communicate with the agency they believed was responsible for designating the Chair regarding any future meetings or assistance needed. Neither did the Department provide any evidence of internal correspondence prepared or considerations made during the examination period to ensure the Department's compliance with their responsibilities under this mandate. Department management indicated the Board was inactive due to vacancies so they could not carry out their duties in assisting in the implementation of the Program; however, the Board has since received the necessary appointments to reactivate the program. The Department further indicated the Board will begin the process of electing a new Chairman and establishing a meeting schedule for calendar year 2022.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-015. FINDING (Noncompliance with statutory mandates) – Continued

The Department's failure to take measures in the implementation of the Program inhibited the Program's ability to encourage and reward improvements in the operation of State government that result in substantial monetary savings.

- The Civil Administrative Code of Illinois (Code) (20 ILCS 405/405-120) requires the Department to submit annually a State Hispanic Employment Plan and a State Asian-American Employment Plan to the General Assembly by February 1 with each State agency's activities in implementing the State Hispanic Employment Plan and the State Asian-American Employment Plan. The Department submitted the Asian-American Employment Plans and the Hispanic Employment Plans 5 days late in Fiscal Year 2020 and 44 days late in Fiscal Year 2021. Additionally the Code 20 ILCS (405/405-125) requires the Department to collect information concerning each State agency's Hispanic, Asian-American, Native American, and bilingual employment budget allocations. The Department did not collect this information. Furthermore, the Department was unable to provide evidence they submitted a completed Bilingual Employment Plan Report in Fiscal Year 2021. The Department stated that the late filings and failure to locate a completed Bilingual Employment Plan Report were due to staffing changes as well as steps to improve the structure of the reports and to fully engage the Employment Plan Councils in the process. The Department further stated current tracking and reporting do not provide the data to determine specific budget allocations based on various demographic spending.

Failure to include all required elements and submit reports timely represents noncompliance with the Code and leads to the users of the Report receiving information late. Failure to collect all information required by the Code could deter efforts by State officials, administrators, and residents to achieve a more diversified State workforce.

- The Native American Employment Plan Act (Act) (20 ILCS 60/15) requires the Department to submit annually a Native American Employment Plan to the General Assembly by February 1 with each State agency's activities in implementing the State Native American Employment Plan. The Department submitted the Native American Employment Plan five days late in Fiscal Year 2020 and 44 days late in Fiscal Year 2021. The Department stated that the late filings were due to staffing changes as well as steps to improve the structure of the reports and to fully engage the Employment Plan Councils in the process.

Failure to submit reports timely represents noncompliance with the Act and leads to the users of the Report receiving information late and could deter efforts by State officials, administrators, and residents to achieve a more diversified State workforce.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-015. FINDING (Noncompliance with statutory mandates) – Continued

- The African American Employment Plan Act (Act) (20 ILCS 30/15) requires the Department to submit annually an African American Employment Plan to the General Assembly by February 1 with each State agency's activities in implementing the State African American Employment Plan. The Department submitted the African American Employment Plan five days late in Fiscal Year 2020 and 44 days late in Fiscal Year 2021. Additionally, the Act (20 ILCS 30/20) requires the Department to collect information from each State agency on findings made by the Governor in his or her report to the General Assembly and information concerning each State agency's African American employment budget allocations. The Department did not collect this information. Furthermore, the Act (20 ILCS 30/25) created the African American Employment Plan Advisory Council consisting of eleven members with the Department providing administrative support. The African American Employment Plan Advisory Council only consisted of ten members during the engagement period. Lastly, the African American Employment Plan Advisory Council is required to submit an annual report to the General Assembly by February 1 of each year. The African American Employment Plan Advisory Council Annual Report was included in the African American Employment Plan Annual Reports, which was submitted five days late in Fiscal Year 2020 and 44 days late in Fiscal Year 2021. The Department stated that the late filings were due to staffing changes as well as steps to improve the structure of the reports and to fully engage the Employment Plan Councils in the process. The Department further stated current tracking and reporting do not provide the data to determine specific budget allocations based on various demographic spending. Additionally, the Department stated the membership of the Councils is fluid due to new council members and departing council members. The Department also stated that as vacancies occur, the Department and councils recommend potential members follow the process of applying for council membership through the online application through the Governor's office.

Failure to include all required elements and submit reports timely represents noncompliance with the Act and leads to the users of the Report receiving information late. Failure to collect all information required by the Act could deter efforts by State officials, administrators, and residents to achieve a more diversified State workforce.

Noncompliance noted in the previous examination regarding the Illinois Pension Code (40 ILCS 5/15-158.3(c)) and the Illinois Procurement Code (30 ILCS 500/20-105) was not repeated due to the corrective action implemented by the Department within the examination period. (Finding Code No. 2021-015, 2019-012)

RECOMMENDATION

We recommend the Department comply with the respective statutory requirements or seek legislative remedies as appropriate.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-015. FINDING (Noncompliance with statutory mandates) – Continued

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation and will take the necessary steps to comply with the respective statutory requirements or seek legislative remedies as appropriate.

30 ILCS 575/5.5(d), as amended by PA 102-0029, transfers the Council and BEP functions to the Commission on Equity & Inclusion (CEI) effective June 25, 2021 (CEI became a functioning Commission on January 1, 2022). As such, the Department no longer has access to the data required to fulfill the requirements.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-016 **FINDING** (Failure to implement the rules describing the State Employees' Group Insurance Program)

The Department of Central Management Services (Department) has not submitted rules or policies describing the State employees' group insurance programs as requested by the Joint Committee on Administrative Rules (JCAR).

The Illinois Administrative Procedure Act (5 ILCS 100) (Act) requires that any State agency policy affecting anyone outside the agency be expressed through rules adopted under the Act. Further, the State Employees Group Insurance Act of 1971 (5 ILCS 375/15) states, "The Director shall administer this Act and shall prescribe such rules and regulations as are necessary to give full effect to the purposes of this Act."

During past compliance examinations, we obtained evidence of the development of rules describing the State Employees' Group Insurance Program. At these times, the rules were considered to be in draft form pending negotiations with collective bargaining units and had not been filed with JCAR. As of our testing, the rules remained in draft form and Department management continued its efforts to finalize the rules.

Department management indicated the rules have been updated to reflect additional changes made to the State Employees Group Insurance Act of 1971 (5 ILCS 375 by Public Act 102-19), which was signed into law on June 25, 2021. Department management indicated the Department cannot submit the rules to JCAR until it makes final adjustments to the draft rules for formatting and ensuring they are free of technical errors. At that time, the rules will be submitted to the Governor's Office for review and approval to file with JCAR for adoption.

The Department is in non-compliance with the Acts. Failure to implement and file rules with JCAR describing the State Employees' Group Insurance Program increases the likelihood that beneficiaries of the program will be uninformed as to their rights. (Finding Code No. 2021-016)

RECOMMENDATION

We recommend the Department finalize the rules affecting the State Employees' Group Insurance Program and file those with JCAR in accordance with the Acts.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

2021-016 **FINDING** (Failure to implement the rules describing the State Employees' Group Insurance Program) – Continued

DEPARTMENT RESPONSE

The Department accepts the finding and recommendation. We are in the process of updating and finalizing the previously drafted comprehensive rules for the Program. These previously drafted comprehensive rules for the Program have gone through several rounds of review and edits due to Program changes. Additional changes to the program in light of pending legislation will need to be incorporated into these previously drafted rule changes, once enacted. These recent rule changes will be incorporated into the previously drafted comprehensive rules to be rotated for final reviews and edits. The Department has set a goal of being in full compliance with this recommendation by the end of September 2022.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

PRIOR YEAR FINDINGS NOT REPEATED

A. **FINDING** (Inadequate controls over property and equipment)

During the previous examination, the Department did not demonstrate adequate control over property and equipment during the engagement period.

During the current examination, our testing indicated the Department made improvements in its controls over property and equipment. As a result, this finding was moved to the Department's *Report of Immaterial Findings* (Finding Code No. 2019-003, 2017-002, 2015-003, 2013-003, 11-3, 09-6, 08-6, 07-10, 06-10, 05-18, 04-18, 02-01)

B. **FINDING** (Untimely and inaccurate processing of receipts)

During the previous examination, the Department of Central Management Services (Department) did not deposit receipts in compliance with the State Officers and Employees Money Disposition Act or the Fiscal Control and Internal Auditing Act.

During the current examination, our sample testing indicated the Department deposited receipts in compliance with the State Officers and Employees Money Disposition Act or the Fiscal Control and Internal Auditing Act. (Finding Code No. 2019-008)

C. **FINDING** (Inadequate review of external service providers)

During the previous examination, the Department did not conduct adequate independent internal control reviews over its external service providers' System and Organization Control (SOC) reports.

During the current examination, our testing indicated the Department made significant improvements over the review of SOC reports. As a result, this finding was moved to the Department's *Report of Immaterial Findings*. (Finding Code No. 2020-001, 2019-009)

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

MANAGEMENT AUDIT FOLLOW UP

STATE WORKERS' COMPENSATION PROGRAM

In April 2012, the Office of the Auditor General released a management audit of the Department of Central Management Services' (Department) Workers' Compensation Program as it applies to State employees. As part of the Fiscal Years 2013 and 2012 financial audit and compliance examination of the Department, follow-up determined that the Department had partially implemented six of the twelve recommendations and had not implemented the remaining six recommendations.

Effective August 3, 2012, Public Act 97-0895 required the Department to procure one or more private vendors to administer the program providing payments for workers' compensation liability with respect to the employees of all State agencies beginning January 1, 2013. The Department executed a five-year \$60,000,000 contract with Tristar Risk Enterprises Mgt. Inc. effective March 1, 2013, as the third-party administrator for the workers' compensation program. The contract also contains an option for an additional five-year renewal. According to Department officials, Tristar assumed the handling of new claims filed by State employees on March 16, 2013. In May 2013, approximately 18,000 files, representing all open workers' compensation claims for State employees, were transferred to Tristar. The Department estimated that these 18,000 files would be scanned and assigned to Tristar adjusters no later than August 15, 2013. Because the workers' compensation program was in a transitional phase as of the end of the previous audit period (June 30, 2013), in many cases it was not possible for auditors to make a determination as to whether the recommendations contained in the management audit were implemented. Therefore, many of the recommendations were determined to be either partially or not implemented.

As part of the Fiscal Years 2015 and 2014 financial audit and compliance examination of the Department, we followed up on the status of the partially and not implemented recommendations after the enactment of Public Act 97-0895. We determined that the Department had fully implemented five of the twelve recommendations, partially implemented six, and had not implemented one of the remaining six recommendations. As part of the Fiscal Years 2017 and 2016 financial audit and compliance examination of the Department, we followed up on the status of the seven remaining recommendations that had not been fully implemented. We determined that the Department had fully implemented seven of the twelve recommendations and partially implemented the remaining five recommendations.

As part of the Fiscal Years 2019 and 2018 financial audit and compliance examination of the Department, we followed up on the status of the five remaining recommendations that had not been fully implemented. We determined that the Department had fully implemented eight of the twelve recommendations and partially implemented the remaining four recommendations.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

As part of the Fiscal Years 2021 and 2020 financial audit and compliance examination of the Department, we followed up on the status of the four remaining recommendations that had not been fully implemented. We determined that the Department had fully implemented ten of the twelve recommendations and partially implemented the remaining two recommendations.

Recommendation #4 – Claims Adjudication

The Department of Central Management Services should:

- *Ensure that all applicable forms are collected prior to any determination of compensability or benefits payments;*
- *Conduct training for all adjusters and agency workers' compensation coordinators regarding filing procedures and required forms;*
- *Require a claims supervisor to review all determinations of compensability;*
- *Obtain access to payroll information required to verify average weekly wage amounts for employees who submit claims;*
- *Require employees to formally request temporary disability benefits prior to receiving benefits; and,*
- *Ensure thorough review of all medical bills prior to payment.*

Status –Implemented

According to the Department, Tristar is now responsible for ensuring the completeness of data utilized by its adjusters. The Tristar Client Servicing Instructions provide detailed instructions for its adjuster to follow when determining compensability of claims including the forms that are required to be filed. The instructions list the five documents required for compensability.

We tested a sample of 60 claims, 30 from both Fiscal Year 2020 and Fiscal Year 2021. From our review of each claim on the Tristar system, no determination of compensability was reached prior to the documents being obtained.

Section 22(d) of the contract with Tristar requires training be provided to all workers' compensation coordinators on Tristar's system and forms and that periodic training occur during the life of the contract. According to Department personnel, as new team members were added, individual training was conducted by Tristar and Department staff.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

In addition, we tested a sample of 60 claims, 30 from both Fiscal Year 2020 and Fiscal Year 2021. We ensured all claims:

- Were reviewed by a claim supervisor to determine compensability;
- Included payroll information required to verify average weekly wage amounts for employees who submitted claims;
- Included a formal request for temporary disability benefits prior to receiving benefits; and,
- Had a thorough review of all medical bills prior to payment.

We noted one of 60 (2%) instances of claim files that did not contain documentation of the supervisors approval. It appears significant improvement has been made in this area.

We noted all claims were reviewed at least once prior to any determinations. According to a Department official, Tristar obtains employee payroll information from the workers' compensation coordinator, and it may require a statutory change for Tristar to have access to the payroll systems located at the agencies. However, for all determinations which resulted in the payment of benefits, we noted the average weekly wage information was obtained through the Department.

According to the Department, a claim requesting Temporary Total Disability (TTD) benefits does not need to formally apply for TTD benefits. As such, we did not test to ensure benefits were applied for before awarding them, but tested to ensure TTD claims contained all necessary information. We tested four benefits awarded during the engagement period and noted each TTD claim tested contained the required payroll information for benefits to be calculated.

Tristar is now responsible for the review of medical bills. Per our discussions with management and review of the claim files in the Tristar system, medical bills are reviewed twice: first by the adjustor assigned to the case and secondly by Tristar's professional medical bill review company, Tristar Managed Care. From our testing, for determinations which resulted in medical bills being paid, a review was completed by both the adjustor and Tristar Managed Care. Based on the results of our procedures it appears this recommendation has been implemented.

Recommendation #5 – Determination for Subrogation Eligibility

The Department of Central Management Services should ensure that cases in which subrogation can be pursued are reviewed in a timely manner.

Status – Partially Implemented

The contract between the Department and Tristar requires that Tristar promptly refer claims involving potential subrogation matters to the Department which will, if appropriate, refer the matter to the Attorney General.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

The contract requires Tristar to designate a subrogation adjuster to manage and assist with subrogated claims. We confirmed that the Department has a dedicated Subrogation Manager. The contract also requires Tristar to provide the Department with a monthly report which includes at a minimum:

- All new subrogation cases opportunities;
- The number of cases where funds were recovered; and,
- The total amount of funds recovered.

Tristar issues a report each month identifying the new cases with potential subrogation opportunity. Tristar does not have any authority to release or otherwise compromise the State's subrogation rights under the Workers' Compensation Act or Workers' Occupational Diseases Act.

We obtained an example of a monthly subrogation report sent to the Department from Tristar. The report included opportunities for subrogation, but the report did not include the number of cases where funds were recovered, or the total amount of funds recovered.

Recommendation #7 – CMS Adjuster Caseloads

The Department of Central Management Services should track Adjuster caseloads and consider establishing caseload standards for Adjusters.

Status – Partially Implemented

According to the Department, Tristar is now responsible for the handling of all duties that were previously performed by Department adjusters. According to an amendment to the Tristar contract, Tristar will maintain an average workload of approximately 150 active indemnity claims per adjuster and 250 open active medical only claims. However, CMS has agreed to Tristar's method of case assignments which varies from contract language, because it was deemed more efficient. We reviewed case load reports for two quarters during the examination period and noted eight of 26 (31%) instances where an employees average caseload exceeded the established standards.

Tristar provides a caseload report each month. Certain adjusters are assigned just permanent disability claims, survivor claims, or inactive claims to ensure efficiency. An update has not been completed to conform to the practice utilized by the Department and Tristar. An update to the contract should be completed to clarify the standards the Department and Tristar are practicing. The Department has stated that an update to the contract has not occurred and the present contract is in place until February 2023.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

Recommendation #11 – Contract Approval Limits

The Department of Central Management Services should:

- *Clarify settlement contract approval limits in its policies for Risk Management employees; and*
- *Include all compensation in the settlement contract as part of these approval limits.*

Status –Implemented

According to the Department, as a result of the Tristar contract and subsequent staffing changes, the Department has only two employees on staff with authority to approve settlements. Their job descriptions (CMS-104) documented to limit their settlement authority to \$150,000 or less. Settlements greater than \$150,000 require approval by the Director.

When a settlement includes Permanent Partial Disability (PPD), TTD, and medical reimbursement, the approval limits are only for PPD. The Department does not set approval limits for TTD and medical reimbursement because these types of payments do not require a significant amount of judgement. TTD is defined by the Workers Compensation Commission as 66 and 2/3 % of Average Weekly Wages and medical reimbursements are based on billings from medical providers. PPD does require expertise in determining the settlement value of an injury; therefore the approval limits do apply. The policy to only apply approval limits to PPD appears reasonable. We consider this recommendation implemented.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

MANAGEMENT AUDIT FOLLOW UP

SPACE UTILIZATION PROGRAM

In October 2013, the Office of the Auditor General released a management audit of the Department of Central Management Services' (Department) administration of the State's space utilization program. The audit contained nine recommendations to improve the efficiency and effectiveness of recording real property in a master inventory database.

In the management audit, the Office of the Auditor General concluded that the Department does not maintain a master record of all items of real property as required by State law. The State Property Control Act requires the Department to maintain a master record of all items of real property, including a description of buildings and improvements. The master record that was given to the Office of the Auditor General (OAG) by the Department was incomplete, inaccurate, and had an insufficient level of detail. Also, according to the audit, the Department had made no recent progress towards implementing a comprehensive computerized real property system. Procedures in place to identify excess and surplus real property were not fully adequate to ensure that all excess and surplus real property was being identified. Finally, the process that the Department was using to dispose of surplus inventory was neither adequate nor timely. The average time for the Department to dispose of real property was 1,656 days with a median of 911 days.

As part of the fiscal years 2015 and 2014 financial audit and compliance examination of the Department, follow up was conducted and determined that the Department had fully implemented five of the nine recommendations and partially implemented the remaining four recommendations. As part of the fiscal years 2017 and 2016 financial audit and compliance examination of the Department, follow up was conducted and determined that the Department had fully implemented seven of the nine recommendations and partially implemented the remaining two recommendations. As part of the fiscal years 2019 and 2018 financial audit and compliance examination of the Department, we followed up on the status of the two remaining recommendations that had not been fully implemented. We determined that both recommendations were still partially implemented. As part of our 2020 and 2021 financial audit and compliance examination of the Department, we followed up on the status of the two remaining recommendations that had not been fully implemented.

Recommendation #8 – Disposal of Surplus Property

The Department of Central Management Services should:

- *Take steps to ensure that it is more timely in completing the process of disposing of surplus property;*
- *Follow the procedures outlined in State statute and administrative rules when disposing of surplus property including timely notification of State agencies;*
- *Maintain proper documentation of the disposal process;*
- *Develop strategies to dispose of surplus properties that have been in surplus for years;*

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

- *Examine properties noted as surplus on the Annual Real Property Utilization Reports to determine if they should be disposed; and*
- *Conduct a study of the disposal process to determine what changes need to be made to the process to increase efficiencies. If necessary, CMS should seek legislative changes to improve and streamline the process.*

Status – Partially Implemented

The Department filed legislation with the General Assembly to streamline the disposal of surplus property process. These proposed changes in legislation passed both Houses as of May 30, 2021 and became effective August 16, 2021 in Public Act 102-0280.

Memos were sent out on October 31, 2019 and October 31, 2020 notifying all State agencies of the declared surplus real property. Any State agency desiring to take ownership of these properties were requested to submit a written request to the Department, within 60 days, to have control of the surplus real property transferred to that agency. The Department did not transfer or dispose of any surplus real property during Fiscal Years 2020 or 2021. Since there were no disposals auditors could not test the disposal process.

The Department has identified priority surplus properties for disposal and is taking steps for timely disposal. Since 2019, the Village of Tinley Park and the Department have been speaking on the transfer of Tinley Park Mental Health Center and Howe Developmental Center. In August 2020, the Department's Legal Counsel began advising the project team on the disposal of the Tinley Park properties. In early 2020 the Village of Tinley Park identified a potential Developer, but had to be paused for some time until May 2021. Currently the Department is working on legislation for this transfer. Additionally, the Department is currently working on drafting request for proposals for two other surplus properties.

The Department is reviewing information from the Annual Real Property Utilization Reports to determine if there are additional surplus properties awaiting its action. The Department included pending surplus property in the surplus property listing, identifying eight properties that may be surplus property.

On October 19, 2018, the Department entered into a contract with a vendor to provide the Department with the technical expertise to evaluate, identify, secure and dispose of surplus real property. The Department was unable to provide any studies of the disposal process performed since the contract went into effect.

Recommendation #9 – Executive Order 10-10

The Department of Central Management Services should take steps to implement the directives contained in Executive Order 10-10 related to the sale of surplus property.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

Status – Partially Implemented

Executive Order 10-10 states the Governor’s Office of Management and Budget (GOMB) and the Department shall review all vacant or unused real estate owned by the State. Following that review, GOMB and the Department shall develop and implement a comprehensive real estate strategy that identifies opportunities to use or repurpose vacant properties more efficiently and designates State properties to be sold at fair market value.

The Department entered into a contract with a vendor on October 19, 2018, to assist with the development of a real estate strategy. As part of this contract the vendor will perform a redevelopment analysis, which entails analyzing whether a specific piece of surplus property is a candidate for redevelopment. Redevelopment may be aimed at increasing the return at sale, redevelopment as part of a public-private partnership, or for reuse by a State agency or other governmental entity. The vendor will also review, validate, and recommend the prioritization of the disposition of the properties, determining which have the greatest opportunity to maximize revenue to the State in the shortest period of time with no or minimal disruption to State services. The vendor did not perform this analysis during Fiscal Years 2020 or 2021. Once these analyses are completed the Department will work with GOMB to develop a comprehensive real estate strategy.

The Department filed legislation with the General Assembly to streamline the disposal of surplus property process. These proposed changes in legislation passed both Houses as of May 30, 2021 and became effective August 16, 2021.

We also noted the Department has not reviewed all vacant or unused property, as this is an ongoing process.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

MANAGEMENT AUDIT FOLLOW UP

MANAGEMENT POSITIONS IN THE STATE EXECUTIVE BRANCH

In April 2013, the Office of the Auditor General released a management audit of Management Positions in the State Executive Branch. The audit contained five recommendations to the Department of Central Management Services (Department). As part of the fiscal years 2015 and 2014 financial audit and compliance examination of the Department, we followed up on the status of the five recommendations and whether or not they were implemented. We determined one recommendation was implemented, three were partially implemented, and one recommendation was not implemented. As part of the fiscal years 2017 and 2016 financial audit and compliance examination of the Department, we followed up on the status of the four recommendations not implemented to determine whether or not they were implemented. We determined the four remaining recommendations were partially implemented. As part of the fiscal years 2018 and 2019 financial audit and compliance examination of the Department, we followed up on the status of the four remaining recommendations that had not been fully implemented. We determined that two of the recommendations were implemented, and the other two recommendations were partially implemented. As part of the fiscal years 2020 and 2021 financial audit and compliance examination of the Department, we followed up on the status of the two remaining recommendations that had not been fully implemented.

Recommendation #3 – Personnel Classification System

The Department of Central Management Services should review and revise the State's classification plan to address the issues identified in this management audit.

Status – Implemented

During the examination period, the Department, Shakman Special Master, and Office of the Executive Inspector General's Hiring and Employment Monitoring Division, worked with all State agencies to evaluate each existing exempt position and other management positions that could or should be exempt due to the nature of responsibility, policy-making/implementing authority, or role in speaking for the program/agency/State. The defined Exempt List was entered by the Michael L. Shakman, Paul M. Laurie v. Cook County Assessor. The exempt position review process sought to provide consistency within and across agencies for positions partially exempt under 20 ILCS 415/4d(3) and that have Rutan exemptions.

Through Public Act 97-1172, the State has removed certain positions, including managerial and supervisory, from the union, allowing for more defined responsibilities with respect to abilities to perform evaluations, discipline, and grievances.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

During our review of the classification plan, we did not note:

- Inconsistencies of manager and supervisor positions that have partial exemptions to Section 4d of the Personnel Code;
- Inconsistencies of manager and supervisor positions that have a Rutan exemption;
- Unclear responsibility for the supervision of employees, including responsibility for important functions like evaluations, discipline, and grievances responsibility; or
- Issues with functional titles with significant authority within agencies that are classified as non-managers.

The Department has implemented procedures to review and revise the State's classification plan to address the issues identified in this management audit.

Recommendation #5 – Confidential Employees in Unions

The identified State agencies should assure all confidential assistants are not included in a collective bargaining unit or their confidential responsibilities as defined by the Public Labor Relations Act (5 ILCS 315/3) are transferred to non-union employees.

Status –Implemented

The Department has worked with the Shakman Special Master and the Office of the Executive Inspector General's Hiring and Employment Monitoring Division to review collective bargaining unit employees that are considered confidential assistants.

In consultation with the Illinois Labor Relations Board, the Department changed the coding for all confidential assistants in a collective bargaining unit previously identified to be removed from the collective bargaining unit. The Department has implemented procedures to assure confidential assistants are not included in a collective bargaining unit or their confidential responsibilities as defined by the Public Labor Relations Act (5 ILCS 315/3) are transferred to non-union employees.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

MANAGEMENT AUDIT FOLLOW UP

STATE'S LEASING DECISION

In May 2018, the Office of the Auditor General released a management audit of the State's Leasing Decision. The audit contained six recommendations to the Department of Central Management Services (Department). As part of the fiscal years 2018 and 2019 financial audit and compliance examination of the Department, we followed up on the status of the six recommendations. We determined that four of those recommendations were implemented and two were partially implemented. As part of the fiscal years 2020 and 2021 financial audit and compliance examination, we followed up on the status of the two remaining recommendations.

Recommendation #1 – Awarding Leases to Qualified Respondents

The Department of Central Management Services and the Chief Procurement Office for General Services should put procedures in place to ensure that leases are awarded only to qualified respondents who submitted bids meeting the original lease specifications.

Status – Implemented

During the prior examination period, the Department updated the Request for Information (RFI) procurement documents to include additional required information critical to making leasing decisions. In the current period, the Department, in conjunction with the Chief Procurement Office for General Services, developed Standard Operating Procedures called Job Aids for the proper documentation and approval of lease awards in BidBuy. The Bureau of Property Management staff have used these procedures to assist in making consistent leasing decisions and ensuring all awarded bidders are qualified. The Department also updated the lease document used in the new RFI leases bid during Fiscal Years 2020 and 2021.

Recommendation #10 – CMS Leasing Procedures

The Department of Central Management Services should ensure that the following leasing procedures are followed for all leasing procurements:

- *An Americans with Disabilities Act (ADA) checklist is completed;*
- *A Property Management Business Case (PMBC) is completed; and*
- *Rejection letters are sent to responsive proposers not selected for award.*

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

Status – Partially Implemented

The Department reinforced the need for ADA and PMBC checklists to be completed for all leasing procurements. However, due to the COVID-19 pandemic, a temporary policy memorandum was issued on November 29, 2020 relieving these requirements due to the inability to perform onsite reviews of space use and headcounts when an agency was remaining at their current location. Based on testing, we determined that a PBMC and ADA checklist were not always present in the BidBuy files for the 11 new RFIs awarded in Fiscal Years 2020 and 2021 which all required relocation. We consider this portion of the recommendation to be *Partially Implemented*.

Rejection letters are no longer necessary to be sent to unawarded bidders because the Job Aid procedures require the Notice of Award to be emailed to all vendors solicited. As a result, we consider this portion of the recommendation to be *Implemented*.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

MANAGEMENT AUDIT FOLLOW UP

**PROCUREMENT AND ADMINISTRATION OF THE CONTRACT
WITH MORNEAU SHEPELL**

In March 2019, the Office of the Auditor General released a management audit of the Department of Central Management Services' (Department) Procurement and Administration of the contract with Morneau Shepell. The audit contained nine recommendations to improve the procurement and administration process.

In the management audit, the Office of the Auditor General concluded that the Department conducted an aggressively timed procurement for a Custom Benefit Solution in hopes of achieving \$500 million in annual savings through increased health insurance premiums to members and retirees and the implementation of 21 additional health plan options.

The Department failed to provide all relative information to evaluators of the solicitation, did not obtain conflict of interest disclosures for all individuals involved in the project, and did not maintain meeting minutes for evaluator meetings.

The aggressive timeline for the procurement and implementation of the Custom Benefit Solution caused a number of problems:

- The Department did not conduct a cost-benefit analysis of the project due to the aggressive timeline. A Department of Innovation and Technology official indicated that the Department could have developed the product that the State was paying Morneau Shepell to provide.
- The Department did not include a Business Enterprise Program goal in the solicitation due to a concern it would slow the procurement.
- The Go-Live of September 30, 2016, was 2-4 months prior to what Morneau Shepell proposed. This resulted in multiple performance issues for the Custom Benefit Solution and the Department's consideration to rebid the project a year after Go-Live.

The Morneau Shepell contract contained performance guarantees for which the Department allowed, by contract, self-reporting by Morneau Shepell to determine compliance. The Department capped the fee reductions on missing guarantees to four per month. It was noted several monthly and quarterly guarantees were missed. Morneau Shepell did not submit all written corrective action plans, in violation of the contract. Instances were also noted where the Department could have considered a breach of contract, as outlined in the Request for Proposal (RFP), for missing performance metrics. However, the Department did not include that breach of contract language in the executed contract.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

As part of the Fiscal Years 2021 and 2020 financial audit and compliance examination of the Department, follow-up was performed on the nine recommendations and it was determined the Department had implemented seven recommendations and partially implemented two recommendations.

Recommendation #1 – Vendor Information Not Shared with Evaluators

CMS should provide all members of evaluation teams, especially when the procurement is something uniquely new to the State, with all relevant information to assist the evaluators in completing an informed evaluation.

Status –Implemented

During the examination the Department implemented a procurement policy in October 2019 which includes a provision that the Bureau of Benefits provide members of all evaluation teams with relevant information to assist evaluators in completing an informed evaluation. Additionally, two procurements were sampled to ensure the Department provided all members of the two evaluation teams with all relevant information to assist the evaluators in completing informed evaluations. The Department did provide all relevant information to all members of the evaluation team.

Recommendation #2 – Conflict of Interest Disclosures

CMS should ensure that all project team participants complete a Compliance, Conflict of Interest, and Confidentiality Statement when the individual is part of a procurement effort.

Status –Implemented

During the examination period the Chief Procurement Office (CPO) for General Services (GS) issued a notice in February 2019 regarding a statement of compliance, confidentiality, and conflict of interest. The notice referenced the Illinois Administrative Code related to the CPO for General Services (44 Ill. Adm. Code 1.2015) specifically regarding the evaluation team and stated that an evaluation committee, subject matter expert or consultant assisting with a Request for Proposal must sign a “*Statement of Compliance, Confidentiality, and Conflict of Interest Disclosure.*”

Additionally, the Department implemented a procurement policy in October 2019 which includes a provision stating the Bureau of Benefits will ensure members of the evaluation committee, experts and consultants sign such a disclosure.

Two procurements were sampled to determine whether the files contained all of the required disclosures. The files contained the required disclosures for evaluation team members, Bureau of Benefits employees involved with the procurements, and consultants. The files still do not contain such a disclosure for the State Purchasing Officer, an issue reported in the original audit. CMS maintains that disclosures of CPO officials are subject to the policy oversight by the CPO for General Services and are covered by the Confidentiality Section of the Illinois Procurement Code (30 ILCS 500/50-45).

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

Recommendation #3 – Outlier Evaluation Assessment

CMS should maintain documentation of discussion of scoring discrepancies when those discussions result in changes to evaluation scores.

Status –Implemented

The Department implemented a procurement policy in October 2019 which includes a provision that the Bureau of Benefits maintain documentation of discussions regarding scoring discrepancies by evaluations. Additionally, the only procurement conducted by the Bureau of Benefits during the audit period was tested where a discussion of evaluation scoring discrepancies was required. The evaluation team included notes adequately supporting original scores. The procurement file contained meeting minutes from the outlier meeting and any subsequent changes to the evaluation scores resulting from discussion at the outlier meeting.

Recommendation #4 – Need for the Custom Benefit Solution

CMS should conduct a cost-benefit analysis before procuring any new major system. This analysis should include an examination of whether the State currently has resources that could provide the services in a cost effective manner.

Status – Partially Implemented

The Department implemented a procurement policy in October 2019 which includes a provision that the Bureau of Benefits conduct a cost-benefit analysis before procuring any new major system including an examination of whether the State currently has resources that could provide services in a cost-effective manner.

However, auditors could not test to ensure the Department conducted a cost-benefit analysis before procuring any new major system. The Bureau of Benefits did not procure any new major system and reported there are no immediate future plans to procure any new major system.

Recommendation #5 – Scope of the Request for Proposals

CMS should adequately plan and document all procurements. In its planning, CMS should clearly understand the State’s need, request only services for which the State is interested, and be able to document and support any changes made during the process.

Status –Implemented

The Department implemented a procurement policy in October 2019 which includes a provision that the Bureau of Benefits adequately plan and document all procurements including an understanding of the State’s needs. Additionally, the provision stated the Bureau of Benefits will only request needed services and document any changes made during the procurement process.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

Two procurements were sampled to determine whether the procurement was adequately planned and documented. The procurement activities appeared to be both adequately planned and documented.

Recommendation #6 – Request for Proposals Timeline and Lack of Competition

CMS should document its consideration of timelines for procurement activities to ensure ample time is allocated to developing an RFP and to implementing the activities in the solicitation, especially in the case of a new unique system.

Status –Implemented

The Department implemented a procurement policy in October 2019 which includes a provision that the Bureau of Benefits adequately plan and document all procurements including an understanding of the State’s needs and proposed implementation timelines. The Department also reported a timeline and procurement schedule were developed for the recent procurements for purposes of reporting to the Director. Two procurements were sampled and the timelines of the related activities seemed reasonable.

Recommendation #7 – Contract and Performance Guarantee Oversight

CMS should hold vendors accountable to contractually agreed upon requirements. Additionally, when developing performance guarantee requirements for a contract, CMS should utilize what criteria had been reported to all potential bidders in the solicitation document.

Status –Implemented

The Department reported that the Bureau of Benefits monitors contractual performance guarantees and assesses penalties when guarantees have not been met. Additionally, the Department reported they utilize criteria that has been reported to all potential bidders in the solicitation document to develop the performance guarantee requirements for the contract. Additionally, they utilize the terms of the solicitation document and the vendor’s response when developing and negotiating the final contract.

Testing was conducted on two contracts to ensure the Department was holding vendors accountable to contractually agreed upon requirements. All reporting for these contracts for the two-year period was reviewed and auditors found that the Department adequately monitored the two contracts and assessed penalties as required by the contracts.

Recommendation #8 – Performance Guarantee Reporting

CMS should ensure that Morneau Shepell complies with performance guarantee reporting provisions in the contract for the Custom Benefit Solution. Additionally, CMS should take steps to ensure that Morneau Shepell is timely in producing backup documentation to support the self-reported statistics relative to performance guarantees.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

Status – Implemented

The Department reported the Bureau of Benefits ensures Morneau Shepell provides reports verifying the performance guarantees on a monthly and quarterly basis. Additionally, the Department reported Morneau Shepell provides the backup documentation at the same time as they provide the performance guarantees. The Department also described the process used to review the backup documentation on the reported statistics relative to the performance guarantees.

Testing was conducted on the Morneau Shepell contract for the months of the audit period, July 2019 through June 2021. All monthly and quarterly reports for the two year period were reviewed. Auditors found the Department adequately monitored the contract and assessed the appropriate fees based on whether the quarterly average met the percentage standards for service levels outlined in the contract.

Recommendation #9 – Custom Benefit Solution Performance Issues

CMS should develop a tool to be used in the procurement process to help identify the parties affected by the implementation of new procurements and document what role those parties played in the procurement to ensure all relevant parties are included in the process. CMS should also ensure all controls are tested prior to implementation of any major new system.

Status – Partially Implemented

The Department reported the Bureau of Benefits does not have any immediate future plans to procure any new major systems impacting multiple stakeholders. The Department also reported for any future procurements that involve coordination with multiple stakeholders, Bureau of Benefits will conduct a kick-off meeting to identify those stakeholders affected by implementation of any new programs or systems and ensure all affected stakeholders receive appropriate communication. Additionally, the Department reported the Bureau of Benefits will ensure all controls are tested prior to implementation of any major new system.

Auditors could not conduct testing to ensure all controls were tested prior to implementation of major new system because the Bureau of Benefits did not conduct any such procurement during the audit period.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

MANAGEMENT AUDIT FOLLOW UP

**DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
MULTIPLE CHOICE EXAM**

In December 2019, the Office of the Auditor General released a management audit of the Department of Central Management Services (Department) multiple choice exams. The audit contained four recommendations to improve the multiple choice exam process.

In the management audit, the Office of the Auditor General concluded:

- Department officials could not easily identify which position titles had received a content validity study. Content validity studies are one of the three types of validity studies outlined in the Uniform Guidelines which employers can use to validate employment tests;
- The validity studies conducted by the Department generally followed the Uniform Guidelines. However, the Department could not provide the content validity study for one of ten titles tested. Department officials could not provide the exact date the original exam was implemented, but said it was implemented at some point prior to 1989;
- The Department's Test Development Section does not have written policies or procedures for developing exams or for conducting validity studies and statistical analyses of these exams;
- Six post-exam survey responses (out of 6,300 survey responses over four calendar years) that are applicable to exam content were not provided to the Test Development Section; and
- Sixty-four applicants consisting of 127 entries (out of 226,229 examinations over four calendar years) were allowed to retake exams within 30 days, which is a violation of the Illinois Personnel Rules.

As part of the Fiscal Years 2021 and 2020 financial audit and compliance examination of the Department, follow-up was performed on the four recommendations and it was determined the Department had partially implemented one recommendation and not implemented three recommendations.

Recommendation #1 – Retention of Appropriate Validation Documentation

The Department of Central Management Services should ensure a system is in place to track when a validity study was conducted for each title and retain appropriate documentation to confirm that each exam has been properly validated.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

Status – Not Implemented

Auditors asked Department staff to provide a list of content validity studies for each of the Group A titles and when each study was conducted. Department officials noted that they could potentially provide the information requested through a search of electronic and paper files, but it would be unduly burdensome and time consuming given the number of exams, limited staff resources, and other pressing projects. Additionally, auditors identified 1 of 10 titles for which the Department could not provide documentation related to validity of the content of the exam.

During the current examination, auditors again asked Department staff to provide a list of all position titles including the date of the most recent validity study and date of validation, and were again told that while the Department has that information, such a report would be too voluminous. Department officials added that data could be provided for specific titles. Auditors reviewed a sample of five titles for tests administered during Fiscal Year 2021 and noted that the Department could not provide documentation of a content validity study in three of the five tested. For one of these titles, a recent test analysis was also not in the hardcopy files. Department officials stated that due to record retention policies, limited file space, and the age of the files, the hardcopy validity studies and test analysis were most likely purged.

In addition, Department officials noted that these multiple choice exam titles for which validity study documentation was not available, as well as other titles, have been replaced with an evaluation of applicants' training and experience (TRAEX) conducted by the Division of Examining and Counseling.

Recommendation #2 – Policies and Procedures

The Department of Central Management Services Test Development Section should draft policies and procedures to clarify steps for employees when:

- *Developing new examinations;*
- *Conducting validity studies; and*
- *Conducting test analysis.*

Status –Partially Implemented

Department officials use the *Uniform Guidelines on Employee Selection Procedures* (29 CFR 1607) and internal checklists for developing position title examinations. The *Uniform Guidelines* provide a framework for determining the proper use of tests and other selection procedures. The Test Development Section also utilizes a checklist for implementing written and automated exams and revising written and automated exams. These checklists are helpful for guiding staff on the steps that need to be accomplished, but the checklist items are fairly technical in nature and do not provide guidance on how to complete them. Policies and procedures would help outline these circumstances and general decision-making while still allowing flexibility. Policies and procedures would also help communicate to Department employees when a validity test should be conducted and circumstances in which employees should consider conducting another validity study on a position title. This could be especially helpful to new employees.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

At the time of the audit, there were only three employees in the Department's Test Development Section, all of whom had been doing the work a substantial number of years and collected a large amount of institutional knowledge. As a result, losing one or more of these employees could have created a gap in knowledge. Translating some of that institutional knowledge into policies and procedures could help reduce knowledge lost when employees leave or retire. Policies and procedures could also help in the training of new employees, which according to Department officials, takes a very long time. Policies and procedures also help to conform alignment with management's expectations and reduce the risk of process-related errors.

Department officials explained that although their methodologies for validity studies are consistent, how each study is conducted depends on the project. This flexibility allows the Department to customize validity studies to specific position titles. The Department essentially conducts validity studies, or a streamlined version, depending on time constraints, staff resources, prior work done on the position title, and ability of agencies to provide subject matter experts.

During the current examination, Test Development Section staff worked with the Deputy Director of Personnel to create four Standard Operating Procedures (SOPs). According to Department officials, formal training regarding these SOPs was provided to Test Development staff. Additionally, Test Development staff identified and developed an additional eleven SOPs. Department officials stated that eight of these are in place and being utilized. One of the remaining three is being developed (how to export/review automated exams for accuracy and integrity), one was deliberately postponed due to moving from a mainframe to a PC-based platform (how to perform item analyses), and one was deliberately postponed because of pending changes to the hiring process and potential movement to virtual (online) testing (how to conduct test development/validation studies).

Recommendation #3 – Review of Survey Responses Applicable to Exam Content

The Department of Central Management Services Division of Examining and Counseling should create a policy to ensure that any survey responses related to exam content are provided to the Test Development Section.

Status –Not Implemented

After taking an exam, the test taker is given the opportunity to provide comments about specific questions and/or take an optional survey. Auditors searched over 6,300 surveys and nearly 12,000 comments for any of 14 search terms (such as bias, discriminatory, culture, or fair) that could suggest bias based on race or sex. Over calendar years 2015 to 2018, auditors identified only 6 surveys (0.09%) and 5 comments (0.04%) that were deemed applicable to the audit's subject matter.

According to Test Development officials, while Test Development staff receive and review the applicant comment reports on a daily basis, they did not receive access to the applicant survey results. Surveys are primarily intended to rate the service at the testing center; however, there is also an area for comments, which has, on occasion, been used to communicate additional comments about the overall exam.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

During the current examination, auditors asked if the Division of Examining and Counseling had created a policy to ensure that any survey responses related to exam content were provided to the Test Development Section; Department officials could not provide a policy. Auditors were told that the Test Development Section is not receiving survey results, but that they are provided to the Division of Examining and Counseling. Officials from the Division of Examining and Counseling Division confirmed that the Test Development Section has no access to applicant survey results.

Recommendation #4 – Retesting Within 30 Days

The Department of Central Management Services should document all instances in which an applicant is allowed to retake tests for the same position title inside of the 30-day restriction and the reason for the retest. In these instances, when necessary, the Department should seek waivers from the Director to maintain compliance with Illinois Personnel Rules.

Status –Not Implemented

Auditors conducted an analysis of exam data provided by the Department for calendar years 2015 through 2018 and found that sixty-four applicants consisting of 127 entries (out of 226,229 examinations) were allowed to take multiple tests for the same position title within 30 days. These 127 entries were sent to the Department for review. They occurred at all testing centers, but the frequency increased during the four-year audit period. A Department official responded that while specific reasons for these instances could not be found, there have been times when technical issues, such as computers freezing, systems going down, and programs locking up, resulted in the applicant being allowed to retest and have the 30-day requirement waived. According to a Department official, allowing an applicant to retest within the 30-day restriction is rare, and an exception, which should not occur unless there were/are some extenuating circumstances. The Personnel Rules state that this 30-day limitation may be waived when the Director deems it in the best interests of the State (80 Ill. Adm. Code 302.60(a)(1)).

During the current examination, according to Department officials, there were not any instances in fiscal year 2021 in which retests or Director Waivers were given. However, Department officials added that if there are retests, it may be due to WinCATS servers crashing and tests resuming once the server comes back up. These are not retests, but are instead only a resumption of the same test the applicant was already taking.

Auditors reviewed Fiscal Year 2021 tests and noted two applicants were allowed to take multiple tests for the same position (consisting of 7 test entries) within 30 days of the original test. One individual (2 entries) tested 25 days after the original exams and 1 individual (5 entries) tested 18 days after the original exams. Upon follow up, Department officials stated that it appeared the two test takers were allowed to retest in error, and that there were no special requests or approvals to retest provided by the Director.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**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 Department of Central Management Services (Department) was performed by Sikich LLP.

ACCOUNTANT'S REPORT

The accountants did not conclude an omission or uncorrected material misstatement of the other information exists in the Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report.

EXIT CONFERENCE

The Department waived an exit conference in a correspondence from Amy Lange, Audit Liaison, on April 26, 2022.

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**INDEPENDENT ACCOUNTANT'S REPORT
ON DISCLOSURES ACCOMPANYING A STATE
COMPLIANCE EXAMINATION REPORT**

Honorable Frank J. Mautino
Auditor General
State of Illinois

Disclosures Accompanying a State Compliance Examination Report

Management of the State of Illinois, Department of Central Management Services (Department) 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 Department'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 Department, 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 Department we obtained as part of the Department'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.

SIGNED ORIGINAL ON FILE

Springfield, IL
May 6, 2022

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2021

Fifteen Months Ended September 30, 2021

Public Act 101-0637; Public Act 102-0017	Expenditure Authority (Net of Transfers)	Expenditures Through June 30, 2021	Lapse Period Expenditures July 1, 2021 to September 30, 2021	Total Expenditures	Balances Lapsed
FISCAL YEAR 2021					
Appropriated Funds					
General Revenue Fund - 0001	\$ 2,077,824,000	\$ 2,062,058,338	\$ 15,669,562	\$ 2,077,727,900	\$ 96,100
Road Fund - 0011	171,508,400	171,508,400	-	171,508,400	-
State Garage Revolving Fund - 0303	71,899,000	41,238,044	8,263,528	49,501,572	22,397,428
Facilities Management Revolving Fund - 0314	286,602,300	182,721,202	31,718,139	214,439,341	72,162,959
Professional Services Fund - 0317	47,515,000	33,324,992	3,530,153	36,855,145	10,659,855
Workers' Compensation Revolving Fund - 0332	118,516,200	78,985,043	4,527,759	83,512,802	35,003,398
Group Insurance Premium Fund - 0457	105,452,100	78,560,747	15,761,388	94,322,135	11,129,965
State Employees' Deferred Compensation Plan Fund - 0755	1,600,000	797,777	83,074	880,851	719,149
Health Insurance Reserve Fund- 0907	5,000,000,000	2,745,969,502	135,432,011	2,881,401,513	2,118,598,487
Total Appropriated Funds	\$ 7,880,917,000	\$ 5,395,164,045	\$ 214,985,614	\$ 5,610,149,659	\$ 2,270,767,341
Non-Appropriated Funds					
Local Government Health Insurance Reserve Fund - 0193		\$ 34,818,935	\$ 1,666,226	\$ 36,485,161	
Flexible Spending Account Fund - 0202		29,005,832	1,419,746	30,425,578	
Teacher Health Insurance Security Fund - 0203		388,944,242	19,115,368	408,059,610	
Community College Health Insurance Security Fund - 0577		42,637,651	2,629,624	45,267,275	
State Employees' Deferred Compensation Plan Fund - 0755		227,023,642	6,112,650	233,136,292	
Total Non-Appropriated Funds		\$ 722,430,302	\$ 30,943,614	\$ 753,373,916	
Grand Total All Funds		\$ 6,117,594,347	\$ 245,929,228	\$ 6,363,523,575	

Note 1: Appropriations, expenditures, and lapsed balances were obtained from the Department's records as of September 30, 2021, and have been reconciled to Comptroller's records.

Note 2: Expenditure amounts are vouchers approved for payment by the Department 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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2020

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, 2020 to October 31, 2020	Total Expenditures	Balances Lapsed
Appropriated Funds					
General Revenue Fund - 0001	\$ 2,083,979,700	\$ 2,060,482,561	\$ 21,473,574	\$ 2,081,956,135	\$ 2,023,565
Road Fund - 0011	161,533,300	161,533,300	-	161,533,300	-
State Garage Revolving Fund - 0303	71,899,000	47,246,386	12,411,892	59,658,278	12,240,722
Facilities Management Revolving Fund - 0314	286,602,300	164,557,340	23,408,287	187,965,627	98,636,673
Professional Services Fund - 0317	47,000,000	32,560,444	3,654,155	36,214,599	10,785,401
Workers' Compensation Revolving Fund - 0332	118,516,200	98,619,913	7,783,962	106,403,875	12,112,325
Group Insurance Premium Fund - 0457	105,452,100	83,904,509	7,759,759	91,664,268	13,787,832
State Employees' Deferred Compensation Plan Fund - 0755	1,600,000	870,415	69,238	939,653	660,347
State Surplus Property Revolving Fund - 0903	2,500,000	1,878,389	276,077	2,154,466	345,534
Health Insurance Reserve Fund- 0907	5,000,000,000	2,766,105,868	215,711,800	2,981,817,668	2,018,182,332
Total Appropriated Funds	\$ 7,879,082,600	\$ 5,417,759,125	\$ 292,548,744	\$ 5,710,307,869	\$ 2,168,774,731
Non-Appropriated Funds					
Local Government Health Insurance Reserve Fund - 0193		\$ 37,489,307	\$ 1,709,450	\$ 39,198,757	
Flexible Spending Account Fund - 0202		30,632,554	3,907,585	34,540,139	
Teacher Health Insurance Security Fund - 0203		393,785,660	22,904,634	416,690,294	
Community College Health Insurance Security Fund - 0577		39,833,783	3,638,789	43,472,572	
State Employees' Deferred Compensation Plan Fund - 0755		204,783,633	299,722	205,083,355	
Total Non-Appropriated Funds		\$ 706,524,937	\$ 32,460,180	\$ 738,985,117	
Grand Total All Funds		\$ 6,124,284,062	\$ 325,008,924	\$ 6,449,292,986	

Note 1: Appropriations, expenditures, and lapsed balances were obtained from the Department's records as of October 31, 2020, and have been reconciled to Comptroller's records.

Note 2: Expenditure amounts are vouchers approved for payment by the Department 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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2021	2020	2019
APPROPRIATED FUNDS			
General Revenue Fund - 0001			
Expenditure Authority	\$ 2,077,824,000	\$ 2,083,979,700	\$ 2,101,237,300
Expenditures			
Operational Expenses	49,792,298	49,022,824	56,722,085
Unpaid Wage Increases	-	-	4,077,362
Deposit Into Comm Coll Hlth Fund	-	-	5,000,000
Group Insurance	2,021,513,100	2,027,981,200	2,030,000,000
Pay Claims Civil Lawsuits Act	1,444,673	1,210,089	1,144,958
Auto Liability	1,332,279	1,348,844	1,360,300
Wage Claims	1,499,053	748,311	1,498,362
Upward Mobility Program	2,117,304	1,638,686	820,005
Nurses Tuition	29,193	6,181	-
Gov and Vito Marzullo Interns	-	-	421,091
Total Expenditures	\$ 2,077,727,900	\$ 2,081,956,135	\$ 2,101,044,163
Balances Lapsed	\$ 96,100	\$ 2,023,565	\$ 193,137
Road Fund - 0011			
Expenditure Authority	\$ 171,508,400	\$ 161,533,300	\$ 117,960,000
Expenditures			
Group Insurance	171,508,400	161,533,300	117,960,000
Total Expenditures	\$ 171,508,400	\$ 161,533,300	\$ 117,960,000
Balances Lapsed	\$ -	\$ -	\$ -

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2021	2020	2019
State Garage Revolving Fund - 0303			
Expenditure Authority	\$ 71,899,000	\$ 71,899,000	\$ 71,899,000
Expenditures			
Lump Sums	49,501,572	59,658,278	-
Regular Positions	-	-	9,871,230
Retirement	-	-	5,099,332
Social Security	-	-	722,235
Group Insurance	-	-	3,228,716
Contractual Services	-	-	2,077,665
Travel	-	-	2,922
Commodities	-	-	84,951
Equipment	-	-	11,771,020
Telecommunications	-	-	152,418
Operation of Auto Equipment	-	-	24,258,320
Total Expenditures	<u>\$ 49,501,572</u>	<u>\$ 59,658,278</u>	<u>\$ 57,268,809</u>
Balances Lapsed	<u>\$ 22,397,428</u>	<u>\$ 12,240,722</u>	<u>\$ 14,630,191</u>
Facilities Management Revolving Fund - 0314			
Expenditure Authority	\$ 286,602,300	\$ 286,602,300	\$ 286,602,300
Expenditures			
Lump Sums	214,439,341	187,965,627	29,799,471
Regular Positions	-	-	18,781,157
Retirement	-	-	9,589,804
Social Security	-	-	1,388,959
Group Insurance	-	-	4,936,961
Contractual Services	-	-	117,634,538
Travel	-	-	3,420
Commodities	-	-	284,523
Equipment	-	-	34,608
Electronic Data Processing	-	-	588,028
Telecommunications	-	-	273,353
Operation of Auto Equipment	-	-	71,566
Total Expenditures	<u>\$ 214,439,341</u>	<u>\$ 187,965,627</u>	<u>\$ 183,386,388</u>
Balances Lapsed	<u>\$ 72,162,959</u>	<u>\$ 98,636,673</u>	<u>\$ 103,215,912</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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2021	2020	2019
Professional Services Fund - 0317			
Expenditure Authority	\$ 47,515,000	\$ 47,000,000	\$ 47,000,000
Expenditures			
Professional Services	36,855,145	36,214,599	37,288,786
Total Expenditures	<u>\$ 36,855,145</u>	<u>\$ 36,214,599</u>	<u>\$ 37,288,786</u>
Balances Lapsed	<u>\$ 10,659,855</u>	<u>\$ 10,785,401</u>	<u>\$ 9,711,214</u>
Workers' Compensation Revolving Fund - 0332			
Expenditure Authority	\$ 118,516,200	\$ 118,516,200	\$ 108,500,000
Expenditures			
Admin Costs and Claims	83,512,802	106,403,875	83,979,319
Total Expenditures	<u>\$ 83,512,802</u>	<u>\$ 106,403,875</u>	<u>\$ 83,979,319</u>
Balances Lapsed	<u>\$ 35,003,398</u>	<u>\$ 12,112,325</u>	<u>\$ 24,520,681</u>
Group Insurance Premium Fund - 0457			
Expenditure Authority	\$ 105,452,100	\$ 105,452,100	\$ 105,452,100
Expenditures			
Life Insurance Coverage	94,322,135	91,664,268	88,172,836
Total Expenditures	<u>\$ 94,322,135</u>	<u>\$ 91,664,268</u>	<u>\$ 88,172,836</u>
Balances Lapsed	<u>\$ 11,129,965</u>	<u>\$ 13,787,832</u>	<u>\$ 17,279,264</u>
State Employees' Deferred Compensation Plan Fund - 0755			
Expenditure Authority	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000
Expenditures			
St Employees Def Comp Plan	880,851	939,653	1,010,485
Total Expenditures	<u>\$ 880,851</u>	<u>\$ 939,653</u>	<u>\$ 1,010,485</u>
Balances Lapsed	<u>\$ 719,149</u>	<u>\$ 660,347</u>	<u>\$ 589,515</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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2021	2020	2019
State Surplus Property Revolving Fund - 0903			
Expenditure Authority	\$ -	\$ 2,500,000	\$ 2,500,000
Expenditures			
Expenses Recycling Program	-	2,154,466	2,047,615
Total Expenditures	\$ -	\$ 2,154,466	\$ 2,047,615
Balances Lapsed	\$ -	\$ 345,534	\$ 452,385
Health Insurance Reserve Fund- 0907			
Expenditure Authority	\$ 5,000,000,000	\$ 5,000,000,000	\$ 4,000,000,000
Expenditures			
Provision Healthcare Coverage	2,881,401,513	2,981,817,668	3,151,879,062
Total Expenditures	\$ 2,881,401,513	\$ 2,981,817,668	\$ 3,151,879,062
Balances Lapsed	\$ 2,118,598,487	\$ 2,018,182,332	\$ 848,120,938
TOTAL APPROPRIATED FUNDS			
Expenditure Authority	\$ 7,880,917,000	\$ 7,879,082,600	\$ 6,842,750,700
Expenditures	\$ 5,610,149,659	\$ 5,710,307,869	\$ 5,824,037,463
Balances Lapsed	\$ 2,270,767,341	\$ 2,168,774,731	\$ 1,018,713,237
NON-APPROPRIATED FUNDS			
Local Government Health Insurance Reserve Fund - 0193			
Expenditures			
Local Gov Health Plan Admin	766,840	629,940	774,314
Local Government Healthcare	35,718,321	38,568,817	43,741,030
Total Expenditures	\$ 36,485,161	\$ 39,198,757	\$ 44,515,344

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2021	2020	2019
Flexible Spending Account Fund - 0202			
Expenditures			
DCAP Reimbursement	7,386,435	7,910,721	6,286,489
MCAP Reimbursement	21,311,932	22,507,104	19,961,935
CSP-Transit Payments	586,739	2,536,876	2,452,429
CSP-Parking Payments	1,140,472	1,585,438	1,341,182
Total Expenditures	<u>\$ 30,425,578</u>	<u>\$ 34,540,139</u>	<u>\$ 30,042,035</u>
Teacher Health Insurance Security Fund - 0203			
Expenditures			
TRS-Healthcare Coverage	405,928,319	414,627,660	419,032,337
TRS Health Insurance Prog Admin	2,131,291	2,062,634	1,699,212
Total Expenditures	<u>\$ 408,059,610</u>	<u>\$ 416,690,294</u>	<u>\$ 420,731,549</u>
Community College Health Insurance Security Fund - 0577			
Expenditures			
Health Care Coverage	44,961,153	43,184,595	53,758,815
SURS/Comm Coll Ins Prgm Admin	306,122	287,977	232,445
Total Expenditures	<u>\$ 45,267,275</u>	<u>\$ 43,472,572</u>	<u>\$ 53,991,260</u>
State Employees' Deferred Compensation Plan Fund - 0755			
Expenditures			
Purchase of Investments	182,932,415	165,355,573	160,747,827
Purchase of Investments	50,119,492	39,613,793	20,901,762
Payment of Refunds	84,385	113,989	51,505
Total Expenditures	<u>\$ 233,136,292</u>	<u>\$ 205,083,355</u>	<u>\$ 181,701,094</u>
TOTAL NON-APPROPRIATED FUNDS			
Expenditures	<u>\$ 753,373,916</u>	<u>\$ 738,985,117</u>	<u>\$ 730,981,282</u>
GRAND TOTAL - ALL FUNDS			
Expenditures	<u>\$ 6,363,523,575</u>	<u>\$ 6,449,292,986</u>	<u>\$ 6,555,018,745</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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2021	2020	2019
STATE OFFICERS' SALARIES			
Appropriations (through the Comptroller's Office)	\$ 452,800	\$ 442,100	\$ 384,500
Expenditures:			
For the Director	167,618	167,618	145,477
For the Assistant Directors	84,310	137,284	156,119
Total expenditures	<u>251,928</u>	<u>304,902</u>	<u>301,596</u>
Total lapsed balances	<u>\$ 200,872</u>	<u>\$ 137,198</u>	<u>\$ 82,904</u>

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the Department's records as of October 31, 2020 and September 30, 2021, and have been reconciled to the State Comptroller's records.

Note 2: The expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

Note 3: The Department received appropriations during Fiscal Year 2021 from Public Acts 101-0637 and 102-0017. In addition, the Department received appropriations during Fiscal Year 2020 from Public Act 101-007.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COMPARATIVE SCHEDULE OF NET EXPENDITURES
BY MAJOR ACTIVITY
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2021	2020	2019
EXPENDITURE STATISTICS			
All State Treasury Funds			
Total Operations Expenditures:	\$ 6,324,943,917	\$ 6,408,051,246	\$ 6,508,720,951
Percentage of Total Expenditures:	99.4%	99.4%	99.3%
Personal Services	65,804,155	64,649,573	70,156,156
Other Payroll Costs	2,341,044,236	2,366,109,824	2,330,368,379
All Other Operating Expenditures	3,918,095,526	3,977,291,849	4,108,196,416
Total Awards and Grants Expenditures:	\$ 38,495,273	\$ 41,127,751	\$ 46,246,289
Percentage of Total Expenditures:	0.6%	0.6%	0.7%
Total Refund Expenditures:	\$ 84,385	\$ 113,989	\$ 51,505
Percentage of Total Expenditures:	0.0%	0.0%	0.0%
GRAND TOTAL - ALL EXPENDITURES:	\$ 6,363,523,575	\$ 6,449,292,986	\$ 6,555,018,745

Note 1: Expenditures were obtained from the Department's records and have been reconciled to the State Comptroller's records as of October 31, 2020 and September 30, 2021.

Note 2: The expenditure amounts are vouchers approved for payment by the Department 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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2021

Fiscal Year 2021 Compared to Fiscal Year 2020

Workers' Compensation Revolving Fund - 0332

Administrative Cost and Claims

The decrease was due to the timing of receiving claims and decreases in medical liabilities due to the pandemic.

State Surplus Property Revolving Fund – 0903

Recycling Program Expenses

Per Public Act 101-0636, all expenses from the State Surplus Property Revolving Fund were payable from the General Revenue Fund beginning in fiscal year 2021.

Fiscal Year 2020 Compared to Fiscal Year 2019

Road Fund – 0011

Group Insurance

The increase was due to the increased appropriation passed by the general assembly for group insurance costs.

Workers' Compensation Revolving Fund - 0332

Administrative Cost and Claims

The increase was due to timing of receiving claims and increases in medical liabilities compared to the prior year.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2021

Fiscal Year 2021

The Department did not have any significant Lapse Period spending.

Fiscal Year 2020

State Garage Revolving Fund – 0303

Automotive Equipment

The significant lapse period spending was primarily due to vehicles being purchased during Fiscal Year 2020 that were not received and paid for until the lapse period.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND DEPOSITS INTO THE STATE TREASURY**

For the Years Ended June 30,

	2021	2020	2019
STATE TREASURY FUNDS			
General Revenue Fund - 0001			
Receipt Sources:			
Miscellaneous	\$ 103,235	\$ 1,776	\$ 1,030
Other Illinois State agencies	415	-	53
Sale of surplus property	1,027,550	-	-
Fed Government/Various	7,691	-	-
Repay State-Upward Mobility	16,902	38,341	30,294
Scrap Sales	195,117	-	-
Prior year refund	3,192	6,404	18,331
Total Receipts, per the Department's Records	<u>\$ 1,354,102</u>	<u>\$ 46,521</u>	<u>\$ 49,708</u>
Receipts, per the Departments Records	\$ 1,354,102	\$ 46,521	\$ 49,708
Deposits in Transit, Beginning of the Fiscal Year	-	100	97
Deposits in Transit, End of the Fiscal Year	(1,535)	-	(100)
Due From Other Funds, Beginning of the Fiscal Year	-	-	-
Due From Other Funds, End of the Fiscal Year	-	-	-
Prior Year Refunds/Warrant Voids	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 1,352,567</u>	<u>\$ 46,621</u>	<u>\$ 49,705</u>
Road Fund - 0011			
Receipt Sources:			
State Property Sales	\$ 737,393	\$ 902,889	\$ 584,383
Total Receipts, per the Department's Records	<u>\$ 737,393</u>	<u>\$ 902,889</u>	<u>\$ 584,383</u>
Receipts, per the Departments Records	\$ 737,393	\$ 902,889	\$ 584,383
Deposits in Transit, Beginning of the Fiscal Year	-	-	-
Deposits in Transit, End of the Fiscal Year	(144,850)	-	-
Due From Other Funds, Beginning of the Fiscal Year	-	-	-
Due From Other Funds, End of the Fiscal Year	-	-	-
Prior Year Refunds/Warrant Voids	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 592,543</u>	<u>\$ 902,889</u>	<u>\$ 584,383</u>
Local Government Health Insurance Reserve Fund - 0193			
Receipt Sources:			
Insurance premiums	\$ 36,303,419	\$ 39,949,873	\$ 44,783,285
Reimbursement/third party	-	70,715	53,580
Federal Medicare Part D	62,643	44,472	44,191
Formulary Rebates	1,450,217	1,284,693	1,463,881
Prior Year Refund	1,750	-	-
Total Receipts, per the Department's Records	<u>\$ 37,818,029</u>	<u>\$ 41,349,753</u>	<u>\$ 46,344,937</u>
Receipts, per the Departments Records	\$ 37,818,029	\$ 41,349,753	\$ 46,344,937
Deposits in Transit, Beginning of the Fiscal Year	78,189	774,092	1,460,671
Deposits in Transit, End of the Fiscal Year	(411,215)	(78,189)	(774,092)
Due From Other Funds, Beginning of the Fiscal Year	-	-	-
Due From Other Funds, End of the Fiscal Year	-	-	-
Prior Year Refunds/Warrant Voids	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 37,485,003</u>	<u>\$ 42,045,656</u>	<u>\$ 47,031,516</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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND DEPOSITS INTO THE STATE TREASURY**

For the Years Ended June 30,

	2021	2020	2019
Flexible Spending Account Fund - 0202			
Receipt Sources:			
Payroll deductions	\$ 32,236,843	\$ 36,305,713	\$ 34,322,433
Other Revenues	(7,024)	-	-
Total Receipts, per the Department's Records	<u>\$ 32,229,819</u>	<u>\$ 36,305,713</u>	<u>\$ 34,322,433</u>
Receipts, per the Departments Records	\$ 32,229,819	\$ 36,305,713	\$ 34,322,433
Deposits in Transit, Beginning of the Fiscal Year	115,086	309,530	212,052
Deposits in Transit, End of the Fiscal Year	(197,255)	(115,086)	(309,530)
Due From Other Funds, Beginning of the Fiscal Year	-	-	-
Due From Other Funds, End of the Fiscal Year	-	-	-
Prior Year Refunds/Warrant Voids	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 32,147,650</u>	<u>\$ 36,500,157</u>	<u>\$ 34,224,955</u>
Teachers Health Insurance Security Fund - 0203			
Receipt Sources:			
Prior Year Refund	\$ 3,465	\$ -	\$ -
Insurance premiums	379,313,214	370,149,801	373,249,264
Reimbursement/third party	511,073	252,474	202,491
Federal Medicare Part D	2,559,620	1,010,265	1,198,533
Formulary Rebates	14,714,960	13,531,927	11,937,934
General Revenue Fund transfer	62,630,981	99,762,364	130,591,249
Total Receipts, per the Department's Records	<u>\$ 459,733,313</u>	<u>\$ 484,706,831</u>	<u>\$ 517,179,471</u>
Receipts, per the Departments Records	\$ 459,733,313	\$ 484,706,831	\$ 517,179,471
Deposits in Transit, Beginning of the Fiscal Year	1,043	13,679	3,096,266
Deposits in Transit, End of the Fiscal Year	(523)	(1,042)	(13,679)
Due From Other Funds, Beginning of the Fiscal Year	(205,228,037)	(162,393,345)	(178,161,130)
Due From Other Funds, End of the Fiscal Year	279,001,581	205,228,037	162,393,345
Prior Year Refunds/Warrant Voids	162	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 533,507,539</u>	<u>\$ 527,554,160</u>	<u>\$ 504,494,273</u>
State Garage Revolving Fund - 0303			
Receipt Sources:			
Reimbursement/Third Party	\$ 69,385	\$ 293,151	\$ -
Local Illinois governmental units	33,281	54,945	64,374
Miscellaneous	16,817	88,355	127,334
Other Illinois State agencies	56,640,660	55,493,627	51,976,157
Private organization or individual	11,316	39,147	228,818
Prior year refund	46,397	2,402	126
Total Receipts, per the Department's Records	<u>\$ 56,817,856</u>	<u>\$ 55,971,627</u>	<u>\$ 52,396,809</u>
Receipts, per the Departments Records	\$ 56,817,856	\$ 55,971,627	\$ 52,396,809
Deposits in Transit, Beginning of the Fiscal Year	14,792	19,787	10,692
Deposits in Transit, End of the Fiscal Year	(30)	(14,792)	(19,787)
Due From Other Funds, Beginning of the Fiscal Year	(10,392,192)	(18,575,850)	(13,481,734)
Due From Other Funds, End of the Fiscal Year	2,793,541	10,392,192	18,575,850
Prior Year Refunds/Warrant Voids	1,089	990	2,623
Deposits, Recorded by the State Comptroller	<u>\$ 49,235,056</u>	<u>\$ 47,793,954</u>	<u>\$ 57,484,453</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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND DEPOSITS INTO THE STATE TREASURY**

For the Years Ended June 30,

	2021	2020	2019
Facilities Management Revolving Fund - 0314			
Receipt Sources:			
Rental Income	\$ 481,988	\$ 1,161,163	\$ 3,373
Local Illinois governmental units	-	-	350
Miscellaneous	8,598,048	433,050	1,986,470
Other Illinois State agencies	209,284,174	198,669,646	184,191,439
Private organization or individual	14,525	48,885	1,288,863
I-Cycle Sales	9,112	-	-
Prior year refund	158,717	1,217,521	73,824
Total Receipts, per the Department's Records	<u>\$ 218,546,564</u>	<u>\$ 201,530,265</u>	<u>\$ 187,544,319</u>
Receipts, per the Departments Records	\$ 218,546,564	\$ 201,530,265	\$ 187,544,319
Deposits in Transit, Beginning of the Fiscal Year	-	53,476	160,869
Deposits in Transit, End of the Fiscal Year	(37,248)	-	(53,476)
Due From Other Funds, Beginning of the Fiscal Year	(69,934,652)	(73,637,600)	(63,644,859)
Due From Other Funds, End of the Fiscal Year	49,236,108	69,934,652	73,637,600
Prior Year Refunds/Warrant Voids	2,002	466	15,973
Deposits, Recorded by the State Comptroller	<u>\$ 197,812,774</u>	<u>\$ 197,881,259</u>	<u>\$ 197,660,426</u>
Professional Services Fund - 0317			
Receipt Sources:			
Subpoena /Witness Fees	\$ -	\$ -	\$ 46
Miscellaneous	208	-	-
Repay State/Jury Duty & Other Recoveries	16	116	-
Prior year refund	72,063	-	5,263
Total Receipts, per the Department's Records	<u>\$ 72,287</u>	<u>\$ 116</u>	<u>\$ 5,309</u>
Receipts, per the Departments Records	\$ 72,287	\$ 116	\$ 5,309
Deposits in Transit, Beginning of the Fiscal Year	-	-	-
Deposits in Transit, End of the Fiscal Year	-	-	-
Due From Other Funds, Beginning of the Fiscal Year	-	-	-
Due From Other Funds, End of the Fiscal Year	-	-	-
Prior Year Refunds/Warrant Voids	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 72,287</u>	<u>\$ 116</u>	<u>\$ 5,309</u>
State Police Vehicle Maintenance Fund - 0328			
Receipt Sources:			
State property sales	\$ 745,038	\$ 459,704	\$ 289,054
Other revenues	-	-	11,779
Total Receipts, per the Department's Records	<u>\$ 745,038</u>	<u>\$ 459,704</u>	<u>\$ 300,833</u>
Receipts, per the Departments Records	\$ 745,038	\$ 459,704	\$ 300,833
Deposits in Transit, Beginning of the Fiscal Year	13,463	-	-
Deposits in Transit, End of the Fiscal Year	(13,721)	(13,463)	-
Due From Other Funds, Beginning of the Fiscal Year	-	-	-
Due From Other Funds, End of the Fiscal Year	-	-	-
Prior Year Refunds/Warrant Voids	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 744,780</u>	<u>\$ 446,241</u>	<u>\$ 300,833</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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND DEPOSITS INTO THE STATE TREASURY**

For the Years Ended June 30,

	2021	2020	2019
Workers' Compensation Revolving Fund - 0332			
Receipt Sources:			
Workers compensation reimbursements	\$ 1,338,291	\$ 1,222,312	\$ 1,153,306
Miscellaneous	-	-	84,798
Prior year refund	2,954	2,896	6,036
Total Receipts, per the Department's Records	<u>\$ 1,341,245</u>	<u>\$ 1,225,208</u>	<u>\$ 1,244,140</u>
Receipts, per the Departments Records	\$ 1,341,245	\$ 1,225,208	\$ 1,244,140
Deposits in Transit, Beginning of the Fiscal Year	-	19,292	2,238
Deposits in Transit, End of the Fiscal Year	(16,524)	-	(19,292)
Due From Other Funds, Beginning of the Fiscal Year	-	-	-
Due From Other Funds, End of the Fiscal Year	-	-	-
Prior Year Refunds/Warrant Voids	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 1,324,721</u>	<u>\$ 1,244,500</u>	<u>\$ 1,227,086</u>
Group Insurance Premium Fund - 0457			
Receipt Sources:			
Carrier refunds	\$ 5,748,615	\$ 8,395,856	\$ 9,755,847
Insurance premium-employees	1,035,997	831,794	1,052,837
Optional life deductions	49,431,926	47,170,975	45,991,389
Employer reimbursement for basic life coverage	11,910,969	10,580,359	11,643,812
General Revenue Fund	17,250,000	15,000,000	15,000,000
Road Fund	6,860,400	6,461,332	4,718,400
Self Insurance	7,830	-	-
Prior year refund	-	-	706
Other Charges For Services	(6,630)	-	-
Total Receipts, per the Department's Records	<u>\$ 92,239,107</u>	<u>\$ 88,440,316</u>	<u>\$ 88,162,991</u>
Receipts, per the Departments Records	\$ 92,239,107	\$ 88,440,316	\$ 88,162,991
Deposits in Transit, Beginning of the Fiscal Year	81,220	389,353	582,878
Deposits in Transit, End of the Fiscal Year	(344,864)	(81,220)	(389,353)
Due From Other Funds, Beginning of the Fiscal Year	-	(5,000,706)	-
Due From Other Funds, End of the Fiscal Year	3,500,000	-	5,000,706
Prior Year Refunds/Warrant Voids	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 95,475,463</u>	<u>\$ 83,747,743</u>	<u>\$ 93,357,222</u>
Community College Health Insurance Security Fund - 0577			
Receipt Sources:			
Reimbursement/third party	\$ 41,727	\$ 69,215	\$ 8,992
General Revenue Fund	4,622,773	4,431,113	13,340,829
SURS member payment	-	-	15,174
Federal Medicare Part D	322,575	136,334	169,475
Formulary Rebates	1,734,931	1,551,343	1,401,011
Prior Year Refund	790	-	775
Total Receipts, per the Department's Records	<u>\$ 6,722,796</u>	<u>\$ 6,188,005</u>	<u>\$ 14,936,256</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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND DEPOSITS INTO THE STATE TREASURY**

For the Years Ended June 30,

	2021	2020	2019
Community College Health Insurance Security Fund - 0577 (Continued)			
Receipts, per the Departments Records	\$ 6,722,796	\$ 6,188,005	\$ 14,936,256
Deposits in Transit, Beginning of the Fiscal Year	101	691	314,534
Deposits in Transit, End of the Fiscal Year	(58)	(101)	(691)
Due From Other Funds, Beginning of the Fiscal Year	-	-	(3,950,018)
Due From Other Funds, End of the Fiscal Year	-	-	-
Prior Year Refunds/Warrant Voids	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 6,722,839</u>	<u>\$ 6,188,595</u>	<u>\$ 11,300,081</u>

State Employees' Deferred Compensation Plan Fund - 0755

Receipt Sources:			
Payroll deductions*	\$ 182,905,531	\$ 164,984,728	\$ 161,280,308
Reimbursement for jury duty and recoveries*	130	240	295
Participant transfers	45,740,067	43,993,218	20,897,031
Plan record keeper reimbursement	800,000	1,200,000	1,000,000
Roth/Electronic Funds	-	-	46,050
Prior Year Refund	2,390	-	-
Other Revenues	(37,478)	-	-
Total Receipts, per the Department's Records	<u>\$ 229,410,640</u>	<u>\$ 210,178,186</u>	<u>\$ 183,223,684</u>
Receipts, per the Departments Records	\$ 229,410,640	\$ 210,178,186	\$ 183,223,684
Deposits in Transit, Beginning of the Fiscal Year	4,383,095	639,542	340,935
Deposits in Transit, End of the Fiscal Year*	(5,508,470)	(4,383,095)	(639,542)
Due From Other Funds, Beginning of the Fiscal Year	-	-	-
Due From Other Funds, End of the Fiscal Year	-	-	-
Prior Year Refunds/Warrant Voids	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 228,285,265</u>	<u>\$ 206,434,633</u>	<u>\$ 182,925,077</u>

* These amounts don't tie to the published FY19 compliance schedule report numbers due to Deferred Comp being delayed in implementing ERP. This schedule has been corrected for these differences.

State Surplus Property Revolving Fund - 0903

Receipt Sources:			
Sale of surplus property	\$ 1,562	\$ 1,859,499	\$ 2,858,874
Total Receipts, per the Department's Records	<u>\$ 1,562</u>	<u>\$ 1,859,499</u>	<u>\$ 2,858,874</u>
Receipts, per the Departments Records	\$ 1,562	\$ 1,859,499	\$ 2,858,874
Deposits in Transit, Beginning of the Fiscal Year	14,080	148,042	151,688
Deposits in Transit, End of the Fiscal Year	-	(14,080)	(148,042)
Due From Other Funds, Beginning of the Fiscal Year	-	-	-
Due From Other Funds, End of the Fiscal Year	-	-	-
Prior Year Refunds/Warrant Voids	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 15,642</u>	<u>\$ 1,993,461</u>	<u>\$ 2,862,520</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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**COMPARATIVE SCHEDULE OF CASH RECEIPTS
AND DEPOSITS INTO THE STATE TREASURY**

For the Years Ended June 30,

	2021	2020	2019
Health Insurance Reserve Fund - 0907			
Receipt Sources:			
Carrier refunds	\$ 1,876,492	\$ 2,250,153	\$ 3,701,703
Insurance premium-employees	8,870,729	7,879,334	7,570,360
Optional health deduction	392,876,985	325,954,257	313,638,585
Reimbursement of insurance premiums	192,248,921	163,344,100	184,308,113
Health facility - life/health	248,239,882	209,568,811	227,926,931
Federal Medicare Part D	12,152,730	5,457,588	4,969,123
General Revenue Fund	2,005,563,100	2,425,281,200	2,161,177,928
Formulary Rebates	91,764,813	80,107,950	68,275,503
Teamster Opt Out Legal & Education	675,180	-	-
Misc, Repay State/Jury Duty & Other Recoveries	25	32	-
Road Fund	164,648,000	155,071,968	113,241,600
Prior year refund	30,733	381	11,567
Other Revenues	(54,687)	-	-
Total Receipts, per the Department's Records	<u>\$ 3,118,892,903</u>	<u>\$ 3,374,915,774</u>	<u>\$ 3,084,821,413</u>
Receipts, per the Departments Records	<u>\$ 3,118,892,903</u>	<u>\$ 3,374,915,774</u>	<u>\$ 3,084,821,413</u>
Deposits in Transit, Beginning of the Fiscal Year	1,379,125	4,558,454	31,438,657
Deposits in Transit, End of the Fiscal Year	(4,084,373)	(1,379,126)	(4,558,454)
Due From Other Funds, Beginning of the Fiscal Year	-	(381,421,753)	(513,000,000)
Due From Other Funds, End of the Fiscal Year	1,034,706	-	381,421,753
Prior Year Refunds/Warrant Voids	-	2,882,049	-
Deposits, Recorded by the State Comptroller	<u>\$ 3,117,222,361</u>	<u>\$ 2,999,555,398</u>	<u>\$ 2,980,123,369</u>
 GRAND TOTAL - ALL FUNDS			
Receipts, per the Department's Records	\$ 4,256,662,654	\$ 4,504,080,407	\$ 4,213,975,560
Deposits in Transit, Beginning of the Fiscal Year	6,080,194	6,926,038	37,771,577
Deposits in Transit, End of the Fiscal Year	(10,760,666)	(6,080,194)	(6,926,038)
Due From Other Funds, Beginning of the Fiscal Year	(285,554,881)	(641,029,254)	(772,237,741)
Due From Other Funds, End of the Fiscal Year	335,565,936	285,554,881	641,029,254
Prior Year Refunds/Warrant Voids	3,253	2,883,505	18,596
Deposits, Recorded by the State Comptroller	<u>\$ 4,301,996,490</u>	<u>\$ 4,152,335,383</u>	<u>\$ 4,113,631,208</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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Fiscal Years Ended June 30, 2021

Fiscal Year 2021 Compared to Fiscal Year 2020

General Revenue Fund – 0001

Sale of Surplus Property

The increase was due to the State Surplus Property Revolving Fund (Fund 0903) closing after Fiscal Year 2020 activity was completed and the sale of surplus property receipts therefore being deposited into Fund 0001 beginning in Fiscal Year 2021.

Teachers Health Insurance Security Fund – 0203

Federal Medicare Part D

The increase was due to the timing of reimbursement requests.

General Revenue Fund Transfer

The decrease was due to cash management performed by the Illinois Office of the Comptroller. There were less funds available to be transferred in Fiscal Year 2021 than in Fiscal Year 2020.

Facilities Management Revolving Fund – 0314

Rental Income

The decrease was due to fewer rentals of State facilities for events as a result of the pandemic in Fiscal Year 2021.

Miscellaneous

The increase was due to reimbursements from the Capital Development Board for two buildings purchased during the year.

Prior Year Refund

The decrease was due to the prior year closing and true up of the maintenance account with the management company for a Certificate of Participation (COP) that was not repeated in Fiscal Year 2021.

Group Insurance Premium Fund - 0457

Carrier Refunds

The decrease was due to normal fluctuations based on the experience of the plan.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Fiscal Years Ended June 30, 2021

Fiscal Year 2021 Compared to Fiscal Year 2020

State Surplus Property Revolving Fund - 0903

Sale of Surplus Property

The decrease was due to Fund 0903 being closed after Fiscal Year 2020 activity was completed. The sale of surplus property receipts were subsequently deposited into Fund 0001 beginning in Fiscal Year 2021.

Health Insurance Reserve Fund – 0907

Optional health deduction

The increase was due to the increase in rates charged for health insurance.

Federal Medicare Part D

The increase was due to the timing of reimbursement requests.

Teamster opt Out Legal & Education

The increase was due to the creation of a new receipt account in Fiscal Year 2021 to account for this new program.

Fiscal Year 2020 Compared to Fiscal Year 2019

Teachers Health Insurance Security Fund – 0203

General Revenue Fund transfer

The decrease was due to cash management performed by the Illinois Office of the Comptroller. Less funds were available to be transferred in Fiscal Year 2020 than in Fiscal Year 2019 for this fund.

Facilities Management Revolving Fund – 0314

Rental Income

The increase was due to rental income generally being deposited into the Private organization or individual receipt account code prior to Fiscal Year 2020. Beginning in Fiscal Year 2020, the Department began consistently using the Rental Income receipt account code for rental receipts resulting in the increase for this receipt account.

Miscellaneous

The decrease was due to a legal settlement in Fiscal Year 2019 that was not repeated 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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Fiscal Years Ended June 30, 2021

Fiscal Year 2020 Compared to Fiscal Year 2019

Facilities Management Revolving Fund – 0314

Private organizations or individual

The decrease was due to rental income being generally deposited into the Private organization or individual receipt account code prior to Fiscal Year 2020. Beginning in Fiscal Year 2020, the Department began consistently using the Rental Income receipt account code for rental receipts resulting in the decrease for this receipt account.

Prior year refund

The increase was due to the closing and true up of the maintenance account with the management company for a Certificate of Participation (COP).

Group Insurance Premium Fund - 0457

Road Fund

The increase was due to the increase in the appropriation received for this purpose in Fiscal Year 2020 as receipts for this purpose directly coincide with the appropriation.

Community College Health Insurance Security Fund – 0577

General Revenue Fund

The decrease was due to a supplemental appropriation that was received in Fiscal Year 2019 that was not repeated in Fiscal Year 2020.

State Employees' Deferred Compensation Plan Fund – 0755

Participant transfers

The increase is due to the State Employees' Retirement System cost of living adjustment buyout which began December 1, 2018, resulting in increased receipts as Fiscal Year 2020 was the first full year.

State Surplus Property Revolving Fund - 0903

Sale of surplus property

The decrease is due to the pandemic as the sale of surplus property was put on hold during the last quarter of 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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Fiscal Years Ended June 30, 2021

Fiscal Year 2020 Compared to Fiscal Year 2019

Health Insurance Reserve Fund - 0907

Carrier refunds

The decrease was due to normal fluctuations of the plan.

Road Fund

The increase was due to the increase in the appropriation received for this purpose in Fiscal Year 2020 as receipts for this purpose directly coincide with the appropriation.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
SCHEDULE OF LOCALLY-HELD FUND RECEIPTS AND DISBURSEMENTS
For the Two Years Ended June 30, 2021 and 2020

Fund Number*	Fund Name	Balance July 1, 2019	Receipts	Disbursements	Balance June 30, 2020
1386 (0193)	Local Government Health Insurance Reserve Fund	\$ 1,322,794	\$ 17,386,719	\$ 16,737,441	\$ 1,972,072
1387 (0203)	Teacher Health Insurance Security Fund	11,036,106	133,779,458	133,494,443	11,321,121
1388 (0577)	Community College Health Insurance Security Fund	982,488	16,558,354	15,848,757	1,692,085
1389 (0907)	Health Insurance Reserve Fund	78,782,799	1,543,708,200	1,546,615,431	75,875,568
1393 (0755)	State Employees Deferred Compensation Plan Fund	4,648,721,996	394,823,519	331,633,993	4,711,911,522
1412 (0332)	Workers' Compensation Revolving Fund	7,836,249	98,712,475	99,250,435	7,298,289
2202 (0202)	Flexible Spending Account Fund	1,963,219	28,989,200	29,875,778	1,076,641
Total Locally Held Funds		<u>\$ 4,750,645,651</u>	<u>\$ 2,233,957,925</u>	<u>\$ 2,173,456,278</u>	<u>\$ 4,811,147,298</u>

Fund Number	Fund Name	Balance July 1, 2020	Receipts	Disbursements	Balance June 30, 2021
1386 (0193)	Local Government Health Insurance Reserve Fund	\$ 1,972,072	\$ 16,273,555	\$ 17,366,490	\$ 879,137
1387 (0203)	Teacher Health Insurance Security Fund	11,321,121	140,718,342	144,172,065	7,867,398
1388 (0577)	Community College Health Insurance Security Fund	1,692,085	15,605,020	15,803,202	1,493,903
1389 (0907)	Health Insurance Reserve Fund	75,875,568	1,027,134,356	1,038,187,175	64,822,749
1393 (0755)	State Employees Deferred Compensation Plan Fund	4,711,911,522	1,379,065,745	387,702,163	5,703,275,104
1412 (0332)	Workers' Compensation Revolving Fund	7,298,289	82,706,648	85,335,993	4,668,944
2202 (0202)	Flexible Spending Account Fund	1,076,641	29,937,521	29,578,655	1,435,507
Total Locally Held Funds		<u>\$ 4,811,147,298</u>	<u>\$ 2,691,441,187</u>	<u>\$ 1,718,145,743</u>	<u>\$ 5,784,442,742</u>

* Fund numbers in '()' represents the treasury held fund, which corresponds with the locally held fund number. The locally held fund is included in the corresponding treasury held funds' year-end financial reporting.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
SCHEDULE OF CHANGES IN PROPERTY
For the Two Years Ended June 30, 2021

(IN THOUSANDS)

<u>FISCAL YEAR 2021</u>	Beginning Balance	Additions	Deletions	Net Transfers	Ending Balance
<u>Department-wide Capital Assets</u>					
Property					
Land and land improvements	\$ 875	\$ -	\$ -	\$ -	\$ 875
Building and building improvements	267,373	-	-	-	267,373
Equipment	4,292	-	520	3	3,775
Total Department-wide Capital Assets	<u>\$ 272,540</u>	<u>\$ -</u>	<u>\$ 520</u>	<u>\$ 3</u>	<u>\$ 272,023</u>
<u>State Garage Revolving Fund - 0303</u>					
Property					
Equipment	\$ 69,033	\$ 6,919	\$ 298	\$ -	\$ 75,654
Total Fund 0303	<u>\$ 69,033</u>	<u>\$ 6,919</u>	<u>\$ 298</u>	<u>\$ -</u>	<u>\$ 75,654</u>
<u>Facilities Management Revolving Fund - 0314</u>					
Property					
Land and land improvements	\$ 38,174	\$ -	\$ -	\$ -	\$ 38,174
Site improvements	3,761	-	-	-	3,761
Building and building improvements	482,906	748	-	89,335	572,989
Equipment	2,147	81	326	-	1,902
Works of Art	974	-	-	-	974
Total Fund 0314	<u>\$ 527,962</u>	<u>\$ 829</u>	<u>\$ 326</u>	<u>\$ 89,335</u>	<u>\$ 617,800</u>
<u>Professional Services Fund - 0317</u>					
Property					
Equipment	\$ 234	\$ 638	\$ 6	\$ -	\$ 866
Total Fund 0317	<u>\$ 234</u>	<u>\$ 638</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ 866</u>
<u>State Employees' Deferred Compensation Plan Fund - 0755</u>					
Property					
Equipment	\$ 3	\$ -	\$ -	\$ (3)	\$ -
Total Fund 0755	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3)</u>	<u>\$ -</u>
<u>Health Insurance Reserve Fund - 0907</u>					
Property					
Equipment	\$ 37	\$ -	\$ 3	\$ -	\$ 34
Total Fund 0907	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 34</u>

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

Note 2: This schedule was prepared from State property records as required by the Illinois Administrative Code (Code) and the Statewide Accounting Management System (SAMS). The capitalization policy required by the Code and SAMS is different from the capitalization policy established by the Office of the State Comptroller for financial reporting in accordance with generally accepted accounting principles (GAAP).

Note 3: This schedule is prepared on the cash basis of accounting and, therefore, does not include lapse period purchases nor in-transit items.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
SCHEDULE OF CHANGES IN PROPERTY
For the Two Years Ended June 30, 2021

(IN THOUSANDS)

FISCAL YEAR 2020	Beginning Balance	Additions	Deletions	Net Transfers	Ending Balance
Department-wide Capital Assets					
Property					
Land and land improvements	\$ 575	\$ -	\$ 3,301	\$ 3,601	\$ 875
Building and building improvements	217,751	-	813	50,435	267,373
Equipment	4,376	1	32	(53)	4,292
Total Department-wide Capital Assets	<u>\$ 222,702</u>	<u>\$ 1</u>	<u>\$ 4,146</u>	<u>\$ 53,983</u>	<u>\$ 272,540</u>
State Garage Revolving Fund - 0303					
Property					
Equipment	\$ 56,585	\$ 12,592	\$ 127	\$ (17)	\$ 69,033
Total Fund 0303	<u>\$ 56,585</u>	<u>\$ 12,592</u>	<u>\$ 127</u>	<u>\$ (17)</u>	<u>\$ 69,033</u>
Facilities Management Revolving Fund - 0314					
Property					
Land and land improvements	\$ 38,174	\$ -	\$ -	\$ -	\$ 38,174
Site improvements	3,761	-	-	-	3,761
Building and building improvements	480,044	1,142	-	1,720	482,906
Equipment	2,156	35	34	(10)	2,147
Works of Art	974	-	-	-	974
Total Fund 0314	<u>\$ 525,109</u>	<u>\$ 1,177</u>	<u>\$ 34</u>	<u>\$ 1,710</u>	<u>\$ 527,962</u>
Professional Services Fund - 0317					
Property					
Equipment	\$ 88	\$ 152	\$ 6	\$ -	\$ 234
Total Fund 0317	<u>\$ 88</u>	<u>\$ 152</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ 234</u>
State Employees' Deferred Compensation Plan Fund - 0755					
Property					
Equipment	\$ 3	\$ -	\$ -	\$ -	\$ 3
Total Fund 0755	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>
Health Insurance Reserve Fund - 0907					
Property					
Equipment	\$ 37	\$ -	\$ -	\$ -	\$ 37
Total Fund 0907	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37</u>

Note 1: These balances were obtained from the Department's records and have been reconciled to the Department's quarterly *Agency Report of State Property* reports submitted to the Office of the State Comptroller for the year ended June 30, 2020.

Note 2: This schedule was prepared from State property records as required by the Illinois Administrative Code (Code) and the Statewide Accounting Management System (SAMS). The capitalization policy required by the Code and SAMS is different from the capitalization policy established by the Office of the State Comptroller for financial reporting in accordance with generally accepted accounting principles (GAAP).

Note 3: This schedule is prepared on the cash basis of accounting and, therefore, does not include lapse period purchases nor in-transit items.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
FUNCTIONS AND PLANNING
For the Two Years Ended June 30, 2021

Functions

The Department of Central Management Services (Department) provides a wide variety of centralized services to other State and local governmental agencies.

The Department is administered from the seventh floor of the Stratton Office Building in Springfield, Illinois. The Department is led by Janel Forde, who was appointed Acting Director of Central Management Services on January 21, 2019. She was confirmed on February 18, 2020.

The Department is organized into the following major division/bureaus:

1. Bureau of Administrative Operations
 - Director's Office
 - Internal Audits
 - Finance and Management
 - Budget
 - Accounting
 - Payroll
 - Governmental Affairs
 - Labor Relations
 - Legal Services
 - Legal Services
 - Equal Employment Opportunity
 - Rapid Results
2. Bureau of Administrative Hearings
3. Bureau of Agency Services
 - Vehicles
 - Surplus Property
 - Mail and Messenger
4. Bureau of Benefits
 - Group Insurance Programs
 - State Employees Group Insurance Program
 - Local Government Program
 - Teacher's Health Insurance Program
 - Community College Insurance Program

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
FUNCTIONS AND PLANNING
For the Two Years Ended June 30, 2021

- Risk Management
 - Workers' Compensation
 - Auto Liability
 - Third Party Insurance Procurement
 - Representation of Indemnification
 - Investments
 - Administration
 - Flexible Spending
 - Medical & Eye Care for State Employees
 - Dependent Care
 - Parking
 - Commuter
5. Bureau of Business Enterprise Program
- Certification
 - Compliance & Monitoring
 - Outreach
6. Bureau of Information Services (Illinois Office of Communication & Information)
- Graphic Design
 - Video Services
 - Multi-Media Services
7. Bureau of Personnel
- Classifications & Testing
 - Examining & Counseling
 - Transactions and Records
 - Veteran's Outreach
 - Diversity Enrichment
 - Shakman Compliance
8. Bureau of Property Management
- Energy Management
 - Facilities Management & Maintenance
 - Leasing & Purchasing
 - Space Planning
 - I-Cycle

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
FUNCTIONS AND PLANNING
For the Two Years Ended June 30, 2021

9. Bureau of Strategic Sourcing
 - Contract Management
 - Strategic Sourcing
 - State Use

The current organizational structure of the Department was developed to provide streamlined management, improved accountability, and improved efficiency in the delivery of service to other agencies. The Department supports other State agencies by providing innovative, responsive, and effective services including human resources facilitation; benefits programs for employees, retirees, and local government; property and facilities management; diversity initiatives for public contracting and state employment; joint purchasing support; vehicle management; print and electronic communications services; and administrative hearings coordination.

Planning

Subject matter experts have been identified in each bureau and serve as liaisons to the planning and performance measurement program. Performance data is requested as needed from the bureau liaisons for inclusion in the Comptroller's Performance Accountability Report as well as annual reporting for the Budgeting-for-Results initiative as led by the Governor's Office of Management and Budget (GOMB). Data is derived from various bureau generated reports. The reports are reviewed by bureau managers, Deputy Chief Operating Officer, Chief Operating Officer, Chief of Staff, Assistant Directors, and the Director prior to submission, and subject to random detailed review as necessary. Significant variances in performance need to be justified to the Office of Finance and Management and any metric changes need to be approved both internally and by GOMB. The Comptroller's Office also requires the Department to explain any significant variations in Public Accountability Report performance data.

The Department has a systematic strategic planning process in place for developing and evaluating the agency's key initiatives. In addition, a Project Management Office and Office of Rapid Results were established to support strategic planning and continuous improvement. The Department Bureaus are actively engaged in these efforts. The Department's leadership team and subject matter experts from each bureau also hold regular meetings and a quarterly review to discuss and update goals and priorities, including an annual strategic planning meeting. The information resulting from these discussions is used to help prioritize initiatives and update the Department's strategic plan. Subject matter experts from each bureau help to ensure effective communication of strategic priorities and work collaboratively with senior leaders and agency staff to develop meaningful metrics to measure success.

The Department routinely provides update on the status of key initiatives, operations and performance metrics through the following reports:

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
FUNCTIONS AND PLANNING
For the Two Years Ended June 30, 2021

Budgeting for Results/Illinois Performance Reporting System

Budgeting for Results is a joint effort between the Governor’s Office of Management and Budget (GOMB) and the General Assembly. It is “targeted at moving the state budget process towards measuring the contributions of each government program to a set of statewide priority outcomes and informing investment decisions to optimize the achievement of those outcomes.” (Source: Budgeting for Results 5th Annual Commission Report, November 1, 2015) In support of this effort, the Department submits performance metrics and data through GOMB’s Illinois Performance Reporting System (IPRS) on a quarterly and/or annual basis.

Comptroller’s Public Accountability Report

At the completion of each fiscal year, the Department submits Public Accountability information on select programs to the Comptroller. The information includes a narrative, program mission, goals, inputs, outputs, and performance data.

Significant Operational Challenges

There were not any significant operational challenges present at the end of June 30,2021 that should be disclosed based on these functions.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
NUMBER OF EMPLOYEES
For the Years Ended June 30, 2021, 2020, and 2019

<u>AVERAGE FULL-TIME EMPLOYEES</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>By Division</u>			
Administrative Operations			
Administrative Operations	26	24	22
Administrative Hearings	3	3	2
Internal Audit	15	15	13
Legal Services	17	17	20
Labor Relations	8	7	7
Rapid Results	5	6	5
Sub-Total, Administrative Operations	<u>74</u>	<u>72</u>	<u>69</u>
Agency Services			
State Garage	133	140	138
Mail & Messenger	13	14	14
State Surplus	15	14	16
Sub-Total, Agency Services	<u>161</u>	<u>168</u>	<u>168</u>
Benefits			
Auto Liability Program	1	2	2
State Employees Group Insurance	31	32	36
Deferred Compensation	6	7	7
Workers' Compensation Program	5	5	5
Community College Health Insurance Program	2	2	2
Local Gov't Health Insurance Program	4	4	5
Teachers' Health Insurance Program	8	8	9
Sub-Total, Benefits	<u>57</u>	<u>60</u>	<u>66</u>
Business Enterprise Program			
Sub-Total, Business Enterprise Program	<u>15</u>	<u>14</u>	<u>14</u>
Information Services			
Graphic Artists	5	6	6
Multimedia Services	8	10	10
Sub-Total, Information Services	<u>13</u>	<u>16</u>	<u>16</u>
Personnel			
Agency Personnel Services	98	98	91
Upward Mobility Program	9	10	5
Sub-Total, Personnel	<u>107</u>	<u>108</u>	<u>96</u>
Property Management			
Sub-Total, Property Management	<u>271</u>	<u>268</u>	<u>266</u>
Strategic Sourcing			
Sub-Total, Strategic Sourcing	<u>22</u>	<u>19</u>	<u>22</u>
Total average full-time employees	<u>720</u>	<u>725</u>	<u>717</u>

Note 1: This schedule presents the average number of employees, by division, at the Department.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COST STATISTICS

For the Fiscal Years Ended June 30,

	Fiscal Year		
	2021	2020	2019
ADMINISTRATIVE HEARINGS			
Total number of matters referred for hearing	111	187	143
Total person-hours of legal education/training facilitated	866	765	1,435
Total matters disposed	99	193	52
Annual clearance rate (number of matters disposed divided by total added during the year)	89%	103%	36%
BUSINESS ENTERPRISE PROGRAM (BEP)			
Total BEP applications received	3,897	2,940	2,350
Total newly certified BEP vendors	1,447	330	325
Total certified BEP vendors	3,266	1,819	1,979
Total qualified BEP vendors involved in state contracts	1,200	1,122	1,021
Dollars Subject to Goal (DSG)	\$ 5,234,358	\$ 4,564,418	\$ 3,047,580
Contract dollars awarded to eligible BEP vendors (in thousands)	\$ 725,000	\$ 723,913	\$ 649,423
Percentage of available contract dollars awarded to eligible BEP vendors*	14%	16%	21%
Percentage of qualified BEP vendors involved with state contracts**	49%	62%	52%
Please note that BEP will be moving to Commission on Equity and Inclusion January 1, 2022.			
* Calculated by: Total dollars awarded to eligible BEP vendors divided by total DSG			
** Calculated by: Unique vendor count number divided by total vendors in BEP pool			
DEFERRED COMPENSATION			
Investment options offered	7	7	7
New program participants, pre-tax programs	5,256	3,041	3,044
Employees currently contributing, pre-tax programs	32,266	29,793	27,633
Total program participants, pre-tax programs	59,906	53,739	54,124
New program participants, post-tax programs	656	846	733
Total program participants, post-tax programs	4,488	3,585	2,749
Participant dollars deferred, pre-tax programs (in thousands)	\$166,010	\$154,770	\$152,530
Average annual contribution by actively contributing employees, pre-tax programs (in dollars)	\$5,145	\$4,778	\$5,324
Participant dollars deferred, post-tax programs (in thousands)	\$16,379	\$10,950	\$8,366
Average annual contribution by employees, post-tax programs (in dollars)	\$3,649	\$3,404	\$3,328
Investments exceeding benchmark one-year rolling average	41%	29%	42%
Average annual administrative cost per participant (in dollars)	\$ 25.20	\$ 25.40	\$ 17.52
FACILITIES MANAGEMENT			
Facilities under CMS Property Management	685	685	668
Square feet managed by Property Management	15,190,957	15,552,442	15,682,405
Leases under management in the Bureau of Property	350	350	335
State-owned facilities managed by Property Management	335	335	333
Surplus real properties managed by Property Management	12	12	11
Facility work orders completed	16,000	14,698	13,904
Capital spending on CMS-managed, state-owned facilities (in thousands)	\$233.00	\$1,538.00	\$1,184.90
Total square footage leased by Property Management	6,090,957	6,452,442	6,681,233
Total square footage of state-owned space managed by Property Management	9,100,000	9,100,000	9,001,172
Percentage of lease renewals completed prior to expiration	85%	80%	65%
Average statewide maintenance cost per square foot for state-owned space (in dollars)	\$3.60	\$3.65	\$3.27
Average statewide lease cost per square foot (in dollars)	\$15.23	\$14.66	\$16.10

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COST STATISTICS

For the Fiscal Years Ended June 30,

	Fiscal Year		
	2021	2020	2019
FACILITIES MANAGEMENT (Continued)			
Average cost per square foot of leased space (Northern Region) (in dollars)	\$21.00	\$20.77	\$19.44
Average cost per square foot of leased space (Central Region) (in dollars)	\$12.00	\$10.48	\$14.21
Average cost per square foot of leased space (Southern Region) (in dollars)	\$12.70	\$12.73	\$12.82
Average maintenance cost per square foot of owned space (Northern Region) (in dollars)	\$3.60	\$3.50	\$3.18
Average maintenance cost per square foot of owned space (Central Region) (in dollars)	\$3.60	\$3.50	\$3.39
Average maintenance cost per square foot of owned space (Southern Region) (in dollars)	\$3.60	\$3.90	\$3.21
HUMAN RESOURCES			
Code-covered state employees - Human Resources	48,000	46,434	43,879
Employee transactions processed - Human Resources	148,411	133,406	123,724
Job applications received - Human Resources	60,196	97,651	67,511
Automated exams for employment candidates - Human Resources	13,022	50,007	63,708
Training and experience exams graded - Human Resources	47,174	47,644	52,026
Job description revisions (104s) processed - Human Resources	14,000	13,867	14,008
Employees trained on Rutan hiring process - Human Resources	1,800	1,658	357
Percentage of full-time, permanent state employees in Code agencies that represent a minority	61.70%	59.50%	59.90%
Average number of days to review and approve job descriptions - Human Resources	39	23	45
PROFESSIONAL AND STRATEGIC SERVICES			
Number of employees trained on Rapid Results operational excellence methodologies, all agencies	2,750	2,675	2,396
Rapid Results projects implemented, all agencies	1,323	1,232	969
Collective bargaining agreements managed by Labor Relations	33	33	33
Total state bargaining unit employees represented by Labor Relations	47,000	44,961	44,510
Grievances processed by Labor Relations	1,170	800	826
Dollar savings identified and reallocated from process waste eliminated, cumulative for all	\$34,730	\$20,613	\$14,200
Employee hours captured and reallocated by elimination of process waste, all agencies Rapid	877,952	872,280	798,800
Overall customer satisfaction index on a scale from 1 to 4, with 4 being the most satisfied	4	4	4
Agency/customer satisfaction index on communications creative services and meeting	4	4	4
Disciplinary actions processed (discharges, probationary discharges, and suspensions over 30	397	450	479
STATE EMPLOYEE GROUP HEALTH AND LIFE INSURANCE			
Lives covered (Group Health): Total	359,687	357,268	351,949
Lives covered (Group Health): Active Employees	97,877	95,588	97,129
Lives covered (Group Health): Retired	97,137	96,698	92,981
Lives covered (Group Health): Dependents of Active Participants	119,983	119,956	120,335
Lives covered (Group Health): Dependents of Retired Participants	43,950	44,026	41,504
Lives covered (Life Insurance): Total	318,188	322,704	308,682
Lives covered (Life Insurance): Active	111,009	109,547	106,688
Lives covered (Life Insurance): Retired	98,452	97,337	95,908
Lives covered (Life Insurance): Dependents of Active Participants	87,758	86,761	85,373
Lives covered (Life Insurance): Dependents of Retired Participants	21,078	29,059	20,713
Flexible spending accounts: Participants	17,273	16,770	16,254
Percentage of group insurance coverage disputes resolved within 30 days	83%	80%	64%
Average cost of Group Health coverage per participant or employee (in dollars)	\$ 8,514	\$ 8,915	\$ 8,788

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
COST STATISTICS

For the Fiscal Years Ended June 30,

	Fiscal Year		
	2021	2020	2019
STRATEGIC SOURCING			
Number of contracts/procurements managed	909	748	746
Number of statewide master contracts (yielding over 8,500 individual core items)	435	480	416
State-use contracts	231	238	224
Qualified nonprofit entities with state-use contracts	54	50	50
VEHICLES AND SURPLUS PROPERTY			
Total vehicles managed by CMS Division of Vehicles	12,597	12,449	12,150
Passenger vehicles managed by CMS Division of Vehicles	9,226	9,239	9,039
Other vehicles managed by CMS Division of Vehicles	3,371	3,210	3,111
Vehicles in CMS Vehicle Use Program	3,921	4,253	4,150
Electric vehicles	49	49	53
Electric vehicle charging stations	30	30	32
Gallons of fuel purchased (all blends)	6,347,039	5,970,000	5,694,570
Fleet consumption - biodiesel (gallons)	1,250,366	1,283,550	1,224,333
Fleet consumption - E-85 (gallons)	69,817	71,073	67,765
Registered iBid bidders (state surplus property)	37,080	36,731	34,000
Percentage of obsolete vehicles (8+ years old and/or 150,000+ miles) in the state fleet	49%	49%	53.40%
Percentage of obsolete trucks (8+ years old and/or 150,000+ miles) in the state fleet	44%	43.70%	45.70%
Percentage of obsolete passenger vehicles (8+ years old or 150,000+ miles) in the state fleet	51%	52.00%	56.00%
Fleet consumption of bio--diesel fuel as a percentage of total fuel purchased	20%	21.50%	21.50%
Fleet consumption of E-85 fuel as a percentage of total fuel purchased	1%	1.20%	1.20%
Average maintenance/repair cost per state fleet passenger vehicle (in dollars)	\$ 1,336	\$ 1,517	\$ 1,799
WORKERS' COMPENSATION AND RISK MANAGEMENT			
New Workers' Compensation injuries	3,868	4,207	4,648
Open Workers' Compensation claims (per statute)	3,721	17,121	18,015
Active Workers' Compensation claims (per third-party administrator)	5,162	4,799	5,905
Workers' Compensation claimants returned to work at modified duty	2,600	2,508	1,628
Independent medical evaluations performed	927	1,310	1,250
New auto liability claims	1,361	1,390	1,681
Open auto liability claims	289	201	302
Auto liability claims settled out of court	1,262	1,190	1,580
Average days to close a property damage liability claim	57	55	51
Average days to close a bodily injury liability claim	138	131	114
Workers' Compensation claims denied/non-compensable claims	15%	20%	23%
Claim disputes resolved each month	90%	92%	91%
Claimants contacted within five days of an accident report	100%	100%	100%
Annual change in Workers' Compensation spending	11%	5%	4%
Ratio of bill review savings to total billed medical expenses	74%	71%	67%

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
For the Two Years Ended June 30, 2021

Fiscal Year 2021

Threat to Public Health or Safety

James R. Thompson Center (21-416CMS-BOPM4-P-25379, cloned from 21-416CMS-BOPM4-P-24962 to allow for interface)

Janitorial services for the James R. Thompson Center (JRTC). Emergency term dates of 1/15/21-4/15/21 with Eco Clean Maintenance Inc. Final cost published of \$88,116.00 on 21-416CMS-BOPM4-B-21888.

Chicago Medical Center (21-416CMS-BOPM4-P-27330)

Elevator preventative maintenance and repair services for Chicago Medical Center. Emergency term dates of 4/26/21-6/11/21 with Parkway Elevators Inc. Estimated cost of \$60,356.80. Final cost published of \$56,907.84 on 22-416CMS-BOPM4-B-26868.

Chicago Medical Center (21-416CMS-BOPM4-P-28365)

Elevator preventative maintenance and repair services for Chicago Medical Center. Emergency term dates of 6/28/21-9/26/21 with Parkway Elevators Inc. or execution of P-27898 (executed 8/22/21), whichever is earlier. Estimated cost of \$103,468.80. Final costs are still being determined.

Prevent or Minimize Disruption to Critical State Services

Department of Human Services Facility

The Department identified lease in holdover due to expire for space that houses the Illinois Department of Human Services Division of Rehabilitative Services. If the lease was not completed by August 25, 2020, the Department would have had to relocate the Division of Rehabilitative Services office, at considerable expense and with significant disruption to critical services that provide services to persons with disabilities. The Department ultimately paid its vendor, Meadows, LLC, \$8,811.30 to occupy leased facility.

Department of Human Services Facility

The Department identified lease in holdover due to expire for space that houses the Department of Human Services Family Community Resource Center. The emergency lease is necessary to provide continuation of occupancy. If the lease was not completed by August 31, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical services for customers receiving Long Term Care Assistance. The Department ultimately paid its vendor, MBA Enterprises-3, Inc. an Illinois Corporation, \$24,629.64 to occupy leased facility.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
For the Two Years Ended June 30, 2021

Department of Human Services Facility

The Department identified lease in holdover due to expire for space that houses the Department of Human Services Family Community Resource Center. The emergency lease is necessary to provide continuation of occupancy. If the lease was not completed by August 28, 2020, the Department would have had to relocate critical services to residents of the South Side of Chicago, at considerable expense and with significant disruption to critical services that include cash assistance, child care assistance, EarnFare, emergency food and shelter, food stamps, funeral and burial benefits, general or transitional assistance, homeless prevention, immigrant and refugee assistance, medical programs, supportive housing and Temporary assistance for Needy Families (TANF). The Department ultimately paid its vendor, A.A.M.S. Corp. d/b/a American Asset Management Svs. Corp., \$61,727.55 to occupy leased facility.

Department of Human Services Facility

The Department identified lease in holdover due to expire for space that houses the Department of Human Services Family Community Resource Center - Southeast. The emergency lease is necessary to provide continuation of occupancy. If the lease was not completed by August 31, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical services. Services include assistance to the blind and disabled, cash assistance, child care assistance, EarnFare, emergency food and shelter, food stamps, funeral and burial benefits, general or transitional assistance, homeless prevention, immigrant and refugee assistance, medical programs, supportive housing and Temporary assistance for Needy Families (TANF). The Department ultimately paid its vendor, Chicago Title Land Company Trust, \$164,189.19 to occupy leased facility.

Illinois Department of Employment Security Facility

The Department identified lease that required renewal for space that houses the Illinois Department of Employment Security. Illinois Department of Employment Security submitted a space request to exercise the renewal option, however due to staff turnover, the Department was unable to exercise the renewal option prior to its commencement on March 1, 2020. The emergency lease is necessary to provide continuation of occupancy and payment of rent. If the lease was not completed by August 31, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical claims processing. The Department ultimately paid its vendor, Springhill Marketplace, LLC., \$19,375.52 to occupy leased facility.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
For the Two Years Ended June 30, 2021

Department of Children and Family Services Facility

The Department identified lease that required renewal for space that houses the Department of Children and Family Services field office, which is primarily providing child protection investigation, placement, and intact services. If the lease was not completed by August 31, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical services to the residents of Dekalb, Ogle, Lee, and Boone Counties. The Department ultimately paid its vendor, Jeffrey W. Richardson, \$49,790.26 to occupy leased facility.

Department of Human Services Facility

The Department identified lease due to expire for space that houses the Illinois Department of Human Services Division of Rehabilitative Services. If the lease was not completed by September 30, 2020, the Department would have had to relocate the Division of Rehabilitative Services office, at considerable expense and with significant disruption to critical services that provides services to persons with disabilities. The Department ultimately paid its vendor, Chicago Title Land Trust Company, \$45,731.14 to occupy leased facility.

Illinois Department of Employment Security Facility

The Department identified lease that required renewal for space that houses the Illinois Department of Employment Security, which is the primary statewide call center for employment claimants, which receives more than 1M telephone calls annually. The emergency lease is necessary to provide continuation of occupancy and payment of rent. If the lease was not completed by September 30, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical services. The Department ultimately paid its vendor, Illinois Holdings (USA), Inc., \$45,742.67 to occupy leased facility.

Department of Human Services Facility

The Department identified lease due to expire for space that houses the Illinois Department of Human Services Family Community Resource Center. This facility provides assistance to the aged, blind, and disabled. It also provides cash assistance, emergency food, and shelter. It also provides Food Stamps and funeral/burial benefits. The office also includes employees that work on child support enforcement and collections. If the lease was not completed by September 30, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical services for residents at Quincy, IL. The Department ultimately paid its vendor, Ellington Development, Inc., \$33,206.95 to occupy leased facility.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
For the Two Years Ended June 30, 2021

Department of Human Services Facility

The Department identified lease due to expire for space that houses the Illinois Department of Human Services Family Community Resource Center. If the lease was not completed by September 30, 2020, the Department would have had to relocate a variety of services including cash assistance, child care, assistance, Earn Fare, Earned Income Tax Credit assistance, emergency food and shelter, food stamps, transition assistance, TANF, supportive housing, and other vital services at considerable expense and with significant disruption to critical services that provides services to the Roseland neighborhood. The Department ultimately paid its vendor, Chicago Title Land Trust Company, \$89,882.02 to occupy leased facility.

Department of Health and Family Services

The Department identified lease due to expire for space that has housed the Department of Health and Family Services Child Support Enforcement Office since 2009, which serves a 21-county area. If the lease was not completed by September 30, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical services for residents at Quincy, IL. The Department ultimately paid its vendor, Ellington Development, Inc., \$3,925.91 to occupy leased facility.

Department of Children and Family Services

The Department identified lease due to expire for space that has housed the Department of Children and Family Services administrative office since 1996. The office houses IT, Quality Assurance, Child Quality Review, Legal, Labor Relations, and Administrative Case Review. If the lease was not completed by September 30, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical services for residents at Springfield, IL. The Department ultimately paid its vendor, Basco, Inc., \$103,563.16 to occupy leased facility.

Illinois Department of Employment Security Facility

The Department identified lease that required renewal for space that has housed the Illinois Department of Employment Security in Quincy, IL since 2000. IDES submitted a space request to pursue an Alt-RFI extension, however, due to staff turnover, the Department was unable to complete the new lease prior to the expiration of the old lease. IDES requested to remain in the current facility that provides unemployment, job search and training, and workforce development programs to a 5-county area. The Department ultimately paid its vendor Mississippi Valley Development, Inc., \$37,266.73 to occupy the leased facility.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
For the Two Years Ended June 30, 2021

Department of Children and Family Services

The Department identified lease due to expire for space that has housed the Department of Children and Family Services administrative office since 2000. DCFS submitted a space request to pursue an Alt-RFI extension, however, due to staff turnover, the Department was unable to complete the new lease prior to the expiration of the old lease. DCFS requested to remain in the current facility that provides child protective investigations, intact and placement, and foster parent licensing and training to the counties of Adams, Pike and Hancock. The Department ultimately paid its vendor Mississippi Valley Development, Inc., \$33,633.36 to occupy the leased facility.

Department of Human Services Facility

The Department identified lease due to expire for space that houses the Illinois Department of Human Services Teen Parent Services Program. The location services teenage mothers and fathers by providing parental training in a computer lab, training kitchen home economics classrooms and a laundry facility. The services taught in the classrooms include parental skills, domestic violence prevention, substance abuse, budgeting, and nutrition. If the lease was not completed by September 30, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical services for residents at Chicago, IL. The Department ultimately paid its vendor, Suburban Bank and Trust, \$57,269.41 to occupy leased facility.

Department of Human Services Facility

The Department identified lease due to expire for space that houses the Illinois Department of Human Services. DHS submitted a space request to pursue an RFI to split the office into two locations, however due to staff turnover, the Department was unable to complete the RFI prior to the expiration of the old lease. The lease went into holdover and was set to expire on November 16, 2020, which at that time the lease would go into non-payment. The Department did not have sufficient time to find a new location and move DHS before the end of holdover. If the State occupied the premises without paying rent, the vendor could become unable to perform the contract. DHS operations would be critically disrupted by being forced to relocate. The emergency lease would provide the Department and DHS with time to relocate or find another solution that allows for the delivery of critical services. This office serves the Blue Island, IL neighborhood by providing a wide array of services including cash assistance, child care assistance, Earn Fare, Earned Income Tax Credit 'assistance, emergency food and shelter, food stamps, transition assistance, TANF, supportive housing, homeless prevention, and other vital services. The Department ultimately paid its vendor, LSREF3 Navy Reo, LLC, \$146,382.85 to occupy leased facility.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
For the Two Years Ended June 30, 2021

Illinois Department of Employment Security Facility

The Department identified lease that required renewal for space that houses the Illinois Department of Employment Security. Illinois Department of Employment Security submitted a space request to pursue an Alt-RFI extension, however due to staff turnover, the Department was unable to complete the new lease prior to the expiration of the old lease. The emergency lease is necessary to provide continuation of occupancy and payment of rent. If the lease was not completed by September 30, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical unemployment and job training services for the South West side of Chicago and suburbs. The Department ultimately paid its vendor, Burbank Manor Ltd. II, \$42,963.00 to occupy leased facility.

Immediate Repairs Need to Protect Against Loss or Further Destruction of Property

J0171, 801 S. 7th Street, Springfield (21-416CMS-BOPM4-P-26511)

Elevator repair services for the ISP building to reattach and realign the rails which pulled away from the wall. Emergency term dates of 4/8/21-5/14/21 with Kone Inc. Final cost published of \$9,890.00.

Fiscal Year 2020

Threat to Public Health or Safety

Illinois State Police District 5 Building (20-416CMS-BOPM4-P-12601; would not interface, so cloned to 20-416CMS-BOPM4-P-12680)

Testing and mitigation of environmental hazards including radon, mold, and asbestos on the west side of the ISP District 5 Building. To protect the employees and public using the ISP District 5 Building and disposal of hazardous materials. The Department ultimately paid its vendor, C & W Building Services, \$135,593.73 to test and mitigate the environmental hazards.

James R. Thompson Center (20-416CMS-BOPM4-P-15627)

Full coverage elevator maintenance services for the James R. Thompson Center (JRTC). Emergency term dates of 2/1/20-4/30/20. Emergency extension processed for 5/1/20-10/31/20. Final cost published of \$197,914.67.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
For the Two Years Ended June 30, 2021

Prevent or Minimize Disruption to Critical State Services

Department of Children and Family Services Facility

The Department identified lease that required renewal for space that houses the Department of Children and Family Services. If the lease was not completed by December 1, 2019, the Department would have had to relocate Day Care Licensing, Foster Care Licensing, Administrative Care Review, and Placement and Investigations, at considerable expense and with significant disruption to critical services to the residents of Carroll, Lee, and Whiteside Counties. The Department ultimately paid its vendor, John W. Schmitt Partners, L.P., \$28,069.78 to occupy leased facility.

Illinois Department of Employment Security Facility

The Department identified lease in holdover due to expire for space that houses the Illinois Department of Employment Security. The emergency lease is necessary to provide continuation of occupancy and payment of rent until a new 5-year term lease is approved. If the lease was not completed by May 31, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical services to the residents of Whiteside County. The Department ultimately paid its vendor, Gorijian Lee Wayne Realty, LLC, \$16,296.44 to occupy leased facility.

Department of Human Services Facility

The Department identified lease in holdover due to expire for space that houses the Department of Human Services. The emergency lease is necessary to provide continuation of occupancy and payment of rent until a new 5-year term lease is approved. If the lease was not completed by May 31, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical services to the residents of Sangamon County. The Department ultimately paid its vendor, Cagnoni Reyhan Partnership, \$323,212.37 to occupy leased facility.

Department of Human Services Facility

The Department identified lease in holdover that houses the Illinois Department of Human Services Disability Determination Services. If the lease was not completed by March 30, 2020, the Department would have had to relocate a variety of services including Social Security's disability program, Social Security Disability Insurance, and Supplemental Security Income. Due to services operating under the auspices of the Social Security Administration (SSA), the office services cannot be moved without the express consent of the SSA. The Department ultimately paid its vendor, Alzina Building II LLC, \$475,192.57 to occupy the leased facility.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
For the Two Years Ended June 30, 2021

Department of Health and Family Services

The Department identified lease due to expire for space that has housed the Department of Health and Family Services since 1988, which serves as the Springfield headquarters for all personnel, equipment, data, and telecom. If the lease was not completed by February 28, 2020, the Department would have had to relocate at considerable expense and with significant disruption to critical services and cost estimated at over 1.2 million. The Department ultimately paid its vendor, Government Property Fund LLC., \$598,145.19 to occupy leased facility.

Department of Corrections

The Department identified lease that required renewal for space that houses the Department of Corrections central records storage site for all DOC records since 2014. If the lease was not completed by December 31, 2019, the Department would have had to relocate all of DOC's records with significant disruption to critical services due to DOC being mandated to keep all inmate records indefinitely. The Department ultimately paid its vendor, BJD Properties LLC, \$54,840.65 to occupy leased facility.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
ANALYSIS OF OVERTIME AND COMPENSATORY TIME
For the Fiscal Year Ended June 30,

	2021	2020	2019
ENTIRE DEPARTMENT			
Overtime Hours Paid	45,452	50,010	65,291
Compensatory Hours Granted	5,474	8,493	7,819
Total	<u>50,926</u>	<u>58,503</u>	<u>73,110</u>
Value of Overtime Hours Paid	\$ 2,539,381	\$ 2,827,606	\$ 3,509,865
Value of Compensatory Hours Granted*	196,845	299,633	270,537
Total Costs	<u>\$ 2,736,226</u>	<u>\$ 3,127,239</u>	<u>\$ 3,780,402</u>

* Note 1: The Department used the average hourly employee salary rate for bargaining unit/prevaling rate employees for each fiscal year to estimate the Value of Compensatory Hours Granted.

Note 2: The Department's overtime and comp time data is tracked by person, not by functional area, so this Schedule is presented by the Entire Department only.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2021

The Governor, in response to the COVID-19 pandemic, issued sequential Gubernatorial Disaster Proclamations from March 12, 2020, through June 30, 2021. These proclamations allowed the Department to waive the requirements of the Illinois Procurement Code to the extent the requirement (1) would have, in any way, prevented, hindered, or delayed necessary action to cope with the COVID-19 pandemic and (2) was not required by federal law. The following procurements were all processed under this waiver granted by the Governor.

Fiscal Year 2021

Cleaning Supplies

The Department ran low on cleaning supplies during the COVID-19 pandemic, which necessitated the emergency purchase of disinfectant wipes and hand sanitizer from 1st AYD Chemical Corporation. The Department paid its vendor, 1st AYD Chemical Corporation, \$1,346.56 to acquire the cleaning supplies.

COVID-19 Signage

The Department identified a need for signs during the COVID-19 pandemic, which necessitated the emergency purchase of magnetic signs from the A & B Printing Services Inc. The Department paid its vendor, A & B Printing Services Inc, \$130.00 to acquire the signage.

Enhanced Cleaning Services

The Department identified the need for enhanced cleaning services during the COVID-19 pandemic, which necessitated the emergency purchase of the cleaning services from the Above and Beyond Cleaning. The Department paid its vendor, Above and Beyond Cleaning, \$25,336.00 to acquire the enhanced cleaning services.

Personal Protective Equipment

The Department identified the need for personal protect equipment during the COVID-19 pandemic, which necessitated the emergency purchase of plexiglass barriers from the Chicago Metro Construction. The Department paid its vendor, Chicago Metro Construction, \$40,940.00 to acquire the personal protective equipment (PPE).

Cleaning Services

The Department identified the need for enhanced cleaning services during the COVID-19 pandemic, which necessitated the emergency purchase of the cleaning services from the Clean as a Whistle LLC. The Department paid its vendor, Clean as a Whistle LLC, \$125,819.00 to acquire the enhanced cleaning services.

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
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2021

Personal Protective Equipment

The Department identified the need for personal protect equipment during the COVID-19 pandemic, which necessitated the emergency purchase of mounting tape for plexiglass barriers from the E-Bolt Construction & Industrial Supply. The Department paid its vendor, E-Bolt Construction & Industrial Supply, \$504.00 to acquire the PPE.

Stylus Sticks

The Department identified the need for non-contact equipment during the COVID-19 pandemic, which necessitated the emergency purchase of non-contact stylus sticks from the EGS Inc. The Department paid its vendor, EGS Inc., \$432.00 to acquire the thermometers.

Cleaning Supplies

The Department ran low on cleaning supplies during the COVID-19 pandemic, which necessitated the emergency purchase of paper towels from Gilson Enterprises. The Department paid its vendor, Gilson Enterprises, \$2,155.83 to acquire the cleaning supplies.

Waste Disposal

The Department identified the need for additional waste disposal during the COVID-19 pandemic, which necessitated the emergency purchase of additional trash pickup from the Independent Recycling Service. The Department paid its vendor, Independent Recycling Service, \$6,170.25 to obtain the waste disposal services.

Security Equipment

The Department identified a need for security equipment during the COVID-19 pandemic, which necessitated the emergency rental of dry storage container for materials used for COVID-19 testing from the Integrity Transit Co. The Department paid its vendor, Integrity Transit Co., \$10,247.00 to acquire the secure dry storage.

HVAC Supplies

The Department identified the need for pleat filters during the COVID-19 pandemic, which necessitated the emergency purchase of 14 tri-cell mini pleat filters to clean air from the International Filter MFG Corp. The Department paid its vendor, International Filter MFG Corp, \$2,208.00 to acquire the filters.

Closed Captioning Services

The Department closed captioning during the COVID-19 pandemic, which necessitated the emergency purchase of closed captioning services from Cindy Jenkins. The Department paid its vendor, Cindy Jenkins, \$3,915.00 to provide closed captioning services.

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STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2021

Cleaning Services

The Department identified the need for additional cleaning services during the COVID-19 pandemic, which necessitated the emergency purchase of the cleaning services from the Jewish Child and Family Services. The Department paid its vendor, Jewish Child and Family Services, \$45,490.56 to acquire the additional cleaning services.

Deep Cleaning Services

The Department identified the need for deep cleaning services during the COVID-19 pandemic, which necessitated the emergency purchase of the cleaning services from the Jones Lang Lasalle Americas. The Department paid its vendor, Jones Lang Lasalle Americas, \$1,655,627.02 to acquire the deep cleaning services.

Communication Services

The Department identified the need for communication services during the COVID-19 pandemic, which necessitated the emergency purchase of video satellite transmission broadcasting for the Governor's press briefings from the Level 3 Communications LLC. The Department paid its vendor, Level 3 Communications LLC, \$4,657.50 to obtain communication services.

Communication Services

The Department identified the need for communication services during the COVID-19 pandemic, which necessitated the emergency purchase of satellite uplink video conferencing from the Level 3 Financing Inc. The Department paid its vendor, Level 3 Financing Inc., \$19,320.00 to obtain communication services.

Office Supplies

The Department recognized the need for essential office supplies during the COVID-19 pandemic, which necessitated the emergency purchase of COVID signage and batteries for no contact temporal scanners from the Logsdon Stationers. The Department paid its vendor, Logsdon Stationers, \$953.71 to acquire the office supplies.

Cleaning Services

The Department identified the need for cleaning services during the COVID-19 pandemic, which necessitated the emergency purchase of the cleaning services from the Maintenance Supply Corporation. The Department paid its vendor, Maintenance Supply Corporation, \$570.00 to acquire the cleaning services.

Hand Sanitizer

The Department ran low on hand sanitizer during the COVID-19 pandemic, which necessitated the emergency purchase of hand sanitizer from the McKay Auto Parts Inc. The Department paid its vendor, McKay Auto Parts Inc., \$119.88 to acquire the hand sanitizer.

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STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2021

Personal Protective Equipment

The Department identified the need for personal protective equipment during the COVID-19 pandemic, which necessitated the emergency purchase of nitrile gloves from the Motor Parts & Equipment Corp. The Department paid its vendor, Motor Parts & Equipment Corp., \$1,469.40 to acquire the PPE.

Translation Services

The Department identified the need for translation services during the COVID-19 pandemic, which necessitated the emergency purchase of the translation services for various disaster proclamation messages from the Multilingual Connections LLC. The Department paid its vendor, Multilingual Connections LLC, \$163,912.98 to obtain the translation services.

Cleaning Supplies

The Department ran low on cleaning supplies during the COVID-19 pandemic, which necessitated the emergency purchase of sanitizing cleaner sprayer to clean outdoor HVAC coils from Neuco Inc. The Department paid its vendor, Neuco Inc., \$1,805.98 to acquire the cleaning supplies.

Personal Protective Equipment

The Department identified the need for personal protective equipment during the COVID-19 pandemic, which necessitated the emergency purchase of powder free disposable gloves from the Parkman & Wilken LLC. The Department paid its vendor, Parkman & Wilken LLC, \$6,995.00 to acquire the PPE.

Closed Captioning Services

The Department closed captioning during the COVID-19 pandemic, which necessitated the emergency purchase of closed captioning services from Catherine A Rajcan. The Department paid its vendor, Catherine A Rajcan, \$340.00 to provide closed captioning services.

Cleaning Supplies

The Department ran low on cleaning supplies during the COVID-19 pandemic, which necessitated the emergency purchase of multi-fold towels from Shelby County Community Service Inc. The Department paid its vendor, Shelby County Community Service Inc., \$889.00 to acquire the cleaning supplies.

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STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2021

Cleaning Supplies & Personal Protective Equipment

The Department ran low on cleaning supplies during the COVID-19 pandemic, which necessitated the emergency purchase of disinfectant wipes, vinyl gloves, face masks, hand sanitizer, peroxide concentrated cleaner, and face shields from Triad Industrial Supply Corp. The Department paid its vendor, Triad Industrial Supply Corp., \$18,280.00 to acquire the cleaning supplies and PPE.

Personal Protective Equipment & Supplies

The Department identified the need for personal protect equipment during the COVID-19 pandemic, which necessitated the emergency purchase of disinfectant wipes, disposable gloves, hand sanitizer, hardware and materials to install plexiglass barriers, parts to repair building automation system, sneeze guards from the W Grainger Inc. The Department paid its vendor, W Grainger Inc., \$79,364.66 to acquire the PPE & supplies.

Temperature Scanners

The Department identified the need for non-contact temperature scanning kiosks during the COVID-19 pandemic, which necessitated the emergency purchase of non-contract temperature scanning kiosks and access control from the William Yates. The Department paid its vendor, William Yates, \$48,000.00 to acquire the thermometers.

Personal Protective Equipment

The Department identified the need for personal protect equipment during the COVID-19 pandemic, which necessitated the emergency purchase of face shields from the Zone Enterprises LLC. The Department paid its vendor, Zone Enterprises LLC, \$986.70 to acquire the PPE.

Intergovernmental Transactions

The Department identified the need for equipment during the COVID-19 pandemic, which necessitated the emergency purchase of cell phone rental for remote employee work for intergovernmental transactions. The Department transferred intergovernmental funds, \$1,628.97 to acquire the equipment and supplies.

Fiscal Year 2020

Cleaning Supplies

The Department ran low on cleaning supplies during the COVID-19 pandemic, which necessitated the emergency purchase of cleaning gloves and disinfectant wipes from 1st AYD Chemical Corporation. The Department paid its vendor, 1st AYD Chemical Corporation, \$7,451.67 to acquire the cleaning supplies.

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STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2021

Cleaning Supplies

The Department ran low on cleaning supplies during the COVID-19 pandemic, which necessitated the emergency purchase of cleaning gloves, disinfectant wipes, towels, and sanitizer from Gilson Enterprises. The Department paid its vendor, Gilson Enterprises, \$14,168.36 to acquire the cleaning supplies.

COVID-19 Signage

The Department identified a need for signs to be posted at state garages at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of 30 signs from the A & B Printing Services Inc. The Department paid its vendor, A & B Printing Services Inc, \$1,282.00 to acquire the signage.

Security Equipment

The Department identified a need for security equipment during the COVID-19 pandemic, which necessitated the emergency purchase of a panic bar and security cameras from the A-1 Lock Inc. The Department paid its vendor, A-1 Lock Inc., \$31,930.90 to acquire the security equipment.

Enhanced Cleaning Services

The Department identified the need for enhanced cleaning services at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of the cleaning services from the Above and Beyond Cleaning. The Department paid its vendor, Above and Beyond Cleaning, \$11,695.00 to acquire the enhanced cleaning services.

Hand Wash Sinks

The Department identified the need for hand wash sinks at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of plumbing parts for 3 new hand wash sinks from the Allied Plumbing & Heating Supply Co. The Department paid its vendor, Allied Plumbing & Heating Supply Co, \$1,772.02 to install the hand wash sinks.

Personal Protective Equipment

The Department ran low on personal protective equipment at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of reusable face masks from the Aramark Uniform & Career Apparel. The Department paid its vendor, Aramark Uniform & Career Apparel, \$384.71 to acquire the PPE.

Batteries

The Department identified the need for batteries for the door chimes at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of batteries from the Bishop Hardware & Supply Inc. The Department paid its vendor, Bishop Hardware & Supply Inc, \$326.47 to acquire the batteries.

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STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2021

Personal Protective Equipment

The Department identified the need for disposable face masks at the beginning of the COVID-19 pandemic, which necessitated the emergency pre-purchase of 50,000 disposable face masks from the Black Industrial & Safety. The Department pre-paid its vendor, Black Industrial & Safety, \$45,000.00 to acquire the disposable face marks.

Personal Protective Equipment

The Department identified the need for disposable face masks at the beginning of the COVID-19 pandemic, which necessitated the emergency pre-purchase of 50,000 disposable face masks from the Black Industrial Supply Corp. The Department pre-paid its vendor, Black Industrial Supply Corp, \$45,000.00 to acquire the disposable face marks.

Personal Protective Equipment

The Department identified the need for personal protective equipment at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of face shields from the Bridgewater Studio Inc. The Department paid its vendor, Bridgewater Studio Inc, \$720.00 to acquire the PPE.

Building Safety and Repairs

The Department identified the need for building safety and repairs at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase for 18 keys for COVID-19 labs and roofing repairs to COVID-19 triage building from the C & W Building Services Inc. The Department paid its vendor, C & W Building Services Inc, \$4,019.72 to provide building safety and repairs.

Closed Captioning Services

The Department closed captioning during the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of closed captioning services from the EEG Enterprises. The Department paid its vendor, EEG Enterprises, \$239.20 to provide closed captioning services.

Thermometers

The Department identified the need for non-contact thermometers at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of 50 non-contact thermometers from the EGS Inc. The Department paid its vendor, EGS Inc., \$3,800.00 to acquire the thermometers.

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STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2021

Equipment Repairs

The Department identified the need to replace an exhaust fan at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of exhaust fan for better ventilation from the First Electric Motor Shop Inc. The Department paid its vendor, First Electric Motor Shop Inc, \$161.37 to acquire the equipment repairs.

Employee In-State Travel

The Department identified the need for the State-Wide Facility Manger to travel during the COVID-19 pandemic, which necessitated the emergency purchase of in-State travel for the State-Wide Facility Manager to tour facilities for COVID necessities. The Department paid its employee, \$247.18 to travel in-State.

Hand Sanitizer

The Department ran low on hand sanitizer during of the COVID-19 pandemic, which necessitated the emergency purchase of hand sanitizer from the Getz Fire Equipment Company. The Department paid its vendor, Getz Fire Equipment Company, \$369.20 to acquire the hand sanitizer.

Testing Site Building Repair

The Department recognized the need for testing site building repair during the COVID-19 pandemic, which necessitated the emergency purchase to provide repairs to an overhead door at a COVID-19 testing site from the House of Doors Inc. The Department paid its vendor, House of Doors Inc, \$669.11 to provide testing site building repairs.

Enhanced Cleaning Services

The Department identified the need for enhanced cleaning services at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of the cleaning services from the Illinois Holdings Inc. The Department paid its vendor, Illinois Holdings Inc., \$12,400.00 to acquire the enhanced cleaning services.

Waste Disposal

The Department identified the need for additional waste disposal at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of additional trash pickup from the Independent Recycling Service. The Department paid its vendor, Independent Recycling Service, \$710.75 to obtain the waste disposal services.

Hands-Free Door Opener

The Department identified the need for a hands-free door opener at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of the hands-free door opener from the Industrial Supply Consultants Inc. The Department paid its vendor, Industrial Supply Consultants Inc, \$360.00 to acquire the door opener.

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STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2021

Closed Captioning Services

The Department closed captioning during the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of closed captioning services from Cindy Jenkins. The Department paid its vendor, Cindy Jenkins, \$6,480.00 to provide closed captioning services.

Enhanced Cleaning Services

The Department identified the need for enhanced cleaning services at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of the cleaning services from the Jewish Child and Family Services. The Department paid its vendor, Jewish Child and Family Services, \$17,954.28 to acquire the enhanced cleaning services.

Enhanced Cleaning Services

The Department identified the need for enhanced cleaning services at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of the cleaning services from the Jones Lang Lasalle Americas. The Department paid its vendor, Jones Lang Lasalle Americas, \$125,205.87 to acquire the enhanced cleaning services.

Enhanced Cleaning Services

The Department identified the need for enhanced cleaning services at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of the cleaning services from the Kalola & Company Inc. The Department paid its vendor, Kalola & Company Inc., \$1,250.00 to acquire the enhanced cleaning services.

Personal Protective Equipment

The Department identified the need for personal protective equipment at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of nitrile and latex gloves from the L & L Sterling Inc. The Department paid its vendor, L & L Sterling Inc., \$15.68 to acquire the PPE.

Communication Services

The Department identified the need for communication services at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of video satellite transmission broadcasting for the Governor's press briefings from the Level 3 Communications LLC. The Department paid its vendor, Level 3 Communications LLC, \$14,030.00 to obtain communication services.

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STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2021

Communication Services

The Department identified the need for communication services at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of video conferencing from the Level 3 Financing Inc. The Department paid its vendor, Level 3 Financing Inc., \$11,787.50 to obtain communication services.

Office Supplies

The Department recognized the need for essential office supplies at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of ink cartridges, plastic cleaning solution bottles, and sign holders from the Logsdon Stationers. The Department paid its vendor, Logsdon Stationers, \$970.99 to acquire the office supplies.

Cleaning Services

The Department identified the need for cleaning services at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of the cleaning services from the Maintenance Supply Corporation. The Department paid its vendor, Maintenance Supply Corporation, \$250.00 to acquire the cleaning services.

Employee In-State Travel

The Department identified the need for the State-Wide Facility Manger to travel during the COVID-19 pandemic, which necessitated the emergency purchase of in-State travel for the State-Wide Facility Manager to tour facilities for COVID necessities. The Department paid its vendor, Marion Q I LLC, \$69.03 to travel in-State.

Hand Sanitizer

The Department ran low on hand sanitizer during the COVID-19 pandemic, which necessitated the emergency purchase of hand sanitizer from the McKay Auto Parts Inc. The Department paid its vendor, McKay Auto Parts Inc., \$1,410.64 to acquire the hand sanitizer.

COVID-19 Signage

The Department identified a need for signs to be posted at state garages at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of high-tack adhesive foam core boards for COVID-19 signs from the Micro Power Computer Systems. The Department paid its vendor, Micro Power Computer Systems, \$6,975.00 to acquire the signage.

Security Repairs

The Department identified the need for security repairs during the COVID-19 pandemic, which necessitated the emergency purchase of services to repair a security gate from the Midwest Garage Door Co. The Department paid its vendor, Midwest Garage Door Co., \$330.00 to obtain the services for the security repairs.

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DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2021

Translation Services

The Department identified the need for translation services at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of the translation services for various disaster proclamation messages from the Multilingual Connections LLC. The Department paid its vendor, Multilingual Connections LLC, \$123,567.64 to obtain the translation services.

Personal Protective Equipment

The Department identified the need for personal protect equipment at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of infrared thermometers, face masks, and nitrile gloves from the ReMed Services LLC. The Department paid its vendor, ReMed Services LLC, \$47,295.00 to acquire the PPE.

Personal Protective Equipment

The Department identified the need for personal protect equipment at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of sneeze guards from the Response Marketing Inc. The Department paid its vendor, Response Marketing Inc, \$51,900.00 to acquire the PPE.

Hand Sanitizer

The Department ran low on hand sanitizer at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of hand sanitizer from the Rush Truck Centers. The Department paid its vendor, Rush Truck Centers, \$1,224.00 to acquire the hand sanitizer.

Personal Protective Equipment

The Department identified the need for personal protect equipment at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of face masks from the Ryan Nece Corp. The Department paid its vendor, Ryan Nece Corp., \$33,600.00 to acquire the PPE.

Personal Protective Equipment

The Department identified the need for personal protect equipment at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of plexiglass barriers from the Springfield Farm & Home Supply. The Department paid its vendor, Springfield Farm & Home Supply, \$299.82 to acquire the PPE.

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STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2021

Cleaning Supplies

The Department ran low on cleaning supplies during the COVID-19 pandemic, which necessitated the emergency purchase of cleaning gloves, disinfectant wipes, and face shields from Triad Industrial Supply Corp. The Department paid its vendor, Triad Industrial Supply Corp., \$6,999.70 to acquire the cleaning supplies.

Hand Sanitizer

The Department ran low on hand sanitizer during the COVID-19 pandemic, which necessitated the emergency purchase of hand sanitizer from the Valdes LLC. The Department paid its vendor, Valdes LLC, \$3,780.00 to acquire the hand sanitizer.

Personal Protective Equipment

The Department identified the need for personal protect equipment at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of nitrile and latex gloves from the Valley Hardware Co. The Department paid its vendor, Valley Hardware Co., \$91.92 to acquire the PPE.

Personal Protective Equipment & Supplies

The Department identified the need for personal protect equipment at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of nitrile and latex gloves, towels, safety goggles, plexiglass barrier supplies, face masks, signage supplies, hand sanitizer, security door parts, and touchless faucets from the W Grainger Inc. The Department paid its vendor, W Grainger Inc, \$29,449.45 to acquire the PPE & supplies.

Personal Protective Equipment

The Department identified the need for personal protect equipment at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of 200 face shields from the Zone Enterprises LLC. The Department paid its vendor, Zone Enterprises LLC, \$998.00 to acquire the PPE.

Hand Sanitizer

The Department ran low on hand sanitizer during the COVID-19 pandemic, which necessitated the emergency purchase of hand sanitizer from the Anchor Mechanical Inc. The Department paid its vendor, Anchor Mechanical Inc, \$3,230.00 to acquire the hand sanitizer.

Intergovernmental Transactions

The Department identified the need for equipment and supplies at the beginning of the COVID-19 pandemic, which necessitated the emergency purchase of hand sanitizer stands, hand sanitizer dispenser, cell phones for remote employee work, and hand wipes for intergovernmental transactions. The Department transferred intergovernmental funds, \$4,314.52 to acquire the equipment and supplies.

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