



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

**OFFICE OF COMPTROLLER
 FISCAL OFFICER RESPONSIBILITIES**

**Compliance Examination
 For the Year Ended June 30, 2023**

Release Date: February 22, 2024

FINDINGS THIS AUDIT: 6				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	3	3	2009	23-1		
Category 2:	0	3	3	2022	23-2, 23-6	23-3, 23-4, 23-5	
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>				
TOTAL	0	6	6				
FINDINGS LAST AUDIT: 6							

INTRODUCTION

This digest covers the Office of Comptroller’s (Office) Fiscal Officer Responsibilities Compliance Examination for the year ended June 30, 2023. The Office’s Fiscal Officer Responsibilities Financial Audit as of and for the year ended June 30, 2023 was previously released on December 21, 2023. In total, this report contains six findings, two of which were also reported in the Financial Audit.

SYNOPSIS

- **(23-06)** The Office had not implemented adequate controls over its service providers.

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

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

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

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

INADEQUATE CONTROLS OVER SERVICE PROVIDERS

The Office of Comptroller (Office) had not implemented adequate controls over its service providers.

We requested the Office's population of service providers utilized during the examination period to determine if the Office had reviewed the internal controls of its service providers. In response to our request, the Office provided a population; however, the population contained several inaccuracies and missing information.

Office's service provider population had inaccuracies

Due to these conditions, we were unable to conclude the Office's population records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.36).

Auditors were unable to conduct detailed testing of service providers

Therefore, we were unable to conduct detailed testing of the Office's controls over its service providers. (Finding 6, pages 21-22)

We recommended the Office develop a process to determine their services providers and ensure the controls over the service providers are properly reviewed.

Office agreed with the recommendation

The Office agreed with the recommendations and stated the Office was developing a process and formalizing procedures to identify, obtain, and document review of service organizations.

OTHER FINDINGS

The remaining findings pertain to the Office's late payment of statutorily mandated transfers, failure to implement adequate Information Technology controls, inadequate controls over remote access, inadequate disaster recovery planning, and weaknesses in cybersecurity programs and practices. We will review the Office's progress towards the implementation of our recommendations in our next compliance examination.

ACCOUNTANT'S OPINION

The accountants conducted a compliance examination of the Office of Comptroller, Fiscal Officer Responsibilities for the year ended June 30, 2023, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Findings 2023-001, 2023-002 and 2023-006. Except for the noncompliance described in these findings, the accountants stated the Office of Comptroller, Fiscal Officer Responsibilities, complied in all material respects with the requirements described in the report.

This compliance examination was conducted by Sikich LLP.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

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

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

FJM:vrh