

**STATE OF ILLINOIS
BOARD OF EXAMINERS
STATE COMPLIANCE EXAMINATION**

For the Two Years Ended June 30, 2021

**STATE OF ILLINOIS
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STATE OF ILLINOIS
BOARD OF EXAMINERS
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

BOARD OFFICIALS

Chair of the Board (7/30/20 – Present)	Mr. Lawrence Wojcik, CPA, JD
Chair of the Board (7/24/19 – 7/30/20)	Dr. Simon Petravick, CPA
Chair of the Board (7/11/18 – 7/24/19)	Ms. Sara Mikuta, CPA
Vice Chair of the Board (7/30/20 – Present)	Mr. Brian Whitlock, CPA
Vice Chair of the Board (7/24/19 – 7/30/20)	Mr. Lawrence Wojcik, CPA, JD
Vice Chair of the Board (7/11/18 – 7/24/19)	Dr. Simon Petravick, CPA
Executive Director	Mr. Russell Friedewald

BOARD OF EXAMINERS¹

Examiner (9/29/20 – Present)	Ms. Sook Lee, CPA
Examiner (10/1/18 – Present)	Ms. Annette O’Connor, CPA
Examiner (9/30/20 – Present)	Mr. Luis Plascencia, CPA
Examiner (8/25/20 – Present)	Ms. Maria Prado, CPA
Examiner (8/24/18 – Present)	Mr. Brian Whitlock, CPA
Examiner (7/1/17 – 7/31/20)	Mr. James Kelley, CPA
Examiner (7/1/17 – 7/31/20)	Ms. Rhonda Kodjayan, CPA
Examiner (7/1/17 – 7/31/19)	Ms. Sara Mikuta, CPA
Attorney Examiner (8/25/20 – Present)	Ms. Amanda Gavin, CPA, JD
Attorney Examiner (7/1/17 – Present)	Mr. Lawrence Wojcik, CPA, JD
Attorney Examiner (7/1/17 – 7/31/19)	Mr. Kent Reeves, CPA, JD
Educator Examiner (8/27/20 – Present)	Ms. Martrice Caldwell, CPA
Educator Examiner (7/1/17 – 7/31/20)	Dr. Simon Petravick, CPA, PhD
Educator Examiner (7/1/17 – 7/31/19)	Ms. Jeannie Folk, CPA
Public Examiner (9/25/20 – Present)	Ms. Rose Ann Abraham
Public Examiner (7/1/17 – Present)	Mr. Thomas J. Homer, JD
Public Examiner (8/24/18 – Present)	Mr. Stephan Bradley Danton, JD

¹ The Illinois Public Accounting Act (225 ILCS 450/2) requires 11 examiners, with two public members and nine Certified Public Accountants (CPAs). Of the CPAs, at least one must be a licensed attorney and one must be either an active or retired educator.

STATE OF ILLINOIS
BOARD OF EXAMINERS
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

BOARD OFFICE

The Board's office is located at:

1120 East Diehl Road, Suite 107
Naperville, Illinois 60563



Illinois Board of Examiners

1120 E. DIEHL ROAD • SUITE 107 • NAPERVILLE, ILLINOIS 60563

MANAGEMENT ASSERTION LETTER

January 12, 2023

Honorable Frank J. Mautino
Auditor General, State of Illinois
740 East Ash Street
Springfield, Illinois 62703-3154

Auditor General Mautino:

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, Board of Examiners (Board). 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 Board'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 Board has materially complied with the specified requirements listed below.

A. The Board 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 Board 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 Board 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 Board 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 Board on behalf of the State or held in trust by the Board have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Yours truly,

State of Illinois, Board of Examiners

Signature on File

Russ Friedewald
Executive Director

**STATE OF ILLINOIS
BOARD OF EXAMINERS
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021**

STATE COMPLIANCE REPORT

SUMMARY

The State compliance testing performed during this examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide*.

ACCOUNTANT'S REPORT

The Independent Accountant's Report on State Compliance and on Internal Control Over Compliance does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	<u>Current</u>	<u>Prior</u>
	<u>Report</u>	<u>Report</u>
Findings	0	3
Repeated Findings	0	3
Prior Recommendations Implemented or Not Repeated	3	3

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First</u>	<u>Description</u>	<u>Finding Type</u>
Prior Findings Not Repeated				
A	10	2019/2015	Inadequate Control over the CPA Examination Trust Fund	
B	10	2019/2017	Inadequate Control over Personal Services	
C	10	2019/2015	Inadequate Control over Contracts	

**STATE OF ILLINOIS
BOARD OF EXAMINERS
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021**

EXIT CONFERENCE

The Board waived an exit conference in a correspondence from Russ Friedewald, Executive Director, on January 10, 2023.

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ILES PARK PLAZA
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OFFICE OF THE AUDITOR GENERAL
FRANK J. MAUTINO

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Governing Board
State of Illinois, Board of Examiners

Report on State Compliance

We have examined compliance by the State of Illinois, Board of Examiners (Board) 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 Board is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Board's compliance with the specified requirements based on our examination.

The specified requirements are:

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

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

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

In our opinion, the Board complied with the specified requirements during the two years ended June 30, 2021, in all material respects.

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 Board 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 Board's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Board's compliance with the specified requirements and to test and report on the Board's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control.

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 material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our examination we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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

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.

Signature on File

JANE CLARK, CPA
Director of Financial and Compliance Audits

Springfield, Illinois
January 12, 2023

STATE OF ILLINOIS
BOARD OF EXAMINERS
SCHEDULE OF FINDINGS – PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2021

A. **FINDING** (Inadequate Control over the CPA Examination Trust Fund)

During the prior examination, the Board lacked adequate control over financial transactions within the CPA Examination Trust Fund (Fund).

During the current examination, our sample testing indicated improvements in the Board's controls over transactions within the Fund. However, we continued to note certain immaterial conditions of noncompliance. As such, this matter is reported in the Board's *Report of Immaterial Findings*. (Finding Code No. 2019-001, 2017-001, 2015-003)

B. **FINDING** (Inadequate Control over Personal Services)

During the prior examination, the Board lacked adequate control over its personal services functions.

During the current examination, our sample testing indicated improvements in the Board's controls over its personal services function. However, we continued to note certain immaterial conditions of noncompliance. As such, this matter is reported in the Board's *Report of Immaterial Findings*. (Finding Code No. 2019-002, 2017-002)

C. **FINDING** (Inadequate Control over Contracts)

During the prior examination, the Board lacked adequate control over its contracts.

During the current examination, our sample testing indicated the Board significantly improved internal control over its contracts. Therefore, the finding is not repeated. (Finding Code No. 2019-003, 2017-003, 2015-002)