



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**DEPARTMENT OF HUMAN RIGHTS**

State Compliance Examination  
 For the Two Years Ended June 30, 2021

Release Date: February 2, 2022

FINDINGS THIS AUDIT: 12				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
<b>Category 1:</b>	<b>1</b>	<b>0</b>	<b>1</b>	2019		21-06, 21-07	
<b>Category 2:</b>	<b>6</b>	<b>5</b>	<b>11</b>	2017		21-03, 21-04	
<b>Category 3:</b>	<b>0</b>	<b>0</b>	<b>0</b>	2007		21-08	
<b>TOTAL</b>	<b>7</b>	<b>5</b>	<b>12</b>				
<b>FINDINGS LAST AUDIT: 8</b>							

**SYNOPSIS**

- **(21-01)** The Illinois Department of Human Rights (Department) had not implemented adequate internal controls over its service providers.
- **(21-03)** The Department did not meet the procedural time limits set forth when a charge of a civil rights violation had been filed and when a complainant filed a request to opt out of the Department's investigation.
- **(21-04)** The Department failed to maintain a full-time program of internal auditing.

**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.

**DEPARTMENT OF HUMAN RIGHTS  
STATE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2021**

<b>EXPENDITURE STATISTICS</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>Total Expenditures.....</b>	<b>\$ 13,300,069</b>	<b>\$ 12,153,879</b>	<b>\$ 12,972,466</b>
OPERATIONS TOTAL.....	\$ 13,300,069	\$ 12,153,879	\$ 12,972,466
% of Total Expenditures.....	100.0%	100.0%	100.0%
Personal Services.....	10,170,615	9,549,209	10,154,565
Other Payroll Costs (FICA, Retirement).....	1,683,547	1,652,221	1,644,353
All Other Operating Expenditures.....	1,445,907	952,449	1,173,548
<b>Total Receipts.....</b>	<b>\$ 2,448,139</b>	<b>\$ 2,447,513</b>	<b>\$ 2,429,651</b>
<b>Average Number of Employees.....</b>	<b>132</b>	<b>129</b>	<b>122</b>

<b>AGENCY DIRECTOR</b>
During Examination Period: James L. Bennett
Currently: James L. Bennett

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**LACK OF ADEQUATE CONTROLS OVER THE  
REVIEW OF INTERNAL CONTROLS FOR SERVICE  
PROVIDERS**

The Illinois Department of Human Rights (Department) had not implemented adequate internal controls over its service providers.

**Supporting documentation not provided**

We requested the Department to provide the population of service providers utilized to determine if they had reviewed the internal controls over their service providers. In response to our request, the Department provided a listing; however, they did not provide documentation demonstrating the population was complete and accurate.

**Unable to conclude Department's records were complete and accurate**

Due to these conditions, we were unable to conclude whether the Department's population records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35).

**Did not obtain a SOC report or conduct independent internal control review over one service provider**

Even given the population limitations noted above, we performed testing over the two service providers identified by the Department. During our testing, we noted the Department had not obtained a System and Organization Control (SOC) report or conducted independent internal control review for one of the service providers.

**Contract did not contain requirement for independent review**

In addition, we noted the contract for one service provider did not contain a requirement for an independent review to be completed. (Finding 1, pages 9-10)

We recommended the Department strengthen its controls in identifying and documenting all service providers utilized and obtain SOC reports or conduct independent internal control reviews at least annually. In addition, we recommended the Department monitor and document the operation of the Complementary User Entity Controls (CUECs) related to the Department's operations; either obtain and review SOC reports for subservice organizations or perform alternative procedures to satisfy itself that the existence of the subservice organization would not impact its internal control environment; document its review of the SOC reports and review all significant issues with subservice organizations to ascertain if a corrective action plan exists and when it will be implemented, any impact to the Department, and any compensating controls, and; ensure contracts contain requirements for an independent review.

**The Department agreed with our recommendation**

The Department agreed with our recommendation and stated they will work to address needs for policy and procedure

enhancements, verify documentation of independent review of SOC reports, and ensure contracts include language that meets the requirement of specificity regarding review documentation.

### **NONCOMPLIANCE WITH STATUTORILY MANDATED TIME LIMITS**

The Department did not meet the procedural time limits set forth when a charge of a civil rights violation had been filed and when a complainant filed a request to opt out of the Department's investigation.

In our review of 60 employment cases filed with the Department, we noted the following:

**Copy of the charge not served to the respondent within 10 days**

- In 28 (47%) employment cases tested, the Department did not serve a copy of the charge to the respondent within 10 days of the day the charge was filed. The charges were served to the respondent from 1 to 124 days late.

**Did not serve a notice to the complainant of the complainant's right to file a complaint within 10 days**

- In 28 (47%) employment cases tested, the Department did not serve a notice to the complainant of the complainant's right to file a complaint with the Human Rights Commission or commence a civil action in the appropriate circuit court within 10 days of the day the charge was filed. These notices were served to the complainant from 1 to 124 days late.

**Did not serve a notice to the respondent of the complainant's right to file a complaint within 10 days**

- In 28 (47%) employment cases tested, the Department did not serve a notice to the respondent of the complainant's right to file a complaint with the Human Rights Commission or commence a civil action in the appropriate circuit court within 10 days of the day the charge was filed. These notices were served to the respondent from 1 to 124 days late.

**Did not issue required notices to parties of complainant's request to opt out of an investigation within 10 days**

Additionally, in our testing of 40 employment cases where the complainants requested to opt out of the Department's investigation, the Department did not issue the required notice to the parties for 36 (90%) employment cases within 10 business days of receipt of the complainants' request to opt out of the investigation. The notices were issued from 1 to 59 days late. (Finding 3, pages 14-15) **This finding has been repeated since 2017.**

**The Department agreed with our recommendation**

We recommended the Department timely notify the appropriate parties as mandated by the Illinois Human Rights Act.

The Department agreed with our recommendation and stated it would review staffing levels and equipment and technology needs to ensure sufficient resources and support are available to effectuate the mandate.

### **FAILURE TO MAINTAIN INTERNAL AUDIT PROGRAM**

**The Department did not employ a chief internal auditor or any internal audit staff**

The Department failed to maintain a full-time program of internal auditing.

We noted the Department did not employ a chief internal auditor or any internal audit staff during the examination period. On August 18, 2017, the Department entered into an agreement with the Department of Central Management Services (CMS) to provide the Department with internal auditing services. On August 9, 2019, the Office of the Attorney General issued an opinion stating multiple State agencies may not appoint the same individual as their chief internal auditor through an intergovernmental agreement. (Finding 4, pages 16-17) **This finding has been repeated since 2017.**

We recommended the Department comply with the required provisions of the Fiscal Control and Internal Auditing Act by appointing a chief internal auditor and implementing a full-time program of internal auditing.

**The Department agreed with our recommendation**

The Department agreed with our recommendation and stated it was attempting to recruit a chief internal auditor that meets the minimum qualifications for the position and possesses necessary State experience.

### **OTHER FINDINGS**

The remaining findings pertain to weaknesses in cybersecurity programs and practices, information technology access weaknesses, noncompliance with report filing requirements, failure to evaluate and report on sexual harassment helpline, inadequate controls over State property and equipment, employee performance evaluations not performed or timely performed, inaccurate agency workforce reports, disaster recovery planning weaknesses, and inadequate controls over leaves of absence. We will review the Department's progress towards the implementation of our recommendations in our next State compliance examination.

**ACCOUNTANT'S OPINION**

The accountants conducted a State compliance examination of the Department for the two years ended June 30, 2021, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Finding 2021-001. Except for the noncompliance described in this finding, the accountants stated the Department complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by Roth & Company, 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

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