

**STATE OF ILLINOIS
ILLINOIS STATE POLICE**

COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2020

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



STATE OF ILLINOIS
ILLINOIS STATE POLICE
 COMPLIANCE EXAMINATION
 For the Two Years Ended June 30, 2020

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AGENCY OFFICIALS

Director (10/30/19 - Present)	Mr. Brendan F. Kelly
Acting Director (01/21/19 – 10/29/19)	Mr. Brendan F. Kelly
Director (07/01/18 - 01/20/19)	Mr. Leo Schmitz
First Deputy Director (02/01/19 - Present)	Mr. Matt Davis
First Deputy Director (07/01/18 - 01/31/19)	Mr. Chad Peterson
Chief Financial Officer	Mr. Michael T. Yokley
Chief Legal Counsel (10/16/19 - Present)	Ms. Yvette Loizon
Chief Legal Counsel (07/01/18 - 10/15/19)	Mr. Matthew Rentschler
Chief Internal Auditor (11/01/20 – Present)	Ms. Denise K. Caldwell
Chief Internal Auditor (08/01/20 – 10/31/20)	Vacant
Chief Internal Auditor (07/01/18 – 07/31/20)	Mr. Brent Nolan

AGENCY OFFICE

The Illinois State Police’s primary administrative office is located at:
801 South Seventh Street
Springfield, IL 62703



ILLINOIS STATE POLICE
Office of the Director

JB Pritzker
Governor

Brendan F. Kelly
Director

MANAGEMENT ASSERTION LETTER

April 7, 2021

West & Company, LLC
Certified Public Accountants
919 East Harris Avenue
Greenville, IL 62246

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, Illinois State Police (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, 2019, and June 30, 2020. Based on this evaluation, we assert that during the years ended June 30, 2019, and June 30, 2020, 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. Other than what has been previously disclosed and reported in the Schedule of Findings, 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. Other than what has been previously disclosed and reported in the Schedule of Findings, 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. Other than what has been previously disclosed and reported in the Schedule of Findings, 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.

Yours truly,

Illinois State Police

Brendan F. Kelly, Director

Michael T. Yokley, Chief Fiscal Officer

Yvette Loizon, Chief Legal Counsel

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COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and the Illinois State Auditing Act.

ACCOUNTANT’S REPORT

The Independent Accountant’s Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes does not contain scope limitations or disclaimers, but does contain an adverse opinion on compliance and identifies material weaknesses over internal control over compliance.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current Report</u>	<u>Prior Report</u>
Findings	32	14
Repeated findings	11	12
Prior recommendations implemented or not repeated	3	1

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First Report</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (STATE COMPLIANCE)				
2020-001	11	2018/2002	Inadequate Controls Over Property and Equipment	Material Weakness and Material Noncompliance
2020-002	20	2018/2010	Inadequate Controls Over Accounts Receivable	Material Weakness and Material Noncompliance
2020-003	23	2018/2018	Inadequate Controls Over Receipts	Material Weakness and Material Noncompliance
2020-004	25	2018/2012	Delinquent Accounts Not Pursued	Material Weakness and Material Noncompliance
2020-005	27	2018/2016	Inadequate Controls Over Monthly Reconciliations	Material Weakness and Material Noncompliance
2020-006	29	New	Lack of Due Diligence over ERP Transition	Material Weakness and Material Noncompliance

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SCHEDULE OF FINDINGS - Continued

<u>Item No.</u>	<u>Page</u>	<u>Last/First Report</u>	<u>Description</u>	<u>Finding Type</u>
2020-007	30	New	Failure in Processing of FOID and Concealed Carry Applications Timely	Material Weakness and Material Noncompliance
2020-008	32	New	Failure to Comply with Firearms Dealer License Certification Act	Material Weakness and Material Noncompliance
2020-009	35	New	Noncompliance with the Gun Trafficking Information Act	Material Weakness and Material Noncompliance
2020-010	36	New	Lack of Controls Over Review of Internal Control Over Service Providers	Material Weakness and Material Noncompliance
2020-011	38	2018/2010	Failure to Maintain Security Controls Over Computer Systems	Material Weakness and Material Noncompliance
2020-012	40	New	Failure to Demonstrate the Completeness and Accuracy of the Report Components	Material Weakness and Material Noncompliance
2020-013	43	New	Weakness in Cybersecurity Programs and Practices	Significant Deficiency and Noncompliance
2020-014	46	2018/2004	Voucher Processing Weakness	Significant Deficiency and Noncompliance
2020-015	48	2018/2016	Noncompliance with Specific Statutory Mandates	Significant Deficiency and Noncompliance
2020-016	52	New	Failure to Collect Overpayments	Significant Deficiency and Noncompliance
2020-017	53	New	Inadequate Control Over Fee Imposition Reports	Significant Deficiency and Noncompliance
2020-018	55	New	Inadequate Control Over State Vehicles	Significant Deficiency and Noncompliance
2020-019	57	New	Inadequate Control Over Employee Attendance Records	Significant Deficiency and Noncompliance

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SCHEDULE OF FINDINGS - Continued

<u>Item No.</u>	<u>Page</u>	<u>Last/First Report</u>	<u>Description</u>	<u>Finding Type</u>
2020-020	59	New	Noncompliance with the Fiscal Control and Internal Auditing Act	Significant Deficiency and Noncompliance
2020-021	60	2018/2010	Lack of Project Management	Significant Deficiency and Noncompliance
2020-022	62	2018/2012	Weakness in Change Management of Computer Systems	Significant Deficiency and Noncompliance
2020-023	65	2018/2016	Contingency Planning Weakness	Significant Deficiency and Noncompliance
2020-024	67	New	Lack of Agreement to Ensure Compliance with IT Security Requirements	Significant Deficiency and Noncompliance
2020-025	69	New	Untimely Accident Reporting	Significant Deficiency and Noncompliance
2020-026	71	New	Untimely Completion of Performance Evaluations	Significant Deficiency and Noncompliance
2020-027	72	New	Inadequate Support for Employee Pay	Significant Deficiency and Noncompliance
2020-028	73	New	Inadequate Controls Over Employee Training	Significant Deficiency and Noncompliance
2020-029	74	New	Noncompliance with Federal Regulations	Significant Deficiency and Noncompliance
2020-030	76	New	Inadequate Controls Over Payroll Files	Significant Deficiency and Noncompliance
2020-031	78	New	Inadequate Control Over Cell Phones	Significant Deficiency and Noncompliance
2020-032	79	New	Untimely Filing of the TA-2 Reports	Significant Deficiency and Noncompliance

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SCHEDULE OF FINDINGS - Continued

<u>Item No.</u>	<u>Page</u>	<u>Last/First Report</u>	<u>Description</u>
PRIOR FINDINGS NOT REPEATED			
A	80	2018/2016	Failure to Follow Policies and Procedures Over Asset Seizures and Forfeitures
B	80	2018/2016	Inadequate Controls Over Contracts
C	80	2018/2018	Inadequate Controls Over Personnel Transactions

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Department personnel at an exit conference on March 11, 2021.

Attending were:

Illinois State Police

Mr. Matt Davis, First Deputy Director
Mr. Michael Yokley, Chief Financial Officer

Office of the Auditor General

Ms. Kathy Lovejoy, Principal of IS Audits

West & Company, LLC – Special Assistant Auditors

Ms. Janice Romack, Partner
Mr. Michael Lawler, Manager
Mr. Brandon Craycroft, Supervisor

The responses to the recommendations were provided by Mr. Michael Yokley, Chief Financial Officer, in correspondence dated March 18, 2021 and April 7, 2021.



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**INDEPENDENT ACCOUNTANT'S REPORT
ON STATE COMPLIANCE, ON INTERNAL CONTROL OVER COMPLIANCE, AND
ON SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

Honorable Frank J. Mautino
Auditor General
State of Illinois

Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the State of Illinois, Illinois State Police (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, 2020. 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 specified requirements during the two years ended June 30, 2020. As described in items 2020-001 through 2020-032 in the accompanying Schedule of Findings, the Department did not comply with the specified requirements. Items 2020-001 through 2020-012 are each considered to represent material deviations with the specified requirements. As described in the accompanying Schedule of Findings as items 2020-001, 2020-003, 2020-005, and 2020-007, the Department had not 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. As described in the accompanying Schedule of Findings as items 2020-001 through 2020-0012, 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. As described in the accompanying Schedule of Findings as items 2020-002, 2020-003, 2020-005, 2020-006, 2020-007, and 2020-012, the Department had not ensured the State revenues and receipts collected by the Department were in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts was fair, accurate, and in accordance with law. As described in the accompanying Schedule of Findings as items 2020-002, 2020-003, 2020-005, and 2020-007, money or negotiable securities or similar assets handled by the Department on behalf of the State or held in trust by the Department had not been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law. Items 2020-013 through 2020-032 individually would have been regarded as significant noncompliance with the specified requirements; however, when aggregated, we determined these items constitute material deviations with the specified requirements.

In our opinion, because of the significance and pervasiveness of the material deviations from the specified requirements described in the preceding paragraph, the Department did not comply with the specified requirements during the two years ended June 30, 2020, in all material respects.

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.

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 2020-001 through 2020-012 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 2020-013 through 2020-032 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.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on the Department's compliance with the specified requirements. The accompanying supplementary information for the years ended June 30, 2019, and June 30, 2020, in the Analysis of Operations section are presented for purposes of additional analysis. Such information is the responsibility of Department management. Because of the significance of the matters described in the accompanying Schedule of Findings as items 2020-001 through 2020-032, it is inappropriate to, and we do not, express an opinion on the supplementary information referred to above.

Greenville, Illinois
April 7, 2021

STATE OF ILLINOIS
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SCHEDULE OF FINDINGS – STATE COMPLIANCE
For the Two Years Ended June 30, 2020

2020-001 **FINDING** (Inadequate Control Over Property and Equipment)

The Illinois State Police (Department) did not exercise adequate control over State property and equipment.

Due to the following process and control deficiencies identified below, we were unable to conclude whether 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) in order to test the Department’s controls over State property and equipment.

Even given the population limitations noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, we performed the following tests:

- During review of the Department’s discrepancy listings, we noted the Department did not have adequate controls over lost or missing property. We noted 55 of 60 (92%) items listed as lost or missing could possibly have confidential information stored on them. Items included servers, computers, laptops, tablet, and a camera with a memory card.

The State Property Control Act (30 ILCS 605/4 and 6.02) requires the Department be accountable for the supervision, control and inventory of all property under its jurisdiction and control. In addition, the Department had the responsibility to ensure confidential information is protected from disclosure and provisions in the Personal Information Protection Act (815 ILCS 530) were followed.

Department management indicated they do not have the tools or resources to protect and keep track of all the data placed on equipment.

- When attempting to reconcile the Department’s equipment purchase records to the Office of the Comptroller’s (Comptroller) record of equipment expenditures, we noted the Department was unable to reconcile the differences noted between the Object Expense/Expenditures by Quarter Report (SA02) and the Agency’s Report of State Property (C-15) reports. During the engagement period, the Department had \$81,877,026 in gross equipment and electronic data processing expenditures. However, only \$52,300,997 in gross equipment and electronic data processing expenditures were reported.

The Statewide Accounting Management System (SAMS) (Procedure 07.30.20) states the effectiveness of any accounting and financial information system is very

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2020-001 **FINDING** (Inadequate Control Over Property and Equipment) - Continued

much dependent on the accuracy of data submitted and the confidence of its users that the system handled that data properly. Department reconciliation is the primary control that insures these requirements are being satisfied. SAMS (Procedure 07.30.21) also establishes processes for the monthly reconciliation of the SA02 reports generated by the Comptroller.

Department management indicated monthly reconciliations of inventory entries to equipment expenditures were not performed due to a lack of resources.

- When attempting to reconcile the Department’s Fiscal Year 2020 schedules of additions, deletions, and transfers to the Department’s Fiscal Year 2020 property control listing, we noted \$2,335,955 of unknown activity which was not reported on the Department’s Fiscal Year 2020 schedules of additions, deletions, and transfers. The Department was unable to identify the unknown activity.

The State Records Act (5 ILCS 160/8) requires the Department make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the Department. In addition, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that resources are utilized efficiently, effectively, and in compliance with applicable laws.

Department management indicted the weakness was due to lack of training for new staff and the Department trying to correct the property records the best they could with the limited amount of resources available at the time.

- When testing for accuracy of the Department’s C-15 reports filed with the Comptroller, we noted:
 - The Department’s property records at June 30, 2020 and 2019 did not agree to the C-15 reports submitted to the Comptroller by approximately \$12,466,712 and \$692,707, respectively. Management attempted a reconciliation for June 30, 2020 and identified \$692,707 of property that should have been recorded to the Department’s property records. The Department did not attempt to prepare a reconciliation between the Department’s records and the C-15 reports at June 30, 2019.

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2020-001 **FINDING** (Inadequate Control Over Property and Equipment) - Continued

- The Department’s Fiscal Year 2020 and Fiscal Year 2019 records of additions, deletions, and transfers did not agree to the C-15 reports submitted to the Comptroller by \$628,528 and \$17,155,753, respectively. The Department did not attempt to prepare a reconciliation between the Department’s Fiscal Year 2020 and Fiscal Year 2019 records of additions, deletions, and transfers and the C-15 reports.
- The Department’s Fiscal Year 2020 and Fiscal Year 2019 lease activity for both fiscal years was recorded as a \$494,854 deletion on the third quarter Fiscal Year 2020 C-15 report. As a result, the ending capital lease value reported on the third quarter Fiscal Year 2020 C-15 represented the Department’s known capital lease value of \$108,772, at the time.

SAMS (Chapter 29) establishes the procedures for how each agency is to prepare and complete its quarterly reports. SAMS (Procedure 29.10.30) states when the report is properly completed, it should present the total cost of State property, by category, reflected on the agency’s records as of the reporting date and reconcile the beginning balance of State property to the ending balance. In addition, capital lease assets are to be included on the report for the quarter in which the lease was executed. Good business practices require an agency to review all reported information for accuracy before submission and require proper internal controls be established to ensure the accuracy and reliability of accounting data.

Department management indicated the lack of training for new staff and the Department trying to correct the property records the best they could with the limited amount of resources available at the time resulted in the weaknesses.

- During our testing of the Department’s records for timely acquisition, change, or deletion of equipment items, we noted:
 - Thirty-seven of 60 (62%) equipment items, totaling \$1,671,773, were added to the Department’s inventory records between 1 and 4,951 days late.
 - Thirty-eight of 60 (63%) equipment items, totaling \$1,491,310, were deleted from the Department’s inventory records between 35 and 1,503 days after the disposal date of the property.

The Illinois Administrative Code (Code) (44 Ill. Admin. Code 5010.400) states Agencies shall adjust property records within 90 days of acquisition, change, or deletion of equipment items. Before May 3, 2019, the Code stated Agencies shall adjust property records within 30 days of acquisition, change, or deletion of

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2020-001 **FINDING** (Inadequate Control Over Property and Equipment) - Continued

equipment items. Additionally, the Code (44 Ill. Admin. Code 5010.320) states vehicle additions, changes, and deletions must be made to the agency property system within 30 days after the physical transaction.

Department management indicated they were trying to correct the Department's records and recording all activity which was previously unrecorded due to the lack of resources.

- During testing of the Department's records for proper recording of transfers and deletions, we noted:
 - Four of 60 (7%) items, totaling \$14,746, did not have the correct acquisition cost and did not have the correct purchase date reported on the Surplus Property Delivery form.
 - Three of 60 (5%) items, totaling \$140,616, had the incorrect acquisition cost listed on the Surplus Property Delivery form.
 - Two of 60 (3%) items, totaling \$2,062, were incorrectly removed. The items removed from property were a computer and a radar, but should have been a chair and a preselector totaling \$454.

The Code (44 Ill. Admin. Code 5010.230) requires agencies to maintain records including identification number, location code number, description, date of purchase, purchase price, object code, and voucher number.

Department management indicated they do not have an efficient process in place to complete and review the Department's equipment deletions and transfers due to the lack of resources.

- During testing of the Annual Certification of Inventory, we noted:
 - The Fiscal Year 2020 and Fiscal Year 2019 Annual Certification of Inventory could be inaccurate based upon failure to perform reconciliations of the Department's property records. The Fiscal Year 2020 Annual Certification of Inventory reported 661 missing items totaling \$2,243,766 or 0.72% of the total inventoried items. The Fiscal Year 2019 Annual Certification of Inventory reported 626 missing items totaling \$1,198,804 or 0.71% of the total inventoried items.

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2020-001 **FINDING** (Inadequate Control Over Property and Equipment) - Continued

- Seven of 60 (12%) equipment items, totaling \$23,344, were reported on both Fiscal Year 2020 and Fiscal Year 2019 Annual Certification of Inventory as being unable to be located. The seven items were not removed from the Department’s June 30, 2020 property records.

The Code (44 Ill. Admin. Code 5010.460(b)) states each State Agency shall maintain control over all property under the jurisdiction of the agency, regardless of acquisition cost, including property not required to be carried on the inventory and reported to the Department of Central Management Services (CMS), sufficient to meet the requirements of the agency’s internal auditor.

Department management indicated the inaccuracies in the Annual Certifications of Inventory were caused by reconciliations not being performed and not removing items from property records, which were both due to a lack of resources.

- During testing of the Department’s equipment leases, we noted:
 - Nineteen of 29 (66%) leases tested were not located on the Department's property listing. The Department did not record Fiscal Year 2019 and Fiscal Year 2020 capital equipment leases to the Department’s property control records. In addition, the Department did not maintain a detailed listing of leased equipment.
 - Eighteen of 29 (62%) leases tested did not report the correct Fair Value at Inception on the Accounting for Leases-Lessee (SCO-560) form.
 - Four of 29 (14%) leases tested did not report the leased equipment's total economic life and the remaining life at lease start date on the SCO-560 form.
 - Eighteen of 29 (62%) leases tested included maintenance cost in the rent per period input on the SCO-560 form.
 - One of 29 (3%) leases tested incorrectly reported a bargain purchase amount of \$36,450. The lease did not offer a bargain purchase amount.
 - One of 29 (3%) leases tested had a Fair Value at Inception reported on the SCO-560, but the Department failed to maintain documentation on how the fair value was determined.

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2020-001 **FINDING** (Inadequate Control Over Property and Equipment) - Continued

SAMS (Procedure 29.10.10) requires the Department to report to the Comptroller on the summary level and requires the Department to maintain supporting detailed records. SAMS (Procedure 27.20.60) states the purpose of the SCO-560 is to provide information on leases to determine if the lease is an operating lease or a capital lease, and to assist in the financial reporting of leases per Financial Accounting Standards Board, Statement No. 13. The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires obligations and costs to be in compliance with applicable laws, and that expenditures and resources be 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 indicated oversight was the cause of the improperly completed SCO-560 forms, for not maintaining lease agreements, and not maintaining a detailed listing of capital leased equipment.

- During testing of the Department's equipment additions, we noted:
 - Two of 2 (100%) Capital Development Board (CDB) transfer additions, totaling \$583,935, were not recorded on the Department's property records.
 - Three of 60 (5%) items, totaling \$21,110, did not accurately include shipping cost on the property records. The equipment additions had a total of \$230 in shipping cost which was not recorded on the property records.
 - One of 60 (2%) items, totaling \$36,393, was recorded on the Department's property records at the incorrect value. The item was overstated by \$1,872.

SAMS (Procedure 29.10.30) states at the time a project is substantially complete, the CDB will complete the CDB Agency Turnover Report to transfer the project cost to the agency. The agency is then responsible for recording the capital asset on their books and records. The Code (44 Ill. Admin. Code 5010.240(e)(1)) states agencies must report the purchase price of equipment inventoried. The purchase price is the price of the equipment delivered and installed, including delivery and installation cost, if any.

Department management indicated the CDB transfers were not recorded to the Department's property records due to lack of training.

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2020-001 **FINDING** (Inadequate Control Over Property and Equipment) - Continued

- During review of the Department’s manuals, we noted the Department’s property control manual was last updated on September 1, 2000 and did not reflect the current processes.
- During review of the Department’s policies and directives, we noted the Department did not have a written policy clearly delineating the categories of equipment considered subject to theft.

The State Records Act (5 ILCS 160/8) requires the Department make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the Department. In addition, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance resources are utilized efficiently, effectively, and in compliance with applicable laws.

Department management indicated the manuals, policies, and directives had not been updated due to a lack of resources available to complete the task.

This finding was first noted during the examination of the two years ended June 30, 2002. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Failure to implement and maintain proper internal controls over property and equipment represents noncompliance with statutory mandates, SAMS, and the Code and could expose the Department to a breach of confidential information. Additionally, failure to maintain accurate records and to submit proper reports increases the potential for theft or misappropriation of assets, reduces the reliability of Statewide information and could lead to inefficient or ineffective procedures. (Finding Code No. 2020-001, 2018-001, 2016-001, 2014-001, 12-1, 10-1, 08-1, 06-1, 04-1, 02-1)

RECOMMENDATION

We recommend the Department develop procedures to immediately assess if an electronic device may have contained confidential information whenever it is reported lost, stolen, or missing during the annual physical inventory, and document the results of the assessment. We also recommend the Department ensure all equipment is accurately and timely recorded or removed from the Department’s property records and ensure accurate reports are submitted to the Comptroller. Additionally, we recommend the Department update its property control manual and strengthen its controls over the recording and reporting of its State property and

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equipment by reviewing their inventory and recordkeeping practices to ensure compliance with statutory and regulatory requirements.

Furthermore, we recommend the Department reconcile its property records to the Comptroller’s records and proper reviews are completed.

DEPARTMENT RESPONSE

The Department concurs. The Department realizes that ultimately the responsibility of control over property and equipment is on the Department. The PSSSC (Public Safety Shared Service Center) was responsible for property control between 2008 and mid-2019. While inventory was with the PSSSC, the unit was understaffed.

This was part of the reason that, in 2019, property control and several other functions were returned to the Department. Property control is now housed in the Office of Finance. Beginning April 1, 2019, two new employees were hired to staff this unit. A retired employee formerly providing sole staffing of property control was hired to train Department staff, however this employee only spent a small fraction of the anticipated time working. The transfer back to the Department brought to light the fact that there was a substantial backlog in inventory records being processed (upwards of a 1-year backlog in some cases). This not only included adding new property that had been purchased, but the lack of ability to surplus items that were obsolete.

It was assumed early in this transition that the inventory records could be incorrect. However, it was not until the transition to the ERP system January 1, 2020, that these assumptions were proven. Efforts to clean data prior to the migration were made and enormous efforts to catch up on the backlogs were made. Many low value assets (not required to be inventoried) were also removed in mass quantities. Further, many information technology related assets had never been transferred to their respective owners. This too was cleaned up in mass corrections.

In April of 2020, when preparing to complete the quarterly C-15 reports in a new system, we learned that insufficient reconciliation activities had been conducted since the activity was first moved to PSSSC. Starting, ending, and quarter activity reports were not reconciled back to the previous report or to the legacy inventory system. Therefore, major adjustments needed to be made to the initial C-15 report from the new system. We have since evaluated the previous errors and have identified ways of rectifying them and keeping them from happening again.

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Lack of training, at the time of bringing back property control to the Department, also exacerbated other issues such as but not limited to entering assets costs correctly.

At around the same time as Property Control was brought back from Shared Services, contracts and obligations were also brought back. This function resides in the Procurement Unit. Training for this function completely omitted the concept of leases and their importance to the Property Control Unit. The reporting of leases to the IOC through the SCO560 forms were not only not done timely or accurately, they also were not shared with the Property Control Unit for them to include in the C-15 reports.

The transition to the ERP system created an opportunity to create a new process whereby assets would be entered way earlier in the process, therefore eliminating any timeliness issues. Assets purchased by the Department are now entered in prior to the invoice being paid. This is a major change from the way it had been done in the past. This allows us to have checks and balances when the invoice is paid to only approve if it has been reported to Property Control and been added to inventory.

The process of being able to remove an asset if it has not been located for two years was not a process that the PSSSC adhered to. It was only when we moved to ERP that this was made known to us. Now that we have substantially cleaned up the data and have a good way to adhere to this process, we have started to apply it.

We agree that at the time of audit, we did not have the manual updated, but prior to the draft findings being delivered these were completed and posted to the Department intranet.

We will continue to evaluate processes and the accuracy of data so that these infractions will not be prevalent again.

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2020-002 **FINDING** (Inadequate Controls Over Accounts Receivable)

The Illinois State Police (Department) did not properly maintain accounts receivable records and failed to accurately report accounts receivable on the Quarterly Summary of Accounts Receivable Reports (Reports) to the Office of the State Comptroller (Comptroller).

During testing of accounts receivable records, we noted:

- The Department was unable to provide detailed individual accounts receivable records for the General Revenue Fund (Fund 001), Road Fund (Fund 011), State Garage Revolving Fund (Fund 303), Illinois State Toll Highway Authority Fund (Fund 455), Over Dimensional Load Police Escort Fund (Fund 652), Drug Traffic Prevention Fund (Fund 878), and State Police Services Fund (Fund 906).
- During the analytical review of the Department’s accounts receivable activity, billings and collections were largely identical. The Department stated they were recording accounts receivable at the time of receipt of payments instead of when the claim for future cash was reasonably estimable and measurable.
- The Department was unable to provide policies or procedures for handling and reporting its accounts receivable, tracking and monitoring complaints received, posting delinquent accounts receivable into the Comptroller’s Illinois Debt Recovery Offset System or pursuing other debt collection procedures, and writing off uncollectible receivables.
- Thirteen of 64 (20%) fund Report filings tested were filed between 57 to 149 days late.

As a result of the noted weaknesses, we were unable to conduct detailed testing of the Department’s accounts receivable.

The Statewide Accounting Management System (SAMS) (Procedure 26.20.10) states accounts receivable should be recognized when the State’s claim for future cash is reasonably estimable and the amount due becomes measurable. SAMS also states detailed information should be maintained to facilitate the recognition and tracking of accounts receivable, including amounts due from individuals and organizations for the purchase of licenses and the payment of various statutorily or agency assessed fees. Additionally, SAMS (Procedure 26.30.10) states the Reports must be received by the Comptroller no later than the last day of the month following the end of the quarter. In addition, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001)

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2020-002 **FINDING** (Inadequate Controls Over Accounts Receivable) - Continued

requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that resources are utilized efficiently, effectively, and in compliance with applicable laws.

This finding was first noted during the examination of the two years ended June 30, 2010. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management indicated the incomplete records were due to payments not being entered into their system since 2008, when a staff position became vacant and was no longer funded. Additionally, Department management indicated the late Reports were due to transition in personnel during the examination period.

Failure to maintain accurate and detailed accounts receivable records and timely report accounts receivable balances could lead to the failure to properly collect amounts owed to the State and inaccuracies in Statewide financial statement reporting. (Finding Code No. 2020-002, 2018-002, 2016-002, 2014-002, 12-3, 10-8)

RECOMMENDATION

We recommend the Department maintain accurate and detailed records of all billings and the corresponding collections to facilitate proper reporting of accounts receivable activity. We also recommend the Department strengthen procedures and allocate necessary resources to properly post accounts receivables and associated payments. Lastly, we recommend the Department file reports timely in accordance with SAMS.

DEPARTMENT RESPONSE

The Department concurs the quarterly accounts receivable forms (C-97) should be filed timely with the Comptroller. The Department previously filed C-97s on several funds that are not Department funds, Road Fund (0011), Illinois State Toll Highway Authority Fund (0455) and Garage Revolving Fund (0303). These accounts have been cleaned up and are no longer on the list of C-97s the Department files. Additionally, accounts receivable balances for General Revenue Fund (0001) have been written off and are no longer on the list of C-97s filed by the Department. While Over Dimensional Load Police Escort Fund (0652) and State Police Services Fund (0906) are still being prepared and filed manually, if we can maintain staffing levels our goal is to use ERP to file these quarterly accounts receivable reports starting July 1, 2021. While we do not have staff levels to have a collections unit,

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2020-002 **FINDING** (Inadequate Controls Over Accounts Receivable) - Continued

State Police Services Fund (0906) staff has been working with the Comptroller's Illinois Debt Recovery Offset System (IDROP). Our goal is to continue to work with the accounts receivable procedures and processes to become compliant in this area.

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2020-003 **FINDING** (Inadequate Controls Over Receipts)

The Illinois State Police (Department) did not maintain adequate internal controls over receipts.

During testing, we requested the Department provide the population of cash receipts received by the Department during Fiscal Years 2019 and 2020 in order to test compliance applicable to those receipts. In response to our request, the Department provided a listing of cash receipts. We noted the following problems with the Department's population:

- The population of cash receipts did not agree to the Department's Revenue Status Report (SB04) reconciliations for Fiscal Year 2019 or Fiscal Year 2020.
- The Department's June 2019 and June 2020 reconciliation contained unknown reconciliation discrepancies between the Office of the Comptroller (Comptroller) records and the Department's records. The discrepancies totaled a net amount of \$8,893,621 and \$1,814,649 for Fiscal Years 2019 and 2020, respectively.

Due to these conditions, 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 relative to cash receipts.

Even give the population limitations noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, we performed testing, noting:

Thirty-eight of 60 (63%) receipts, totaling \$659,809, and ten of 12 (83%) refunds, totaling \$13,522, did not include documentation to support the date the check was received. Therefore, timeliness of the deposit could not be determined.

In addition, we noted the Department did not maintain proper segregation of custody and recordkeeping duties over receipt collection and processing. One employee was responsible for:

- Preparing a log of receipts received;
- Recording receipts in the receipts ledger; and
- Depositing funds into the State Treasury.

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2020-003 **FINDING** (Inadequate Controls Over Receipts) - Continued

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation and revenues are properly recorded and accounted for to permit the preparation of reliable financial and statistical reports and to maintain accountability over the State's resources. The State Records Act (5 ILCS 160/9(1)) requires the Department to provide for effective controls over the creation, maintenance, and use of records in the conduct of current business. In addition, good business practices require the Department maintain adequate segregation of duties in order to help ensure the safeguarding of assets, prevent improper expenditures, and ensure the accuracy and reliability of accounting data.

Department management indicated the lack of segregation of duties over processing of receipts and refunds, and lack of supporting documentation being maintained were due to staffing shortages.

Failure to maintain proper segregation of duties may result in theft or misappropriation of assets which may not be prevented or detected. Lack of controls over the preparation and review of receipts may lead to inaccurate Department records and the submission of inaccurate financial information to the Comptroller. (Finding Code No. 2020-003, 2018-003)

RECOMMENDATION

We recommend the Department establish proper segregation of duties over the receipts process, establish procedures to properly reconcile receipts, and maintain accurate documentation to support receipt activities and related reviews performed.

DEPARTMENT RESPONSE

The Department concurs procedures are necessary for proper segregation of duties, reconciliations and documentation. Procedures have been implemented segregating the duties of opening checks, logging checks and making deposits. Furthermore, the Department has been diligently working to ensure the reconciliations have proper supporting documentation. The legacy receipts system had issues that were not able to be resolved effective January 2018 which remained unresolved at December 2019 when data was converted to ERP. Unfortunately, this resulted in inaccurate data in the conversion. Staff has been diligently working on cleaning up the FY18, FY19 and FY20 issues to obtain correct figures which should have been used for the ERP conversion. FY21 reconciliations are monitored with issues being resolved in a timely manner.

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2020-004 **FINDING** (Delinquent Accounts Not Pursued)

The Illinois State Police (Department) did not aggressively pursue the collection of accounts receivable and did not properly refer delinquent accounts receivable to the Office of the Comptroller's (Comptroller) Offset System.

The Department is owed money from various individuals and companies for items such as drug fines, over-dimensional load police escorts, property vehicles, forfeited items, licenses, and other miscellaneous items.

During testing, we noted the Department wrote off old uncollectible or erroneous accounts receivable balances in the amount of approximately \$505,000 for receivables dating as far back as 1999. However, the Department had not undertaken collection efforts for delinquent accounts receivable during Fiscal Years 2019 or 2020.

We also noted the Department did not have a formal written policy for the collection of accounts receivable balances.

The Illinois State Collection Act of 1986 (30 ILCS 210/3) requires agencies to aggressively pursue the collection of accounts receivable through all reasonable means. The Statewide Accounting Management System (SAMS) (Procedure 26.20.10) states accounts receivable should be recognized when the State's claim for future cash is reasonably estimable and the amount due becomes measurable. Also, SAMS (Procedure 26.40.10) requires the Department to maintain complete and accurate records of all collection efforts related to each past due account and recommends debts be reaffirmed during the first 60 days after an account becomes past due. Additionally, these records should, at a minimum, include a listing of accounts receivable, detail transaction histories for each account, collection attempt history, referrals to the Comptroller's Offset System, the Department of Revenue's Debt Collection Bureau, and/or the Attorney General's Office, and any write-off transactions with required approvals. Furthermore, SAMS (Procedure 26.40.20) requires agencies place all debts over \$250 and more than 90 days past due in the Comptroller's Offset System unless certain conditions are met. Moreover, the State Records Act (5 ILCS 160/8) requires the Department make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the Department. Lastly, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance resources are utilized efficiently, effectively, and in compliance with applicable laws.

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2020-004 **FINDING** (Delinquent Accounts Not Pursued) - Continued

This finding was first noted during the examination for the two years ended June 30, 2012. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management indicated the collection attempts have not been accomplished due to shortage of staff. The position responsible for collection attempts has been vacant since 2008 and is no longer funded.

Failure to aggressively pursue the collection of accounts receivable through all reasonable means is noncompliance with the Illinois State Collection Act of 1986 and failure to refer all eligible delinquent accounts to the Comptroller's Offset System is noncompliance with SAMS. Further, the failure to pursue collections reduces funds available for the Department's operations. (Finding Code No. 2020-004, 2018-004, 2016-003, 2014-003, 12-6)

RECOMMENDATION

We recommend the Department implement procedures and allocate necessary resources to properly report and fully pursue collections on delinquent accounts receivable. We further recommend all eligible delinquent accounts be referred to the Comptroller's Offset System.

DEPARTMENT RESPONSE

The Department concurs collection procedures should be implemented. However, we do not have adequate staff to consistently accomplish this. We are diligently working on this and State Police Services Fund (0906), our largest accounts receivable fund, has implemented procedures to use the Comptroller's Illinois Debt Recovery Offset System (IDROP) system. We will continue to work on collection procedures.

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2020-005 **FINDING** (Inadequate Controls Over Monthly Reconciliations)

The Illinois State Police (Department) did not have adequate controls over monthly appropriation, cash receipt, cash balance, agency contract reporting, and obligation activity report reconciliations.

During testing of Fiscal Year 2020 and 2019 reconciliations between the Office of the Comptroller (Comptroller) records and the Department's records, we noted:

- Documentation was not retained to support the completion of three of 30 (10%) Monthly Appropriation Status Report (SB01) reconciliations.
- Monthly Revenue Status Report (SB04) reconciliations for one of 24 (4%) months were not performed within 60 days following the end of the month. The SB04 reconciliation was completed 25 days late.
- The year-to-date SB04 reconciliations for Fiscal Years ended June 30, 2020 and 2019 contained unexplained reconciliation discrepancies totaling a net amount of \$1,814,649 and \$8,893,621, respectively.
- SB04 reconciliations for Fiscal Year 2020 were not reconciled by receipt account; whereby each Fund was reconciled in total.
- SB04 reconciliations for Fiscal Years 2020 and 2019 were not reviewed by an independent person.
- Documentation was not retained to support the completion of three of 24 (13%) Monthly Cash Report (SB05) reconciliations.
- Agency Contract Report (SC14) and Obligation Activity Report (SC15) reconciliations for Fiscal Years 2020 and 2019 were not completed.

Statewide Accounting Management System (SAMS) (Procedure 11.40.20) requires the SB01 issued by the Comptroller to be reconciled to the Department's expenditure records within 60 days each month to ensure the early detection and correction of errors. SAMS (Procedure 25.40.20) requires the Department to perform a monthly reconciliation of each receipt account balance of the SB04 within 60 days of each month and notify the Comptroller of any irreconcilable differences. SAMS (Procedure 09.40.10) requires the Department to perform a monthly reconciliation of the SB05. SAMS (Procedure 15.30.30) requires the Department to perform a monthly reconciliation of the SC14 and SC15 within 60 days of month end and report to the Comptroller any discrepancies immediately for correction. Lastly, 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.

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2020-005 **FINDING** (Inadequate Controls Over Monthly Reconciliations) - Continued

Good internal controls require sufficient and properly designed accounting records be maintained to adequately control fiscal operations and provide reliable data for necessary management reports.

Department management indicated the lack of documentation of reconciliations and the untimely reconciliation was due to competing priorities. In addition, Department management indicated they were unaware of the requirement to complete SB04 reconciliations by each receipt account and the SB04 reconciliations were not reviewed by an independent person due to a lack of resources.

Failure to timely reconcile monthly appropriations, cash receipts, cash balances and contract activity in accordance with SAMS could lead to unresolved differences between the Department and Comptroller records, inaccurate financial reporting, and undetected loss or theft. (Finding Code No. 2020-005, 2018-010, 2016-009)

RECOMMENDATION

We recommend the Department ensure appropriation, cash receipt, cash balance, agency contract, and obligation activity report reconciliations are prepared timely and properly reviewed. In addition, we recommend the Department retain documentation of the completed reconciliations.

DEPARTMENT RESPONSE

The Department concurs reconciliations should be prepared timely and properly. The Department prepared timely reconciliations in FY21. The reconciliations are saved electronically.

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2020-006 **FINDING** (Lack of Due Diligence over ERP Transition)

The Illinois State Police (Department) lacked due diligence over the transition to the Enterprise Resource Planning program (ERP).

In January 2020, the Department implemented the State’s ERP as its business process management system for the tracking of assets, contracts, obligations, and vouchers.

As part of the Department’s transition to the ERP, they converted data from legacy systems. In order to determine if the data had converted correctly, we requested the Department’s documentation and reconciliations. However, the Department was unable to provide documentation and reconciliations of opening balances in the ERP to ensure the correct balances were transferred.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that resources are utilized efficiently, effectively, and in compliance with applicable law and obligations and costs are in compliance with applicable laws. In addition, generally accepted information technology guidance, including the National Institute of Standards and Technology, endorses a process to ensure system development and data conversion activities are controlled, verified, and documented.

Department management indicated the failure to perform procedures to validate the transfer of data to ERP was due to insufficient resources.

The Department’s lack of due diligence resulted in a lack of assurance over the accuracy of the data converted. (Finding Code No. 2020-006)

RECOMMENDATION

We recommend the Department establish controls over reconciliation and conversion of data during system development projects, such as the ERP.

DEPARTMENT RESPONSE

The Department concurs data converted from one system to another should be accurate. The Department relied upon the ERP team’s expertise when converting data from the legacy systems to the ERP system. During future system development projects, the Department will diligently try to take a larger role in the conversion to ensure accuracy over records.

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2020-007 **FINDING** (Failure in processing of FOID and Concealed Carry Applications Timely)

The Illinois State Police (Department) did not timely process Firearm Owners Identification (FOID) and Concealed Carry applications.

During testing of FOID applications we noted:

- Thirteen of 15 (87%) FOID applications were not processed within 30 days, with delays ranging from two to 363 days.
- Nine of 15 (60%) FOID card renewal applications were not processed within 60 business days, with delays ranging from ten to 214 days.
- The Department could not provide documentation to demonstrate the FOID card application fees were deposited in accordance with the Act. During Fiscal Years 2019 and 2020, the Department reported collecting FOID application and renewal applications fees totaling \$3,834,625 and 3,293,655, respectively.

The Firearm Owners Identification Card (FOID) Act (430 ILCS 65/5(a)) requires the Department to approve or deny all FOID card applications, except renewal applications, within 30 days from the date the application is received. The FOID Act also (430 ILCS 65/5(b)) requires the Department to approve or deny FOID card renewal applications within 60 days from the date the application is received.

Additionally, every applicant found qualified by the Department shall be entitled to a FOID Card upon payment of a \$10 fee, of which \$6 of the fee shall be deposited in the Wildlife and Fish Fund in the State Treasury; \$1 of the fee shall be deposited in the State Police Services Fund, and \$3 deposited in the State Police Firearm Services Fund. Further, the FOID Act (430 ILCS 65/5(b)) requires the cost for a renewal application to be \$10, which shall be deposited into the State Police Firearm Services Fund.

Our testing of 30 Concealed Carry applications noted thirteen (43%) applications were not processed timely, with delays ranging from 28 to 70 days late.

In addition, the Department could not provide documentation to demonstrate the Concealed Carry application fees were deposited in accordance with the Firearm Concealed Carry Act.

The Firearm Concealed Carry Act (Act) (430 ILCS 66/10(e)) states an application for a license submitted to the Department shall be issued or denied no later than 90 days after receipt of a completed application. The Act also (430 ILCS 66/60) requires

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2020-008 **FINDING** (Failure to Comply with Firearms Dealer License Certification Act)

The Illinois State Police (Department) did not issue or deny certificates of license for filings by federal licensees as required by the Firearm Dealer License Certification Act (the Act).

According to the Department’s records, beginning May 2019 through June 2020, 1,138 federal firearms licenses were filed for certification. Additionally, the Department’s records stated the 1,138 federal firearms licenses were in “review status pending.”

According to the Department, due to the lack of a definition of what an ‘initial certification’ was to entail, a compliance letter was sent for each submission. The compliance letter stated the Department was in “receipt of a copy of your Federal Firearms License and affidavit attesting to its validity in compliance with 430 ILCS 68/5-10 of the Firearm Dealer Certification Act”. However, we could not determine if a compliance letter had been sent to the 1,138 federal firearm licenses within 30 days, due to the lack of information. Department management further stated the Act allowed the dealers to continue to operate if the Department did not issue an initial certificate of license within the 30 days.

In addition, effective January 3, 2020, emergency administrative rules (20 Ill Admin. Code 1232) were adopted creating a process for the verification of the federal firearms license information submitted for certification. However, the Department did not comply with the emergency administrative rules.

Department management stated, it was determined the emergency administrative rules, prepared by the Department, were ‘unfair’ to the dealers; therefore, they were not followed. Department management further stated they have subsequently worked with various parties to modify the emergency administrative rules.

The fees for certification were \$523,138 for 884 licenses in Fiscal Year 2019 and \$225,550 for 254 licenses in Fiscal Year 2020.

The Act (430 ILCS 68/5-10), effective January 18, 2019, requires a licensee with a valid Federal Firearms License to file with the Department a copy of its license, together with a sworn affidavit, indicating the license is in fact theirs and is valid. The Department may by rule create a process for checking the validity of the license, in lieu of requiring the affidavit. Upon receipt and review by the Department, the Department is to issue a certificate of license to the licensee, allowing the licensee to conduct business within the State. The Department is to issue an initial certificate of license within 30 days of receipt of the copy of license and sworn affidavit. If the Department does not issue the certificate within 30 days,

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2020-009 **FINDING** (Noncompliance with the Gun Trafficking Information Act)

The Illinois State Police (Department) was not in compliance with the Gun Trafficking Information Act (Act).

During testing, we noted:

- The Department did not make publicly available, on a regular and ongoing basis, key information related to firearms used in the commission of crimes in the State, as required by the Act.
- The Department did not study, compile, or share reports on the number of Firearm Owners Identification (FOID) card checks to determine firearms trafficking or straw purchases patterns, as required by the Act.

The Act (5 ILCS 830/10-5(a)) effective January 18, 2019, requires the Department to use all reasonable efforts in making publicly available, on a regular and ongoing basis, key information related to firearms used in the commission of crimes in the State. Furthermore, the Act (5 ILCS 830/10-5(b)) requires the Department to study and compile reports on the number of FOID card checks to determine firearms trafficking or straw purchase patterns. Additionally, the Department is to share the reports with academic centers, foundations, and law enforcement agencies studying firearms trafficking.

Department management indicated the information regarding the firearms used in the commission of crimes in the State was not complied with and the Department's reporting regarding FOID card checks was not operational due to a lack of resources.

Failure to publicly make available key information and complete studies is a violation of the Act. (Finding Code No. 2020-009)

RECOMMENDATION

We recommend the Department comply with the Act by making key information related to the firearms used in the commission of crimes in the State publicly available and to study, compile, or share reports on the number of FOID card checks to determine firearms trafficking or straw purchases patterns.

DEPARTMENT RESPONSE

The Department concurs. The Department understands the importance of transparency with the public and will work across Divisions towards providing the information required by statute 5 ILCS 830/10-5 Gun Trafficking Information Act.

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2020-010 **FINDING** (Lack of Controls Over Review of Internal Control Over Service Providers)

The Illinois State Police (Department) did not obtain or conduct timely independent internal control reviews over its service providers.

We requested the Department provide the population of service providers utilized in order to determine if the Department had reviewed the internal controls over the service providers. In response to our request, the Department was not able to provide a complete listing of service providers utilized during the examination period.

Due to these conditions, we were unable to conclude the Department's population records were complete and accurate under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35). *Even given the population limitations noted above which hindered the ability of the accountants to conclude whether the population was complete*, during testing of the service providers identified, we noted the Department had not:

- Obtained System and Organization Control (SOC) reports or conducted independent internal control reviews for four service providers.
- Conducted an analysis of the SOC reports, when available, to determine the impact of modified opinions or noted deviations.
- Obtained and reviewed the SOC report for subservice organizations or performed alternative procedures to satisfy itself that the usage of the subservice organizations' would not impact the Department's internal control environment.
- Conducted an analysis of the complementary user entity controls documented in the SOC reports, when available.
- Ensured contracts with service providers include applicable requirements over the independent review of internal controls.

The Department is responsible for the design, implementation, and maintenance of internal controls related to information systems and operations to ensure resources and data are adequately protected from unauthorized or accidental disclosure, modifications, or destruction. This responsibility is not limited due to the process being outsourced.

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, expenditure, and transfers

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2020-010 **FINDING** (Lack of Controls Over Review of Internal Control Over Service Providers) - Continued

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. In addition, generally accepted information technology guidance endorses the review and assessment of internal controls related to information systems and operations to assure the accurate processing and security of information.

Department management indicated they were not aware of the need to perform and document an internal control review of service providers.

Without having obtained and reviewed a SOC Report or another form of independent internal control review, the Department does not have assurance the service providers' internal controls are adequate to ensure personal information is secure. (Finding Code No. 2020-010)

RECOMMENDATION

We recommend the Department identify all service providers and determine and document if a review of controls is required. If required, the Department should:

- Obtain SOC reports or (perform independent reviews) of internal controls associated with outsourced systems at least annually.
- Monitor and document the operation of the Complementary User Entity Controls (CUECs) relevant to the Department's operations.
- Either obtain and review SOC reports for subservice organizations or perform alternative procedures to satisfy itself that the usage of the subservice organizations' would not impact the Department's 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 impacts to the Department, and any compensating controls.
- Review contracts with service providers to ensure applicable requirements over the independent review of internal controls are included.

DEPARTMENT RESPONSE

The Department concurs and will work to identify all services providers. Furthermore the Department will document if a review of controls is required.

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2020-011 **FINDING** (Failure to Maintain Security Controls Over Computer Systems)

The Illinois State Police (Department) did not maintain adequate security controls over computer systems to safeguard confidential information.

As a result of the Department’s mission to “promote public safety to improve the quality of life in Illinois”, the Department collected and maintained a significant amount of confidential information.

We requested the Department provide the population of application users for six applications utilized by the Department. In response to our request, the Department was not able to provide complete populations for three (50%) applications.

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

Even given the population limitations noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as of whole, we tested a sample of user access, noting the Department did not provide documentation demonstrating:

- New application users were properly authorized,
- Users access rights were timely deactivated for separated employees; and
- An annual or periodical reviews of access rights had been completed.

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. Generally accepted information technology guidance endorses the development of well-designed and well-managed controls to protect computer systems and data.

This finding was first noted during the examination of the two years ended June 30, 2010. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management indicated the lack of security controls was due to IT staffing constraints.

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2020-011 **FINDING** (Failure to Maintain Security Controls Over Computer Systems) -
Continued

Failure to properly authorize, timely deactivate, and review user access rights could result in inappropriate access to the Department’s systems. (Finding Code No. 2020-011, 2018-006, 2016-005, 2014-005, 12-8, 10-3)

RECOMMENDATION

We recommend the Department:

- Maintain documentation of all users for each of their applications.
- Ensure application user access is properly authorized and documented,
- Ensure application user access is timely deactivated for separated employees;
and,
- Perform and document annual reviews of user access rights to ensure individual levels of access are appropriate.

DEPARTMENT RESPONSE

The Department concurs. The Department fully understands the importance of maintaining adequate security controls over computer systems to safeguard confidential information. The Division of Justice Services will begin taking the necessary steps to develop an action plan which identifies a solution to rectify this finding and ensure the Fiscal Control and Internal Auditing Act is adhered to.

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2020-012 **FINDING** (Failure to Demonstrate the Completeness and Accuracy of the Report Components)

The Illinois State Police (Department) did not have adequate internal controls to demonstrate the schedules and components (report components) within the Department's *Compliance Examination Report* were complete and accurate.

Due to changes in independence requirements effective June 30, 2020, the Office of the Auditor General (OAG) now requires auditees, without auditor assistance, to prepare the report components comprising the Supplementary Information for State Compliance Purposes usually found within the OAG's compliance reports. To help facilitate this change, the OAG published guidance on its website for auditees to follow in preparing these report components. While we do not express an opinion, a conclusion, or provide any assurance on these report components, we read them to identify potential errors based on our knowledge of the auditee and, where possible, compare or reconcile the information to the auditee's records examined during the compliance examination. If we identify any potential errors, we bring the matter to the attention of the auditee's management to, ideally, either correct the error or demonstrate why the disclosure is complete and accurate.

During the course of this examination, we noted the Department's internal controls were inadequate to both (1) prepare the report components and (2) demonstrate the report components Department management prepared were complete and accurate. Specifically, we noted:

- The *Schedules of Appropriations, Expenditures, and Lapsed Balances* was prepared by Department management from their own records. However, our review of the *Schedules*, noted differences between the Department and the Office of the Comptroller's records.
- The *Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances* was prepared by Department management from their own records. However, our review of the *Schedule*, noted differences between the Department and the Office of the Comptroller's records.
- The *Comparative Schedule of Net Expenditures by Major Activity* was prepared by Department management from their own records. However, our review of the *Schedules*, noted differences between the Department and the Office of the Comptroller's records.
- The *Comparative Schedule of Cash Receipts and Deposits into the State Treasury* was prepared by Department management from their own records. However, our review of the *Schedule*, noted differences between the Department and the Office of the Comptroller's records.

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2020-012 **FINDING** (Failure to Demonstrate the Completeness and Accuracy of the Report Components) - Continued

- The *Schedule of Locally-Held Funds* was prepared by Department management from their own records. However, our review of the *Schedule*, noted differences between the Department and the Office of the Comptroller’s records.
- The *Schedule of Changes in Property* was prepared by Department management from their own records. However, our review of the *Schedule*, noted differences between the Department’s records and *the Department’s Report of State Property* (Form C-15) filed with the Office of the State Comptroller.
- The *Analysis of Significant Variations in Expenditures*, which comments on the underlying cause for why significant variations occurred within various line item expenditures during each fiscal year, as measured by dollar amount or percentage change, omitted several significant variances between fiscal years 2019 and 2018.
- The *Analysis of Significant Variations in Receipts*, which comments on the underlying cause for why significant variations occurred within various line receipt sources during each fiscal year, as measured by dollar amount or percentage change, omitted several significant variances between fiscal years 2019 and 2018 and between fiscal years 2020 and 2019.
- The *Analysis of Significant Lapse Period Spending*, which comments on the significant Lapse Period expenditures, as measured by dollar amount or percentage change, omitted several significant variances for Fiscal Year 2020 and omitted several significant variances for Fiscal Year 2019.
- The Department provided the *Number of Employees*; however, the information was not in a format to be comparative to the information from fiscal year 2018.
- The Department did not provide an *Analysis of Overtime and Compensatory Time*.

As a result of our unresolved doubts and noted omissions concerning each of these report components, the report components were omitted from the Department’s *Compliance Examination Report*.

Good internal controls over compliance facilitate the preparation of complete and accurate report components and allow for the resolution, where necessary, of any potential errors presented to management by independent accountants examining the Department.

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2020-012 **FINDING** (Failure to Demonstrate the Completeness and Accuracy of the Report Components) - Continued

Department management indicated they have experienced difficulties in completing the Report Components for two primary reasons. This is the first time they have been required to complete the schedules and lack expertise in doing so. Additionally the Department is still learning how to pull required information from their new financial system.

Compliance examinations stress the fundamentals of governmental accountability, including providing transparency about the Department’s fiscal and administrative controls and whether the Department’s resource utilization was efficient, effective, and in compliance with applicable law. Failure to prepare accurate and complete report components hinders the ability of users of the Department’s *Compliance Examination Report* to obtain additional analysis of the Department’s operations. (Finding Code No. 2020-012)

RECOMMENDATION

We recommend the Department implement controls to ensure report components are accurately and completely prepared in future compliance examinations.

DEPARTMENT RESPONSE

The Department concurs that report components should be accurately prepared for future compliance examinations.

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2020-013 **FINDING** (Weakness in Cybersecurity Programs and Practices)

The Illinois State Police (Department) had not implemented adequate internal controls related to cybersecurity programs and practices.

As a result of the Department’s mission to “promote public safety to improve the quality of life in Illinois”, 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 performed a comprehensive risk assessment to identify and ensure adequate protection of information (i.e. confidential or personal information) most susceptible to attack.
- Had not classified its data to identify and ensure adequate protection of information.
- Had not evaluated and implemented appropriate controls to reduce the risk of attack.
- Had not developed a formal, comprehensive, adequate and communicated security program (policies, procedures, and processes) to manage and monitor the regulatory, legal, environmental and operational requirements.
- Had not deployed encryption software on all laptops and data at rest.
- Had not ensured electronic storage media was erased, wiped, sanitized, or destroyed in accordance with the destruction processes required by the Data Security on State Computers Act (Act). Specifically, we requested documentation for 60 items disposed of during the examination period; however, the Department did not provide documentation demonstrating the items were disposed of in accordance with the Act.

The Act (20 ILCS 450/20) requires agencies to implement a policy to mandate that 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

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2020-013 **FINDING** (Weakness in Cybersecurity Programs and Practices) - Continued

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. 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.

Furthermore, generally accepted information technology guidance, including the National Institute of Standards and Technology, endorses the development of well-designed and well-managed controls to protect computer systems and data.

Department management indicted the weaknesses were due to IT staffing constraints.

The lack of adequate cybersecurity programs and practices could result in unidentified risks and vulnerabilities and ultimately lead to the Department’s volumes of personal information being susceptible to cyber-attacks and unauthorized disclosure. (Finding Code No. 2020-013)

RECOMMENDATION

The Department has the ultimate responsibility for ensuring confidential information is protected from accidental or unauthorized disclosure. Specifically, we recommend the Department:

- Perform a comprehensive risk assessment to identify and ensure adequate protection of information most susceptible to attack.
- Classify its data to identify and ensure adequate protection of information.
- Evaluate and implement appropriate controls to reduce the risk of attack.
- Develop a formal, comprehensive, adequate and communicated security program to manage and monitor the regulatory, legal, environmental and operational requirements.
- Deploy encryption software on all laptops and data at rest.

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2020-013 **FINDING** (Weakness in Cybersecurity Programs and Practices) - Continued

- Ensure electronic storage media is erased, wiped, sanitized, or destroyed in accordance with the destruction processes required by Act. Additionally, the Department should maintain documentation of such.

DEPARTMENT RESPONSE

The Department concurs. The Department fully understands the importance of implementing adequate internal controls related to cybersecurity programs and practices. The Division of Justice Services will begin taking the necessary steps to develop an action plan which identifies a solution to rectify this finding.

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2020-014 **FINDING** (Voucher Processing Weakness)

The Illinois State Police (Department) did not exercise adequate controls over voucher processing.

During testing, we noted:

- Seventy-two of 251 (29%) vouchers tested, totaling \$5,278,527, were approved for payment from 1 to 153 days late.
- Three of 251 (1%) vouchers tested, totaling \$32,230, accrued required interest charges of \$620 which were not paid by the Department.
- Two of 40 (5%) travel vouchers tested, totaling \$4,445, were for travel expenses incurred outside of the borders of the State of Illinois where the Department did not timely request preapproval from the Governor’s Office of Management and Budget for the travel. The two requests were approved 23 days prior to and 33 days after the first day of the trip.

The Illinois Administrative Code (Code) (74 Ill. Admin. Code 900.70) requires an agency to review bills and either deny bills with defects, in whole or in part, ask for more information necessary to review the bill, or approve proper bills in whole or in part, within 30 days after physical receipt of the bill. In addition, the State Prompt Payment Act (Act) (30 ILCS 540/3-2) requires State agencies to review in a timely manner each bill or invoice after its receipt. Further the Act requires bills to be paid or the payment issued to the payee within 90 days of receipt of a proper bill or invoice to avoid interest penalties.

The Governor’s Travel Control Board Rules (80 Ill. Adm. Code 2800.700(b) require travel outside of Illinois be approved by the Governor’s Office of Management and Budget prior to travel. All requests are to be submitted to the Governor’s Office of Management and Budget’s on-line travel system (eTravel) at least 30 days in advance of the departure date.

This finding was first noted during the examination of the two years ended June 30, 2004. In subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management indicated late approvals were due to lack of sufficient staffing and prompt payments were not made due to oversight.

Failure to promptly review and approve proper bills resulted in late payment of bills and caused the State to incur interest penalties. Failure to pay interest charges is

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2020-014 **FINDING** (Voucher Processing Weakness) – Continued

noncompliance with the Act. Also, failure to exercise adequate control over travel expenditures represents noncompliance with the State’s travel regulations. (Finding Code No. 2020-14, 2018-009, 2016-008, 2014-009, 12-14, 10-5, 08-07, 06-07, 04-10)

RECOMMENDATION

We recommend the Department comply with the Act and the Code to ensure vouchers are approved and paid within the required time frame and the required interest is paid. Also, we recommend requests for out of State travel be submitted through eTravel 30 days in advance of the departure date.

DEPARTMENT RESPONSE

The Department concurs. In June 2019, the Accounts Payable unit was brought back to the Department from the Public Safety Shared Services Center. Staff were hired in June and expected to begin working on FY20 vouchers. However, after training new Department staff, the PSSSC turned all outstanding vouchers over to them. This included a large backlog of FY19 vouchers that staff had to get caught up on. This caused new FY20 vouchers to sit longer than expected. As soon as FY19 lapse documents were caught up, staff focused again on processing FY20 vouchers in a timely fashion. Then in December of 2019 (in anticipation of conversion to the new ERP system) we put a hold on all voucher processing for a few weeks. This was necessary so that no invoice would be lost in the conversion and inadvertently not get sent to the Illinois Office of the Comptroller. Since converting to ERP we have instituted a 30-day memo process. This requires the end user to have upper management sign a letter explaining any delay that prohibited them from entering the invoice in a timely fashion. This has limited the number of vouchers turned in for approval that are beyond the 30 day window. Central Accounts Payable, who apply level one and two approvals, currently turn around invoices within no more than 72 hours, and usually only 48.

Prompt payment interest has been a very manual process for the Department prior to ERP. Now that we are on ERP we anticipate this process to be easier and more timely. In addition the system creates shells with the calculations already applied.

The Department will continue to review out of state travel vouchers thoroughly and look into ways to ensure no voucher is approved without the eTravel documentation.

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2020-015 **FINDING** (Noncompliance with Specific Statutory Mandates)

The Illinois State Police (Department) was not in compliance with specific statutory mandates during the examination period.

During testing, we noted:

- The Department did not have six bilingual on-board frontline staff members during Fiscal Years 2019 and 2020 to be in compliance with the State Services Assurance Act of FY2008.

The State Services Assurance Act for FY2008 (5 ILCS 382/3-15) requires the Department to have at least five additional bilingual on-board frontline staff members from the original number of bilingual on-board frontline staff members on June 30, 2007, which was one.

Department management indicated bilingual staff are in high demand and they have not been able to recruit and retain staff for these positions.

- The Department did not establish a policy to control the acquisition, storage, transportation, and administration of an opioid antagonist, as required by the Substance Use Disorder Act.

The Substance Use Disorder Act (20 ILCS 301/5-23(e)(1)) requires every State agency that employs law enforcement officers to possess opioid antagonists and establish a policy to control the acquisition, storage, transportation, and administration of opioid antagonists.

Department management indicated the policy amendments are being reviewed by subject matter experts throughout the Department.

- The Department did not prepare or submit quarterly reports on arrest-related deaths to the IL Criminal Justice Information Authority (ICJIA) in accordance with the Uniform Crime Reporting Act.

The Uniform Crime Reporting Act (50 ILCS 709/5-12(1)) requires the Department to submit on a quarterly basis, all information collected from law enforcement agencies regarding arrest-related deaths, to the Illinois Criminal Justice Information Authority (ICJIA).

Department management indicated arrest related information is sent to ICJIA at the conclusion of the calendar year. Furthermore, Department management indicated quarterly reports would be incomplete and a burden on the few resources of the Uniform Crime Reporting Division.

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2020-015 **FINDING** (Noncompliance with Specific Statutory Mandates) - Continued

- The Department did not prepare or submit annual statistical compilations and related data for the State Board of Education regarding incidents involving firearms or drug related incidents in schools as required by the School Code (Code).

The Code (105 ILCS 5/10-27.1A(c)) requires the Department to issue an annual statistical compilation and the related data associated with incidents involving firearms in schools to the State Board of Education. Additionally, the Code (105 ILCS 5/10-27.1B(c)) requires the Department to issue an annual statistical compilation and related data associated with drug-related incidents in schools to the State Board of Education.

Department management indicated the data is posted on the Uniform Crime Reporting Program web page and is aggregated by the law enforcement entity reporting the incident. Department management also indicated sending the data to the State Board of Education is viewed as redundant and inefficient.

- The Department did not enforce the provisions of the Smoke Free Illinois Act (Act) regarding smoking in prohibited areas through the issuance of citations, and did not assess civil penalties pursuant to the Act.

The Act (410 ILCS 82/40 thru 75) requires the Department to enforce the provisions of the Act through the issuance of citations and assessing civil penalties for violations pursuant to Section 45 of the Act.

Department management indicated the opportunity must present itself before they are able to enforce the provisions of the Act.

- The Department failed to notify the Illinois State Library, Government Documents Section in writing of whom was responsible for the distribution of publications during Fiscal Year 2019.

The Illinois Administrative Code (23 Ill. Admin. Code 3020.150) requires the Department, by January 15th of each year, to notify the Government Documents Section in writing of the person, persons, or positions responsible for distribution of publications of the Department. Additionally, the Department is to notify the Government Document Section within two weeks after any changes.

The Department management indicated the cause was due to oversight.

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2020-015 **FINDING** (Noncompliance with Specific Statutory Mandates) – Continued

- The Department failed to furnish registration information concerning persons who are required to register under the Arsonist Registration Act to the Office of the State Fire Marshal.

The Arsonist Registration Act (730 ILCS 148/60) requires the Department to furnish to the Office of the State Fire Marshal the registration information concerning persons who are required to register under the Arsonist Registration Act.

Department management indicated the upcoming Law Enforcement Agencies Data System (LEADS) version 3.0 would be the best system to provide the information; however, the system has not been rolled out Statewide.

- The Department did not provide monthly and annual statistical compilations of attacks on school personnel to the Illinois State Board of Education.

The Code (105 ILCS 5/10-21.7) requires the Department to provide the Illinois State Board of Education with monthly and annual statistical compilations of attacks on school personnel through the Illinois Uniform Crime Reporting Program for the purpose of compiling this information by school district and making it available to the public.

Department management indicated the Illinois State Board of Education worked collaboratively with the Department to develop and utilize the School Incident Reporting System maintained by the Illinois State Board of Education instead of utilizing the less timely Illinois Uniform Crime Reporting Program maintained by the Department.

Failing to maintain bilingual frontline staff, approve policies to control mandated supplies, notify the Illinois State Library, and to enforce provisions of Acts by issuance of citations, is noncompliance with the Department's mandated responsibilities and may alter the intended effect of the mandates. Additionally, failure to submit reports could result in inaccurate quantification of the achievements of the Department and denies the intended users of necessary information. Furthermore, failing to provide information to other agencies prevents them from effectively serving the people of the State. (Finding Code No. 2020-015, 2018-008, 2016-007)

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2020-015 **FINDING** (Noncompliance with Specific Statutory Mandates) – Continued

RECOMMENDATION

We recommend the Department comply with specific statutory mandates and explore options to utilize the Department’s financial resources to fund existing and new mandated responsibilities. We further recommend the Department seek legislative remedy to those requirements they determine to be redundant and inefficient.

DEPARTMENT RESPONSE

The Department concurs. The Department fully understands the importance of compliance with specific statutory mandates. The Department believes it had six bilingual on-board frontline staff members during Fiscal Years 2019 and 2020 to be in compliance with the State Services Assurance Act of FY2008. However, the Department is unable to accurately report that information. The Department will develop an efficient and effective way to report on bilingual employees hired during the respective timeframe. The Department also does concur with the finding of failing to enforce the provisions of the Smoke Free Illinois Act (Act) regarding smoking in prohibited areas through the issuance of citations and did not assess civil penalties pursuant to the Act. Regarding the failure to prepare or submit annual statistical compilations for the State Board of Education regarding incidents involving firearms or drug related incidents in schools as required by the School Code (Code), the Department is at the mercy of outside agencies submitting data to the Department to complete this report. With the remaining findings, the Department will begin taking the necessary steps with the Divisions effected by these findings to develop an action plan which identifies a solution to rectify these findings and will work towards meeting the statutory mandates.

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2020-016 **FINDING** (Failure to Collect Overpayments)

The Illinois State Police (Department) did not collect an overpayment to an employee.

In Fiscal Year 2018, the Department overpaid an employee \$51,691. The overpayment was being recovered through payroll deductions; however, \$26,860 remained uncollected as of June 30, 2018.

During the current examination, the Department could not provide documentation the remaining overpayment had been collected.

The Illinois State Collection Act of 1986 (30 ILCS 210/3) requires agencies to aggressively pursue the collection of accounts receivable through all reasonable means. The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation.

Department management indicated the overpayment was not collected due to oversight.

Failure to collect overpayments is an abuse of State funds. (Finding Code No. 2020-016)

RECOMMENDATION

We recommend the Department make all reasonable efforts to collect the overpayment.

DEPARTMENT RESPONSE

The Department concurs with the recommendation and any overpayment that is uncollectable by the Department, will be referred to the Office of the Illinois Comptroller for Involuntary Withholding. This specific overpayment has been referred to the Legal Office in an attempt to collect, due to the fact there are additional issues related to the overpayment and this employee.

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2020-017 **FINDING** (Inadequate Control Over Fee Imposition Reports)

The Illinois State Police (Department) did not timely submit accurate Agency Fee Imposition Reports (Report) to the Office of the State Comptroller (Comptroller).

During our testing, we noted:

- Sixteen of 16 (100%) fees reported in Fiscal Year 2019 did not agree to Department records. Total fees reported were \$42,063,608; however, total fees per Department records were \$44,685,220, a difference of \$2,621,612.
- The Department failed to report the firearm dealer license certification fees in Fiscal Year 2019. Department records documented total fees collected of \$1,085,242.
- Seventeen of 17 (100%) fees reported in Fiscal Year 2020 did not agree to Department records. Total fees reported were \$31,670,312; however, Departmental records documented \$32,476,056, a difference of \$805,744.
- The Fiscal Year 2019 Report was filed on August 7, 2019 and the Fiscal Year 2020 Report was filed on August 7, 2020. Both were filed 6 days late.

The State Comptroller Act (15 ILCS 405/16.2) and State Accounting Management System (SAMS) (Procedure 33.16.20) requires the Department to submit the Agency Fee Imposition Report to the Comptroller by August 1 after the end of each fiscal year. In addition, good internal controls require the information submitted in the Agency Fee Imposition Report to be accurate.

Department management indicated the Reports were completed using the latest data available even though the Department's receipts records had not been reconciled to the Comptroller's receipts records.

Filing inaccurate and untimely Reports results in the Comptroller reporting inaccurate fee information to the General Assembly. (Finding Code No. 2020-017)

RECOMMENDATION

We recommend the Department ensure accurate Reports are timely filed with the Comptroller.

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2020-017 **FINDING** (Inadequate Control Over Fee Imposition Reports) - Continued

DEPARTMENT RESPONSE

The Department concurs accurate Reports should be filed timely with the Comptroller. Due to the implementation of a new accounting system, a number of accounts in the Department's financial records were not fully reconciled. Because of this, the Department utilized the Illinois Office of the Comptroller (IOC)'s receipts, in conjunction with known cash in transit adjustments, both prior year and current year. The unreconciled variances between the Department and IOC's records resulted in a variance in reported amounts on the Fee Imposition Report. With the new accounting system in place, the Department is working on properly reconciling and correcting the receipt records to resolve this issue going forward.

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2020-018 **FINDING** (Inadequate Control Over State Vehicles)

The Illinois State Police (Department) did not exercise adequate controls over the maintenance and recordkeeping of State vehicles.

Testing of the Department’s vehicle maintenance records (vehicles) indicated vehicle maintenance was not performed in accordance with the Department’s policies and procedures, whereby:

- Forty-seven of 60 (78%) vehicles did not have regular oil changes. Oil changes occurred from 6 to 14,036 miles in excess of 5,000 miles.
- Thirty-eight of 60 (63%) vehicles did not have regular tire rotations. Tire rotations ranged from 21 to 14,825 miles in excess of 10,000 miles.
- Thirty-three of 60 (55%) vehicles did not have the fuel and air filter replaced as required. Services were performed from 18 to 15,416 miles in excess of 15,000 miles.
- Six of 60 (10%) vehicles did not have the automatic transmission fluid and filter replaced every 50,000 miles. Services were performed from 158 to 6,785 miles in excess of 50,000 miles.
- Eight of 60 (13%) vehicles did not have the spark plugs and wires replaced every 60,000 miles. Services were performed from 100 to 1,543 miles in excess of 60,000 miles.
- Six of 60 (10%) vehicles did not have the cooling system drained, flushed, and filled every 80,000 miles. Services were performed from 57 to 4,137 miles in excess of 80,000 miles.
- Three of 60 (5%) vehicles did not have PCV valve and rear axle lube replaced every 100,000 miles. Services were performed from 50 to 1,058 in excess of 100,000 miles.

The Department’s Vehicle Assignment and Maintenance Directive, EQP-001, requires all operators of State-owned motor vehicles to maintain their assigned vehicle in accordance with the Preventative Maintenance Schedule (Form 2-41). Form 2-41 requires services at the following mileage intervals: change oil and filter every 5,000

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2020-018 **FINDING** (Inadequate Control Over State Vehicles) - Continued

miles, rotate tires every 10,000 miles, replace fuel and air filter every 15,000 miles, change transmission fluid and filter every 50,000 miles, replace spark plugs and wires every 60,000 miles, drain and fill cooling system every 80,000 miles, and have PCV valve and rear axle lube replaced every 100,000 miles. In addition, Section III.F.2.b. of the Directive states oil changes are to be conducted at 5,000-mile intervals.

Department management indicated many of the maintenance deficiencies identified are the result of record keeping issues rather than a lack of vehicle maintenance being performed.

Failure to perform regular maintenance on State vehicles could result in more significant expenditures related to the repair or replacement of the vehicles. (Finding Code No. 2020-018)

RECOMMENDATION

We recommend the Department ensure policies and procedures are followed and regular maintenance is performed on State vehicles. In addition, the Department should maintain documentation of all maintenance performed.

DEPARTMENT RESPONSE

The Department concurs with the finding. Many identified deficiencies are a mix of improper service schedules by vehicle operators and errors in data entry in to the Department's fleet system by the work units. The Office of the Statewide 9-1-1 Administrator, Fleet Services Bureau, is working with Department of Innovation and Technology to upgrade the current system, which would include creating the capability for direct uploads of maintenance repairs from Central Management Services directly to the Department's fleet system. While these upgrades are being worked on, the Fleet Services Bureau will continue to remind employees of the importance of strictly adhering to the provided maintenance schedules for Department-owned vehicles, as written in Illinois State Police Directive *EQP-001, Department Vehicle Assignment and Maintenance* and the Preventative Maintenance Schedule (Form 2-41). In addition, it is important to note that the preventative maintenance schedule is based on exact intervals of mileage rather than ranges. In some instances, interval numbers have to be slightly exceeded based on operational necessity and within an employee's performance of duty.

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2020-019 **FINDING** (Inadequate Control Over Employee Attendance Records)

The Illinois State Police (Department) did not exercise adequate controls over employee attendance records.

We reviewed a sample of attendance records for employees noting:

- Seventeen of 60 (28%) employees failed to submit a Request for Time Off forms to their supervisor for approval.
- Thirty nine of 60 (65%) employees Request for Time Off forms were unable to be located.
- Thirty of 37 (81%) code employees did not submit weekly timesheets in a timely manner. The weekly timesheets were submitted between nine to 360 days late.
- Three of 37 (8%) code employees failed to submit weekly timesheets for one or more of the time periods.
- Sixteen of 37 (43%) code employees submitted weekly timesheets which were not timely approved by a supervisor. Timesheets were approved from 9 to 587 days late.
- Sixteen of 60 (27%) employees failed to obtain prior approval from a supervisor for overtime hours worked.

The State Records Act (5 ILCS 160/8) requires the Department make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the Department.

The Illinois Administrative Code (Code) (80 Ill. Admin. Code 303.350) requires State employees to provide advance notice of absence whenever possible. Illinois State Police Directive PER-025, Timekeeping, requires employees to submit a Request for Time Off, which should be approved by their immediate supervisor. In addition, the Directive requires employees to submit weekly time sheets for their supervisor's approval. Illinois State Police Directive PER-026 requires code employees to request and receive supervisor approval for working overtime in a timely manner.

Department management indicated it was not known if the employees failed to submit a Request for Time Off or if the request was not retained by the Department as required. The Department also indicated the untimely submission and approvals of time sheets were due to employee and supervisor oversight. Further, the Department

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2020-019 **FINDING** (Inadequate Control Over Employee Attendance Records) - Continued

indicated the missing overtime approvals were due to the approvals being made verbally or by email rather than in the attendance system.

Failure to submit a Request for Time Off, weekly timesheets, and overtime requests resulted in noncompliance with the Code and Department policy. (Finding Code No. 2020-019)

RECOMMENDATION

We recommend the Department ensure employees submit Request for Time Off forms and weekly timesheets in accordance with the Code and Department Directives. We also recommend the Department maintain documentation of the Request for Time Off and the time sheets. In addition, we recommend supervisors timely review timesheets and approve overtime prior to being worked.

DEPARTMENT RESPONSE

The Department concurs with the recommendation and all employees will be reminded of the requirement to be compliant with the Personnel Code and Department Directives as it relates to timekeeping and overtime approvals.

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2020-020 **FINDING** (Noncompliance with the Fiscal Control and Internal Auditing Act)

The Illinois Department of State Police (Department) did not comply with the Fiscal Control and Internal Auditing Act (Act).

The Department did not perform periodic reviews of the design of major new electronic data processing systems and major modifications to existing systems during the period under examination. The Department maintained approximately 68 electronic data processing systems which contained critical, financially sensitive or confidential data during the period under examination.

The Act (30 ILCS 10/2003(a)) requires the chief executive officer of each designated State agency to ensure the internal auditing program includes reviews of the design of major new electronic data processing systems and major modifications of those systems before their installation to ensure the systems provide for adequate audit trails and accountability.

Department management indicated the Internal Audit Division has not been able to hire an information systems auditor for several reasons, including budget constraints and other hiring limitations.

Failure to perform periodic reviews of the design of major new electronic data processing systems and major modifications to existing systems results in noncompliance with the Act. (Finding Code No. 2020-020)

RECOMMENDATION

We recommend the Department ensure periodic reviews of the design of major new electronic data processing systems and major modifications to existing systems are performed as required by the Act.

DEPARTMENT RESPONSE

The Department concurs. The Department's Office of Inspections and Audits completed an information technology security audit within fiscal year 2021 and will continue its efforts to comply with the FCIAA for information technology reviews in coordination with the Department of Innovation and Technology.

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2020-021 **FINDING** (Lack of Project Management)

The Illinois State Police (Department) lacked a project management framework, tools, and a system development methodology to ensure controls over Information Technology (IT) projects.

Since 2010, the auditors have noted the Department had not implemented a project management framework or tools to ensure the State’s and Department’s project goals and objectives were met. In addition, the Department had not developed a system development methodology to ensure development projects were properly controlled and met the project’s objectives.

The Department was responsible for the development of three new projects during Fiscal Years 2019 and 2020 as well as the development of applications in process at the end of Fiscal Year 2018. However, the Department did not utilize a project management framework or system development methodology, which would document planning, documentation, testing, and implementation requirements.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) states all agencies are to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that resources are utilized efficiently, effectively, and in compliance with applicable law and obligations and costs are in compliance with applicable laws. Also, generally accepted information technology guidance endorses the implementation of a process to ensure computer system development activities meet management’s objectives.

This finding was first noted during the examination of the two years ended June 30, 2010. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management indicated the weakness was due to insufficient resources in order to implement the Department of Innovation and Technology’s standardized project management process.

The lack of a defined project management standard and system development methodology increases the likelihood of ineffective and inefficient use of resources resulting in IT project failure to meet objectives, goals and require additional costs. (Finding Code No. 2020-021, 2018-005, 2016-004, 2014-004, 12-7, 10-2)

RECOMMENDATION

We recommend the Department develop and implement a project management framework and tools and a system development methodology to control and provide oversight of IT projects.

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2020-021 **FINDING** (Lack of Project Management) - Continued

DEPARTMENT RESPONSE

The Department concurs. The Department fully understands the importance of implementing a project management framework, tools, and system development methodology to ensure controls over Information Technology projects. The Division of Justice Services has implemented the project portfolio management system to assist in rectifying this finding and ensure the Fiscal Control and Internal Auditing Act is adhered to.

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2020-022 **FINDING** (Weakness in Change Management of Computer Systems)

The Illinois State Police’s (Department) change management policies and procedures did not ensure all changes were initiated, planned, developed, tested, and implemented in a controlled environment. In addition, programmers developing and making changes to computer systems had access to the production environment and the capability to implement changes.

The Department had established computer systems in order to meet its mission and mandate. The Department processed and maintained critical, confidential and sensitive information on its computer systems.

To establish requirements addressing changes to information technology resources utilized by the Department’s various bureaus; the Department established a Change Management Procedure, along with a Change Request Form and Instructions. However, the Procedures did not provide sufficient guidance to ensure changes were properly controlled and documented.

During the examination, we reviewed a sample of 25 changes, noting:

- Eight (32%) changes were moved to the production environment by the developer. In addition, the documentation supporting 16 of the 17 (94%) remaining change requests did not provide sufficient detail to determine if duties were properly segregated.
- Five (20%) changes did not provide sufficient detail to determine if testing was performed prior to being moved to production.
- All 25 (100%) changes lacked documentation detailing testing performed and associated approvals.
- All 25 (100%) changes lacked documentation indicating changes were approved before being moved to production.

Additionally, the Change Management Procedure in effect during Fiscal Year 2019 required the Department’s Office of Inspections and Audit to perform semi-annual reviews of the change management practices and provide management any findings and recommendations resulting from the review; however, the Department indicated such reviews were not performed during Fiscal Year 2019. The procedures were updated in Fiscal Year 2020 and the requirement was removed. Furthermore, we noted the Change Management policies and procedures did not address post-implementation reviews.

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2020-022 **FINDING** (Weakness in Change Management of Computer Systems) – Continued

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. In addition, generally accepted information technology guidance endorses the development and implementation of suitable change management procedures to control changes to computer systems. These procedures include restricting programmers/analysts from making a change and moving it into production to ensure all changes have been independently authorized before being moved to production.

This finding was first noted during the examination of the two years ended June 30, 2012. In the subsequent years, the Department has been unsuccessful in implementing a corrective action plan.

Department management indicated the weaknesses were due to insufficient staff to separate duties and a sprawling infrastructure that spans several decades' worth of technology. These factors have contributed to personnel filling multiple roles across the change management lifecycle.

Without adequate change management procedures, there is a greater risk of unauthorized, improper, or erroneous changes to computer systems. The lack of separation of duties in the computer environment increases the risk the confidentiality, integrity, and availability of data will be compromised. (Finding Code No. 2020-022, 2018-007, 2016-006, 2014-006, 12-9)

RECOMMENDATION

We recommend the Department update its procedures to ensure it adequately provides for computer system changes to be initiated, planned, developed, tested, and implemented in a controlled environment. Specifically, we recommend the Department enhance its procedures and requirements for:

- System testing, test scripts, and approval;
- User testing, test scripts, and approval;
- Requesting and receiving data approval to migrate changes into production;
- Post implementation reviews; and

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2020-022 **FINDING** (Weakness in Change Management of Computer Systems) – Continued

- Segregating duties between individuals requesting changes, programming changes, testing changes and moving changes to production. If the Department determines that programmer access to the production environment is necessary in some situations, it should establish and enforce compensating controls to ensure appropriate management oversight and approval of changes.

The Department should fully implement and consistently follow its change management policies and procedures.

DEPARTMENT RESPONSE

The Department concurs. The Department fully understands the importance of change management regarding computer systems. The Division of Justice Services will begin taking the necessary steps to develop an action plan which identifies a solution to rectify this finding and ensure the Fiscal Control and Internal Auditing Act is adhered to.

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2020-023 **FINDING** (Contingency Planning Weakness)

The Illinois State Police (Department) had not conducted adequate planning or testing for the recovery of its computer systems.

The Department carries out its mission through the use of Information Technology. Computer systems that support the Department's mission include, among others: Criminal History System (CHRI), ICASE, ICLEAR, Firearms Owner Identification System (FOID), Concealed Carry, and Violent Crime and Gang Tracking System (VITAL).

In June of 2018, the Department implemented the State of Illinois Department of Innovation and Technology and Illinois State Police's *Information Systems Resiliency Plan* (Plan). However, the Plan did not go into detail on the recovery of the Department's applications.

During the current examination, the Plan, dated June 1, 2018, was not revised to reflect the implementation of new systems or modifications to existing systems and therefore did not depict the current environment. As a result, the Plan did not adequately prioritize all critical application systems.

The Department had not conducted disaster recovery testing since September 2014.

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. Additionally, information technology guidance (including the National Institute of Standards and Technology and Government Accountability Office) endorse the formal development and testing of disaster recovery plans.

Department management indicated the weakness was due to insufficient resources and lack of travel funds to send personnel offsite to perform the testing.

Failure to adequately develop and test a disaster contingency plan leaves the Department exposed to the possibility of major disruptions of services. (Finding Code No. 2020-023, 2018-013, 2016-013)

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2020-023 **FINDING** (Contingency Planning Weakness) - Continued

RECOMMENDATION

We recommend the Department continuously review, update, and approve its disaster recovery plan to ensure it reflects the current environment and contains sufficient detail to support the Department’s recovery efforts. Additionally, the Department should perform disaster recovery testing at least annually and maintain sufficient documentation supporting the goals, processes, and results.

DEPARTMENT RESPONSE

The Department concurs. The Department fully understands the importance of adequately planning or testing for the recovery of its computer systems. The Division of Justice Services will begin taking the necessary steps to develop an action plan which identifies a solution to rectify this finding and ensure the Fiscal Control and Internal Auditing Act is adhered to.

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2020-024 **FINDING** (Lack of Agreement to Ensure Compliance with IT Security Requirements)

The Illinois State Police (Department) had not entered into a detailed agreement with the Department of Innovation and Technology (DoIT) to ensure prescribed requirements and available security mechanisms were in place in order to protect the security, processing integrity, availability, and confidentiality of its systems and data.

On January 25, 2016, the Governor signed Executive Order 2016-01, which created the Department of Innovation and Technology. Under the Executive Order, DoIT assumed responsibilities for the State’s IT decisions and spending, including the Department’s Information Technology infrastructure and functions. Commencing on July 1, 2016, DoIT and the Department were to work together in order to “transfer all relevant functions, employees, property, and funds” to DoIT.

During Fiscal Year 2019 and Fiscal Year 2020, the Department had not entered into an Intergovernmental Agreement which defined roles and responsibilities of both the Department and DoIT, outlined the transfer of assets and staff, and addressed the security, processing integrity, availability and confidentiality of the Department’s systems and data.

The Department has the ultimate responsibility to ensure its critical and confidential systems and data are adequately secured. As such, this responsibility is not limited because the information technology functions were transferred to DoIT.

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.

Department management indicated an Intergovernmental agreement is not yet finalized due to lack of resources.

Without a formal agreement clearly defining roles and responsibilities and outlining the transfer of assets and staff, the Department does not have assurance of the adequacy of controls to ensure the security, processing integrity, availability, and confidentiality of its systems and data. (Finding Code No. 2020-024)

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2020-024 **FINDING** (Lack of Agreement to Ensure Compliance with IT Security Requirements) - Continued

RECOMMENDATION

We recommend the Department enter into a detailed agreement with DoIT to ensure prescribed requirements and available security mechanisms are in place to protect the security, processing integrity, availability, and confidentiality of its systems and data.

DEPARTMENT RESPONSE

The Department concurs. The Department fully understands the importance of establishing a detailed agreement with the Department of Innovation and Technology (DoIT) and has already initiated the process by negotiating and providing a draft agreement to DoIT. Once approved the Division of Justice Services will ensure the agreement is properly vetted through the proper Department chains of command, to include the Department Legal Office and the Director's Office.

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2020-025 **FINDING** (Untimely Accident Reporting)

The Illinois State Police (Department) did not properly submit required documentation following automobile accidents.

During our testing, we noted:

- Eighty-six of 497 (17%) accidents did not have the required Motorist’s Report of Illinois Motor Vehicle Accident (SR-1) submitted to the Department of Central Management Services (CMS) within seven calendar days of the accident. The documentation was submitted one to 334 days late.
- Thirty-two of 60 (53%) SR-1 were either completed untimely or the date of completion was not able to be determined due to incomplete or missing reports. Fourteen (23%) of the SR-1 reports were completed one to 50 days late and 18 (30%) reports had no date of completion on the accident reports.
- Three of 60 (5%) accident files were missing the SR-1 report.

The Illinois Administrative Code (Code) (44 Ill. Admin. Code 5040.520) requires accidents to be reported to the appropriate law enforcement agency, the CMS Auto Liability Unit, and if a State agency owns the vehicle, to that agency by completing the SR-1. The State of Illinois Self-Insured Motor Vehicle Liability Plan requires the SR-1 to be submitted to CMS within seven days of an accident. Lastly, the Code requires an SR-1 be properly completed for all accidents no later than three days following an accident and a signed copy to be retained by the employing agency of the driver who was involved in the accident.

Department management indicated the untimely and incomplete reports were due to late submissions and entry errors by the vehicle operators.

Failure to timely complete and submit accident reports is noncompliance with the Code and the Illinois Self-Insured Motor Vehicle Liability Plan. The noncompliance also increases the risk of forfeiture of coverage under the Self-Insured Motor Vehicle Liability Plan. (Finding Code No. 2020-025)

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2020-025 **FINDING** (Untimely Accident Reporting) - Continued

RECOMMENDATION

We recommend the Department ensure required documentation of automobile accidents is submitted to CMS within seven calendar days as required by the Code. We further recommend the Department ensure the SR-1 reports are properly completed and submitted to all required parties in a timely manner.

DEPARTMENT RESPONSE

The Department concurs with the findings. Illinois State Police Directive *EQP-003, Department Vehicle Crash and Incident Reporting* requires the crash information be submitted to the Department of Central Management Services (CMS) within seven calendar days of the accident. The responsibility to enter crash information into the CMS Auto Liability system rests on Fleet staff. There are occasions when the data is reported late to Fleet staff, causing delayed entries in the CMS Auto Liability system. Additionally, the process in which SR-1 Reports are submitted to the Illinois Department of Transportation recently changed and is now completed through an online (web-based) process. In turn, the SR-1 in paper form is now obsolete. This new process has created situations where the SR-1 Report may be unavailable for the officer to print/copy after it is submitted in the online format. Unless a copy is made in advance of the online submission by the officer, he/she may lose the ability to submit/provide a copy of the report for crash packet inclusion.

As a corrective action to this finding, the Illinois State Police Fleet Services Bureau will send out correspondence through all Fleet Officers and consider additional ways to bring awareness to this issue (i.e. Shift Briefing, large distribution email, etc.), while providing further direction for officers to ensure they download and print a copy of the completed SR-1 Report prior to submitting the report online. In addition, the Fleet Section will make efforts to more quickly identify instances where a SR-1 Report is omitted from a crash packet and will ensure timely follow-up with the reporting officer when any such deficiency is identified.

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2020-026 **FINDING** (Untimely Completion of Performance Evaluations)

The Illinois Department of State Police (Department) did not conduct employee performance evaluations in a timely manner.

We reviewed 60 employee personnel files and noted sixteen (27%) employee files did not contain a completed performance evaluation for one of the fiscal years under examination. Seven (12%) employee files contained one or more annual evaluations that were not completed timely ranging from 16 to 291 days late.

The Department's Police Directive PER-102, Code Employee Evaluation, requires certified code employees to have a performance evaluation completed on an annual basis. In addition, the Illinois Administrative Code (80 Ill. Admin. Code 302.270(d)) requires the Department to prepare an evaluation on employees not less often than annually.

Department management indicated performance evaluations were not prepared or not prepared timely due to the continuation of reduction in staff, causing supervisors to assume additional duties and responsibilities, leaving less time for administrative functions.

Performance evaluations are a systematic and uniform approach for the development of employees and communication of performance expectations to employees. Performance evaluations serve as a foundation for salary adjustments, promotion, demotion, discharge, layoff, recall, and reinstatement decisions. (Finding Code No. 2020-026)

RECOMMENDATION

We recommend the Department ensure performance evaluations are conducted annually as required by its Directive and the Illinois Administrative Code.

DEPARTMENT RESPONSE

The Department concurs with the recommendation and Human Resources recently developed and implemented a method to track and notify supervisors 60 days prior to when evaluations are due.

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2020-027 **FINDING** (Inadequate Support for Employee Pay)

The Illinois State Police (Department) did not adequately document support for employee pay.

We reviewed 60 employee personnel files noting nine (15%) did not have adequate support for the employees' rate of pay.

- Five were sworn officers, who are paid in accordance with the Illinois State Police Sworn Salary Schedule. The salary schedule is based on years of service and Officer Rank; however, the employees' pay did not agree to the schedule based on their current rank and years of service; whereby, we noted differences of pay between \$1,512 and \$16,440 in excess of the schedule.
- Four were code employees whose rate of pay was not documented in their personnel file.

The State Police Act (Act) (20 ILCS 2610/8.2) states all State Policemen, regardless of rank, shall receive a longevity increment at the start of their 5th, 10th, 15th, 20th, and 25th years of service with the Illinois State Police amounting to approximately five percent of a trooper's salary for the year preceding that service anniversary. In addition, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department to maintain a system, or systems, of fiscal and administrative internal controls.

Department management indicated the lack of support for the employees' rate of pay was not maintained in the files due to oversight by payroll personnel.

Failure to ensure employee rates of pay are accurate and properly documented could result in unnecessary payroll expenditures. (Finding Code No. 2020-027)

RECOMMENDATION

We recommend the Department implement controls to ensure all employees are paid in accordance with the Act or Department written policy. Additionally, we recommend the Department maintain support in the employees' files.

DEPARTMENT RESPONSE

The Department concurs with the recommendation and designated salary and temporary assignment pay documentation will be maintained in the payroll files to reflect support for the employees' rate of pay.

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2020-028 **FINDING** (Inadequate Controls Over Employee Training)

The Illinois State Police (Department) failed to maintain adequate controls over employee training.

We tested training records for 60 employees noting:

- Three (5%) employees failed to complete the Department’s Mandatory Annual Training during both Fiscal Year 2019 and Fiscal Year 2020.
- Thirty-three (55%) employees lacked documentation they were either properly trained to protect the confidentiality of social security numbers, or were not subject to this training requirement.

Illinois State Police Directive PER-012, Education and Training states sworn personnel and code employees in a police officer or inspector position are subject to Mandatory Annual Training, including: Control and Arrest Tactics training, Firearms qualifications and training, First Responder Awareness, and Hazardous Materials training. The Identity Protection Act (Act) (5 ILCS 179/37) states each agency is to require all employees identified as having access to social security numbers in the course of performing their duties to be trained to protect the confidentiality of social security numbers.

Department management indicated the deficient training and the lack of documentation to determine if trainings were required to be completed by certain employees were due to oversight.

Failure to ensure employees are properly trained results in noncompliance with Department policy and the Act. (Finding Code No. 2020-028)

RECOMMENDATION

We recommend the Department comply with their Directive and the Act to document and ensure employees receive the required training to enable them to perform their specific job duties and protect confidential information.

DEPARTMENT RESPONSE

The Department concurs and will work to ensure all training is completed and proper documentation is maintained.

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2020-029 **FINDING** (Noncompliance with Federal Regulations)

The Illinois State Police (Department) failed to maintain proper controls over the timely completion and retention of the U.S. Citizenship and Immigration Services I-9 Employment Eligibility Verification (I-9) forms.

We tested the I-9 forms for 60 employees noting:

- I-9 forms could not be located for 36 (60%) employees.
- One (2%) employee's file contained an incomplete I-9 form; whereby, Section II was missing. In addition, Section I was signed by the employee three days late.

The Code of Federal Regulations (Code) (8 C.F.R. § 274a.2(b)(1)(i)(A)) requires each employer to ensure a new employee completes Section 1 on the Form I-9 at the time of hire. The Code (8 C.F.R. § 274a.2(b)(1)(ii)(B)) requires each employer to complete Section 2 on the Form I-9 within three business days after an employee is hired and sign the attestation in the appropriate place. In addition, 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.

Department management indicated the missing and incomplete I-9 forms were due to oversight.

Failure to complete and retain I-9 forms within the required timeframe results in noncompliance with the Code. (Finding Code No. 2020-029)

RECOMMENDATION

We recommend the Department ensure the Form I-9 is completed and retained for all employees.

DEPARTMENT RESPONSE

The Department concurs with the recommendation. Human Resources learned the non-code covered sworn employees certified by the Merit Board did not have the Form I-9 completed as required. While citizenship is verified during the background investigation, the Form I-9 was not being completed. The Department has now provided the Form I-9 to the Academy to be completed at the time the new cadets enter the Academy, during their orientation. The Form I-9 will be forwarded to Human Resources to be maintained in the officer's personnel file. Human

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2020-029 **FINDING** (Noncompliance with Federal Regulations) - Continued

Resources will again remind personnel liaisons that the Form I-9 must be complete on the day they begin employment with the agency and must be maintained in the personnel file.

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2020-030 **FINDING** (Inadequate Controls Over Payroll Files)

The Illinois State Police (Department) did not exercise adequate controls over employee payroll files.

We reviewed employee payroll files for 60 employees noting:

- Four (7%) employees' federal and/or state income taxes were withheld at an incorrect rate based upon the employees' *Federal/Illinois W-4 Employee's Withholding Allowance Certificate* (Form C-25).
- Seven (12%) employees were missing signed deduction authorizations, including:
 - deferred compensation withholding authorizations;
 - union dues withholding authorizations; and,
 - other miscellaneous deduction authorizations.

The State Salary & Annuity Withholding Act (5 ILCS 365/3) provides the Office of the Comptroller with the directive to withhold deductions from an employee's salary based upon the withholding authorization which the employee has completed. The Statewide Accounting Management System (SAMS) (Procedure 23.20.30) requires the Department to retain all payroll deduction authorization forms.

Department management indicated the weaknesses were due to not maintaining the current or correct C-25 form and deduction authorizations in the employees' payroll files.

Failure to maintain current C-25 forms and other signed deduction authorizations could result in improper or inaccurate withholding from an employee's pay. (Finding Code No. 2020-030)

RECOMMENDATION

We recommend the Department maintain accurate C-25 forms and deduction authorizations to ensure employee withholdings are accurate.

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2020-030 **FINDING** (Inadequate Controls Over Payroll Files) – Continued

DEPARTMENT RESPONSE

The Department concurs with the recommendation and will maintain all deduction authorization cards in the payroll files. The Department's Payroll Unit will also maintain accurate C-25 forms.

STATE OF ILLINOIS
ILLINOIS STATE POLICE
SCHEDULE OF FINDINGS – STATE COMPLIANCE
For the Two Years Ended June 30, 2020

2020-031 **FINDING** (Inadequate Control Over Cell Phones)

The Illinois State Police (Department) did not maintain documentation cellular phones were returned or cancelled in a timely manner.

During testing, the Department could not provide evidence of when the cellular phones were returned from terminated employees; therefore, we were unable to determine if devices were returned or cancelled in a timely manner.

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, expenditure, 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 indicated a lack of internal communication caused the lack of documentation of returned cellular phones.

Failure to ensure cellular devices are returned or cancelled could result in lost or stolen State property and unnecessary cellular charges. (Finding Code No. 2020-031)

RECOMMENDATION

We recommend the Department maintain adequate documentation to support the timely cancellation or return of cell phones upon termination.

DEPARTMENT RESPONSE

The Department concurs. The Department fully understands the importance of maintaining documentation cellular phones were returned or cancelled in a timely manner. The Division of Justice Services will begin taking the necessary steps to develop an action plan which identifies a solution to rectify this finding.

STATE OF ILLINOIS
ILLINOIS STATE POLICE
SCHEDULE OF FINDINGS – STATE COMPLIANCE
For the Two Years Ended June 30, 2020

2020-032 **FINDING** (Untimely Filing of the TA-2 Reports)

The Illinois State Police (Department) did not submit all required Travel Headquarters (TA-2) reports (Reports) timely.

During testing, we noted two of four (50%) Reports were filed 15 and 17 days late to the Legislative Audit Commission (Commission).

The State Finance Act (30 ILCS 105/12-3) requires the Form TA-2 be completed and filed with the Commission for any individual whose headquarters has been designated at a location other than that at which official duties require the largest part of working time. The reports shall be filed no later than July 15th for the period January 1st through June 30th of that year and no later than January 15th for the period July 1st through December 31st of the preceding year.

Department management indicated the late filing was due to employee oversight.

Failure to timely file Reports to the Commission could result in the Commission providing inaccurate information in its annual report to the General Assembly. (Finding Code No. 2020-032)

RECOMMENDATION

We recommend the Department timely file its Form TA-2's.

DEPARTMENT RESPONSE

The Department concurs. The Department fully understands the importance of submitting all required Travel Headquarters (TA-2) reports in a timely manner. The Division of Justice Services will begin taking the necessary steps to develop an action plan which identifies a solution to rectify this finding.

STATE OF ILLINOIS
ILLINOIS STATE POLICE
SCHEDULE OF FINDINGS – PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2020

A. **Finding:** (Failure to Follow Policies and Procedures Over Asset Seizures and Forfeitures)

During the prior examination period, the Illinois State Police (Department) failed to comply with its policies and procedures over asset seizures and forfeitures.

During the current examination period, the Department amended its policies and procedures and testing indicated the Department was in compliance with its revised policies and procedures. (Finding Code No. 2018-011, 2016-011)

B. **Finding:** (Inadequate Controls Over Contracts)

During the prior examination period, the Illinois State Police (Department) did not establish adequate internal controls over contracts.

During the current examination period, our testing indicated the contracts were timely signed, approved, and filed. (Finding Code No. 2018-012, 2016-012)

C. **Finding:** (Inadequate Controls Over Personnel Transactions)

During the prior examination period, the Illinois State Police (Department) did not timely forward Personnel Action Request forms to the Public Safety Shared Services Center.

During the current examination period, our testing indicated the Department completed personnel transactions timely. (Finding Code No. 2018-014)

STATE OF ILLINOIS
ILLINOIS STATE POLICE
OFFICE OF THE AUDITOR GENERAL PERFORMANCE
AUDIT RECOMMENDATIONS UPDATE
For the Two Years Ended June 30, 2020

DIVISION OF FORENSIC SERVICES

In March 2009, the Office of the Auditor General released a management and program audit of the Illinois State Police’s Division of Forensic Services (DFS). The audit contained 16 recommendations. As part of the compliance examination of the Illinois State Police (Department) for the period ended June 30, 2018, auditors followed up on the status of the recommendations made in the March 2009 report and reported the following:

Recommendation 1	Partially Implemented
Recommendation 2	Implemented
Recommendation 3	Partially Implemented
Recommendation 4	Implemented
Recommendation 5	Implemented
Recommendation 6	Implemented
Recommendation 7	Implemented
Recommendation 8	Implemented
Recommendation 9	Implemented
Recommendation 10	Implemented
Recommendation 11	Implemented
Recommendation 12	Implemented
Recommendation 13	Implemented
Recommendation 14	Implemented
Recommendation 15	Implemented
Recommendation 16	Implemented

As part of the compliance examination of the Department for the period ending June 30, 2020, auditors followed-up on the status of the partially implemented recommendations reported in the June 30, 2018 report and noted the following.

Recommendation 1: The Department should develop a comprehensive plan to address the environmental issues at its forensic labs.

Partially Implemented: The Department’s Division of Forensic Services (DFS) continues to actively address all identified environmental issues at its forensic laboratories. This is accomplished either through planning via General Revenue budget requests or through remediation as urgent environmental issues are identified. The DFS personnel work closely with the Division of Justice Services, which is tasked with oversight of the Department’s facilities. As noted previously, the DFS continues to plan for and address facility projects in accordance with established mechanisms within the State government system such as annual budget requests and capital development requests. Issues are prioritized to ensure immediate attention is given to facility issues which may impact the safety and security of employees, equipment, and evidence. In Fiscal Year 2019, the Joliet Laboratory received funding from the Capital Development Board to conduct facility renovations to address urgent health and safety issues. The Division of Forensic Services continues to pursue funding to construct a new forensic laboratory to replace the existing aging outdated Joliet Forensic Science Laboratory.

STATE OF ILLINOIS
ILLINOIS STATE POLICE
OFFICE OF THE AUDITOR GENERAL PERFORMANCE
AUDIT RECOMMENDATIONS UPDATE
For the Two Years Ended June 30, 2020

DIVISION OF FORENSIC SERVICES - Continued

Recommendation 3: The Department should ensure that resources provided by the General Assembly are fully utilized for the mission of the Division of DFS, including the reduction of case backlogs, rather than allowing this funding to transfer or lapse. The Department should take the steps necessary to determine the funding level needed to operate its lab system.

Partially Implemented: During the current examination period, due to staffing challenges, the Department has not been able to fully expend funding or fully staff scientists in the Biology section to fully reduce case backlogs.

However, the Department’s Budget Office continually strives to make the best use of funds it is appropriated, within the guidelines received by the Governor’s Office and limitations of the procurement process. In Fiscal Year 2019, as a result of legislative initiatives, the DFS successfully implemented a new Laboratory Information System (LIMS) to facilitate the reduction of forensic case backlogs through effective management and tracking of forensic case submissions. In Fiscal Year 2020, DFS utilized available funding to implement robotics in DNA analysis and to upgrade equipment in Toxicology, Drug Chemistry, and Trace Chemistry. Additionally, funding for a lean-six-sigma project in Biology/DNA helped to identify areas for improved processes in the analysis of DNA cases. DFS continues to plan for and address funding needs in accordance with established mechanisms within the State government system such as through annual budget requests, appropriation legislation, and federal grant solicitations. DFS has continued to implement targeted approaches to fully utilize funding provided by the General Assembly to operate its laboratory system.

FIREARM OWNER’S IDENTIFICATION CARD ACT

In April 2012, the Office of the Auditor General released a management audit of the Department’s Administration of the Firearm Owner’s Identification Card Act. The audit contained 12 recommendations. As part of the compliance examination of the Department for the period ending June 30, 2018, auditors followed-up on the status of the recommendation made in the April 2012 report and reported the following:

Recommendation 1	Implemented
Recommendation 2	Implemented
Recommendation 3	Implemented
Recommendation 4	Implemented
Recommendation 5	Implemented
Recommendation 6	Partially Implemented
Recommendation 7	Implemented
Recommendation 8	Implemented
Recommendation 9	Implemented
Recommendation 10	Implemented
Recommendation 11	Implemented
Recommendation 12	Implemented

STATE OF ILLINOIS
ILLINOIS STATE POLICE
OFFICE OF THE AUDITOR GENERAL PERFORMANCE
AUDIT RECOMMENDATIONS UPDATE
For the Two Years Ended June 30, 2020

FIREARM OWNER'S IDENTIFICATION CARD ACT - Continued

As part of the compliance examination of the Department for the period ending June 30, 2020, auditors followed-up on the status of the repeated and partially implemented recommendations reported in the June 30, 2018 report and noted the following.

Recommendation 6: The Department should work with its vendor to ensure that FOID cards are forwarded to the correct mailing address; and ensure that it has enough Customer Service Representatives to answer the questions of FOID card applicants.

Partially Implemented: In the prior examination, it was noted that due to multiple changes to the FOID Act since the original audit, the first portion of the recommendation is no longer applicable and was not followed up on during the current examination.

During the current examination period, the Department proposed a headcount of 50 call takers was needed to fully staff the Call Center/Customer Service Support Line. Hiring has been ongoing with limited success to meet full staffing. The number of contractual personnel were maximized within the constraints of the current temporary services contract.

In Fiscal Year 2021, the customer service capabilities of the Department are being expanded with the establishment of satellite offices located throughout the State. This will include posting four additional positions. Additionally, a VoIP Call Center Solution has been developed and is scheduled for full implementation in Fiscal Year 2021. The solution allows for automated call handling and call back features to better serve customers and alleviate the call volume requiring agent interaction.

STATE OF ILLINOIS
ILLINOIS STATE POLICE
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2020

(NOT EXAMINED)

Functions

The Department, as authorized by the State Police Act (20 ILCS 2610), is responsible to maintain order as mandated by Illinois Compiled Statutes, while safeguarding the rights and privileges of all citizens of the State. In order to fulfill its responsibility, the Department has been vested with various powers, rights and duties. The Department had been divided into four divisions: Operations, Forensic Services, Administration, and Internal Investigation all under the direction of the Director of the Department. The Department was re-organized in 2019. The Department now consists of seven divisions: Patrol, Criminal Investigation, Forensic Services, Justice Services, Internal Investigation, Academy and Training, and the Office of the Statewide 9-1-1 Administrator. The reporting metrics for the Public Accountability Report (PAR) mirror the Department structure prior to the re-organization in 2019.

- 1) The Division of Operations (now the Divisions of Patrol and Criminal Investigation) provides police service to the residents and visitors of Illinois and is dedicated to improving highway safety and solving and preventing crime.
- 2) The mission of the Division of Forensic Services is to deliver accurate and timely forensic services in the collection and analysis of physical evidence from crimes and assist with the identification and prosecution of offenders and the exoneration of the innocent.
- 3) The mission of the Division of Administration (now the Division of Justice Services) is providing administrative and technical support to the employees of the Illinois State Police and statewide law enforcement, in addition to delivering reliable, accurate, and credible information to empower effective public safety decision-making.
- 4) The mission of the Division of Internal Investigation is through education and swift and impartial investigations of all allegations, to reduce the incidence of misconduct within the Department and within the executive branch, maintaining a high level of trust in the Department and in public office.

Division of Operations (Patrol and Criminal Investigation)

	Fiscal Year		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Number of impaired driving/zero tolerance citations	4,230	5,040	4,801
Number of speeding citations	36,486	104,517	106,087
Number of motor carrier inspections	60,962	91,103	88,482
Number of criminal investigative cases opened	650	1,275	1,428

STATE OF ILLINOIS
ILLINOIS STATE POLICE
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2020

(NOT EXAMINED)

	Fiscal Year		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Number of criminal investigative cases closed	201	423	580
Number of fatal crashes	956	914	951
Percentage of criminal cases resulting in arrests	31%	33%	31%

The Department conducts law enforcement activities throughout the state and provides assistance to local law enforcement agencies in order to enhance the daily lives of the community by reducing the occurrence and fear of crime and improving highway safety. The significant reduction in the enforcement statistics these services was due to COVID-19 restrictions. In addition, the Department undertook additional “community caretaking” activities in order to ensure compliance with the Executive Orders issued by the Governor to mitigate the spread of COVID-19.

Division of Forensic Services

	Fiscal Year		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Number of Deoxyribonucleic Acid (DNA) cases worked	15,888	10,801	6,394
Number of forensic cases worked in all disciplines	64,543	63,074	66,126
Number of crime scenes processed	3,365	3,597	3,849
Number of Firearm Owner's Identification (FOID) Applications processed	279,878	313,483	228,448
Number of identification inquiries(name-based and fingerprint-based checks)	984,675	6	9
DNA case backlog	6,093	8,776	3,745
Case backlog of all forensic cases	14,671	23,109	12,916
Number of property crime scenes processed	884	1,271	1,488
Number of DNA profiles uploaded to the Combined DNA Indexing System (CODIS)	16,217	21,110	26,445
Number of revoked FOID cards	10,278	10,703	10,871
Percentage of DNA cases worked in 30 days	29%	21%	8%
Percentage of forensic cases worked in 30 days	32%	41%	50%
Percentage of crimes against persons responded to within one hour	82%	92%	91%

STATE OF ILLINOIS
ILLINOIS STATE POLICE
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2020

(NOT EXAMINED)

The Division of Forensic Services is delivering accurate and timely forensic services in the collection and analysis of physical evidence from crimes and assisting with the identification and prosecution of offenders and the exoneration of the innocent. The Division of Forensic Services implemented a new electronic Laboratory Information Management System (LIMS) to manage lab cases. Additionally, Division of Forensic Services is implementing Lean Management initiatives to increase efficiency.

Division of Administration (now Justice Services)

	Fiscal Year		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Number of inquiry transactions processed (LEADS)	90,435,040	95,440,682	96,276,479
Number of court orders to expunge or seal records	19,766	16,625	N/A

The Division of Administration (now the Division of Justice Services) is providing administrative and technical support to the employees of the Department and statewide law enforcement, in addition to delivering reliable, accurate, and credible information to empower effective public safety decision-making. The reduction in the number of LEADS transactions was due to COVID-19 restrictions. In addition, the several local law enforcement agencies undertook additional “community caretaking” activities.

Division of Internal Investigation

	Fiscal Year		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Number of Division of Internal Investigation cases opened	670	198	228
Number of employment background checks (ISP and other criminal justice agencies)	1,282	888	903
Number of criminal history analyses conducted at nursing homes	2,662	3,148	3,197
Percentage of ISP personnel complaints cleared	20%	8%	11%
Percentage of complaints against officers that are sustained	80%	56%	85%

The Division of Internal Investigation provided education and swift and impartial investigations of all allegations, in order to reduce the incidence of misconduct within the Department and within the executive branch, thus maintaining a high level of trust in the Department and in

STATE OF ILLINOIS
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ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2020

(NOT EXAMINED)

public office. The increase to the number of Division of Internal Investigation cases opened is due to a change in the reporting procedure. This number now includes background investigations for Department Cadet applicants.

Planning

The Department has historically maintained a multi-year strategic plan and has embraced the concept of continuous improvement. This leads to the development of measurable and realistic goals to improve performance outcomes. However, improvement does not stop once goals are met. The outcomes are evaluated, and new goals are set.

Each Department Division has developed goals and objectives that support the Department's mission and goals. The Divisions have also determined what measurable outcomes will be used to measure progress made toward each of the goals that have been set. These Division goals and measurable outcomes are shared with personnel so that everybody is aware of the areas of focus and priority for the Division.

The Department Strategic Plan is reviewed by the Director's Office, each Department Colonel, and the Office of Research and Development on an annual basis. Additionally, each Division reports progress on a quarterly basis. Addendums to the Department Strategic Plan are added for quarterly-reporting. In addition to the quarterly-reporting, the Divisions also submit a report to the Director's Office at the end of each Fiscal Year. The reports will document the progress made to each of the strategic goals identified by each Division.

Significant Challenges

Through the Department Strategic Plan reporting, the Department Divisions have identified several challenges they are facing while making progress to achieve goals. Although several challenges have been identified, the most noted challenges include insufficient staffing levels/lack of qualified applicants, COVID-19 impacts, the need for improvements to existing electronic systems, and the upgrade of aging equipment. In response, the Department has implemented lean management principles to address these issues and streamline processes. The Department also implemented new systems, such as the Laboratory Information Management System (LIMS) within the forensic labs and Voice Over Internet Protocols (VOIP) within the Firearm Services Bureau. The Department continues to embrace the concept of continuous improvement and is working on lean management projects within all Department Divisions.

STATE OF ILLINOIS
ILLINOIS STATE POLICE
DISCLOSURE OF EMERGENCY PURCHASES
For the Two Years Ended June 30, 2020

(NOT EXAMINED)

Fiscal Year 2020

The Illinois State Police (Department) did not have any emergency purchases during Fiscal Year 2020.

Fiscal Year 2019

Threat to Public Health or Safety

Emergency purchase of Augmented Reality Mapping System:

The Augmented Reality Mapping System is utilized for current night vision/enhanced vision assets using thermal imaging devices which provide heat and or cold detection. This device increases capability of forward looking infra-red technology without the support of properly equipped aerial assets. This system can assist with the detection of explosives, chemical reactions, humans or any other item which otherwise is concealed from view.

This system was purchased from Churchill-Navigation, Inc for \$147,125. The Comptroller paid \$147,110. The original amount of \$147,125 was reduced to \$147,110 because of a \$15 contract fee deduction.

Prevent or Minimize Disruption to Critical State Services

Emergency repair of Emergency Vehicles Operations Center track:

Training on the Emergency Vehicles Operations Center driving track prepares cadets to properly handle their assigned vehicles during high speed pursuits. The track surface is experiencing mixture raveling under repeated, high stress maneuvers on curves. This has caused a hazard for trainees and an unsatisfactory training experience. After damage to the track it needed immediate repair. The cadet class that began in June of 2018 were scheduled to being vehicle training in October (2018) would not have occurred if the track was not repaired which would have resulted in the class not graduating on time. Failure to adequately train the cadets will result in a threat to public safety.

The repairs were completed through Truman L. Flatt & Sons Co, Inc. for \$222,171. However, this was actually paid for by the Illinois State Police Merit Board and was not expended from Department appropriations.

STATE OF ILLINOIS
ILLINOIS STATE POLICE
DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2020

(NOT EXAMINED)

The Governor, in response to the COVID-19 pandemic, issued sequential Gubernatorial Disaster Proclamations from March 12, 2020, through June 30, 2020. 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 2020

The Department had three emergency purchases related to the COVID-19 pandemic in Fiscal Year 2020.

Personal Protective Equipment

The Department ran low on available masks and hand sanitizer at the beginning of the COVID-19 pandemic, which necessitated the COVID purchase of 75,000 face masks and 18,000 bottles of multiple sizes of hand sanitizer. The masks and sanitizer have been distributed throughout the Department buildings for employees to wear at the office and sanitizer their hands. The items have also been distributed to sworn officers working the roads for safety and sanitation if they come in contact with the public. The Department ultimately paid its vendor, EcoNatura All, \$184,041 to acquire personal protective equipment.

Personal Protective Equipment

At the beginning of the COVID-19 pandemic, N95 masks were very hard to come by. Therefore 3-ply surgical masks were purchased. Once a supply of N95 masks were available we moved forward with a purchase of 40,000. The items have also been distributed to sworn officers working the roads for safety and sanitation if they come in contact with the public. The Department ultimately paid its vendor, Wooter Apparel, \$212,000 to acquire N95 masks.

Simulators

Due to emergency declarations, Department needed the simulators to deliver mandatory components of cadet training. Governor JB Pritzker issued several Executive Orders, specifically 2020-07 and 2020-10, which limited gatherings to no more than 50 individuals and deemed law enforcement operations as an essential government functions, respectively. In response to these orders, the Department terminated on-site training of Cadet Classes for that time. As a result, on-line training was initiated. The purchase of the simulators will further allow the cadets to complete training via distance learning technology. The Department ultimately paid its vendor, FAAC Incorporated, \$571,818 to obtain the simulators.

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DISCLOSURE OF EMERGENCY PURCHASES
UNDER THE GUBERNATORIAL COVID-19 DISASTER PROCLAMATIONS
For the Two Years Ended June 30, 2020

(NOT EXAMINED)

Fiscal Year 2019

Proclamation not active during this Fiscal Year.