

**STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
COMPLIANCE EXAMINATION**

For the Two Years Ended June 30, 2020

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
 COMPLIANCE EXAMINATION
 For the Two Years Ended June 30, 2020

TABLE OF CONTENTS

	<u>Schedule</u>	<u>Page</u>
Committee Officials		1
Management Assertion Letter		3
Compliance Report		
Summary		5
Independent Accountant’s Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes		7
Schedule of Findings		
Current Findings – State Compliance		11
Prior Finding Not Repeated		18
Supplementary Information for State Compliance Purposes		
Fiscal Schedules and Analysis		
Schedule of Appropriations, Expenditures, and Lapsed Balances:		
Fiscal Year 2020	1	19
Fiscal Year 2019	2	20
Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances	3	21
Comparative Schedule of Net Expenditures by Major Activity	4	22
Comparative Schedule of Cash Receipts and Deposits into the State Treasury	5	23
Schedule of Changes in Property	6	24
Analysis of Operations (Not Examined)		
Analysis of Operations (Functions and Planning)		25
Analysis of Significant Variations in Expenditures		27
Analysis of Significant Variations in Receipts		28
Analysis of Significant Lapse Period Spending		29
Number of Employees		30

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2020

COMMITTEE OFFICIALS

Executive Director (01/01/21 – Present)	Kimberly Schultz
Executive Director (07/01/18 – 01/31/21)	Vicki Thomas
Deputy Director	Kevin Kulavic
Fiscal Officer/Office Manager	Crystal Woolard
Assistant Office Manager (04/1/21 – Present)	Vacant
Assistant Office Manager (07/01/18 – 03/31/21)	Samantha Jostes
Legal Counsel (07/01/18 – Present)	Vacant

COMMITTEE OFFICERS

Co-Chair of the Committee (01/29/20 – Present)	Senator William "Bill" Cunningham
Co-Chair of the Committee (07/01/18 – Present)	Representative Keith Wheeler
Co-Chair of the Committee (07/01/18 – 01/28/20)	Senator Don Harmon

COMMITTEE MEMBERS

(03/18/20 – Present)	Senator John F. Curran
(02/11/21 – Present)	Senator Donald P. DeWitte
(01/19/19 – Present)	Senator Kimberly A. Lightford
(07/01/18 – Present)	Senator Antonio Muñoz
(09/04/18 – Present)	Senator Sue Rezin
(10/01/18 – 02/10/21)	Senator Paul Schimpf
(07/01/18 – 03/18/20)	Senator Charles "Chuck" Weaver
(07/01/18 – 09/03/18)	Senator Karen McConnaughay
(07/01/18 – 09/30/18)	Senator Pamela Althoff
(07/01/18 – 01/04/19)	Senator Ira Silverstein
(07/01/18 – Present)	Representative Tom Demmer
(02/01/19 – Present)	Representative Michael Halpin
(02/01/19 – Present)	Representative Frances Ann Hurley
(01/09/19 – Present)	Representative Steven Reick
(03/11/21 – Present)	Representative Curtis J. Tarver, II
(07/01/18 – 01/08/19)	Representative Peter Breen
(07/01/18 – 01/08/19)	Representative Barbara Flynn Currie
(07/01/18 – 01/08/19)	Representative Greg Harris
(07/01/18 – 03/10/21)	Representative André Thapedi

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2020

COMMITTEE OFFICE

The Joint Committee on Administrative Rules' administrative office is located at:

William G. Stratton Building
401 S. Spring Street, Room 700
Springfield, Illinois 62706

JOINT COMMITTEE ON ADMINISTRATIVE RULES

ILLINOIS GENERAL ASSEMBLY

CO-CHAIR:

SEN. BILL CUNNINGHAM

CO-CHAIR:

REP. KEITH R. WHEELER



700 STRATTON BUILDING
SPRINGFIELD, ILLINOIS 62706
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SEN. JOHN F. CURRAN
SEN. DONALD P. DEWITTE
SEN. KIMBERLY A. LIGHTFORD
SEN. ANTONIO MUÑOZ
SEN. SUE REZIN
REP. TOM DEMMER
REP. MICHAEL HALPIN
REP. FRANCES ANN HURLEY
REP. STEVEN REICK
REP. CURTIS J. TARVER, II

MANAGEMENT ASSERTION LETTER

November 1, 2021

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

Auditor General Mautino:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, Joint Committee on Administrative Rules (Committee). 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 Committee's compliance with the following specified requirements during the two-year period ended June 30, 2020. Based on this evaluation, we assert that during the years ended June 30, 2019, and June 30, 2020, the Committee has materially complied with the specified requirements listed below.

- A. The Committee 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 Committee 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 Committee 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 Committee 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.

Yours truly,

State of Illinois, Joint Committee on Administrative Rules

SIGNED ORIGINAL ON FILE

Kimberly Schultz, Executive Director

SIGNED ORIGINAL ON FILE

Crystal Woolard, Office Manager

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
 STATE COMPLIANCE EXAMINATION
 For the Two Years Ended June 30, 2020

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, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current</u>	<u>Prior</u>
	<u>Report</u>	<u>Report</u>
Findings	3	2
Repeated Findings	1	0
Prior Recommendations Implemented or Not Repeated	1	0

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First</u> <u>Report</u>	<u>Description</u>	<u>Finding Type</u>
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FINDINGS (STATE COMPLIANCE)

2020-001	11	2020/2018	Voucher Processing Weaknesses	Significant Deficiency and Noncompliance
2020-002	12	New	Inadequate Controls over Employee Records	Significant Deficiency and Noncompliance
2020-003	15	New	Inadequate Controls over Information Systems	Significant Deficiency and Noncompliance

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
STATE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2020

PRIOR FINDINGS NOT REPEATED

A 18 2018/2018 Property Control Weaknesses

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Committee personnel at an exit conference on October 27, 2021.

Attending were:

Joint Committee on Administrative Rules

Kimberly Schultz, Executive Director

Kevin Kulavic, Deputy Director

Crystal Woolard, Fiscal Officer/Office Manager

Office of the Auditor General

Stephanie Wildhaber, Audit Manager

The responses to the recommendations were provided by Kimberly Schultz, Executive Director, in a correspondence dated November 1, 2021.

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OFFICE OF THE AUDITOR GENERAL
FRANK J. MAUTINO

**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

and

Governing Board
State of Illinois, Joint Committee on Administrative Rules

Compliance

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

The specified requirements are:

- A. The Committee 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 Committee 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 Committee 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 Committee 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.

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 Committee complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Committee complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance with the specified requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the Committee complied with the specified requirements during the two years ended June 30, 2020, in all material respects. However, the results of our procedures disclosed instances of noncompliance with the specified requirements, which are required to be reported in accordance with criteria established by the *Audit Guide* and are described in the accompanying Schedule of Findings as items 2020-001 through 2020-003.

The Committee's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The Committee'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 Committee 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 Committee's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our

opinion on the Committee's compliance with the specified requirements and to test and report on the Committee's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Committee's internal control. Accordingly, we do not express an opinion on the effectiveness of the Committee's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the specified requirements on a timely basis. A *material weakness in internal control* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2020-001 through 2020-003 that we consider to be significant deficiencies.

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

The Committee's responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The Committee'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 Committee's compliance with the specified requirements. The accompanying supplementary information for the years ended June 30, 2020, and June 30, 2019, in Schedules 1 through 6 and the Analysis of Operations section are presented for purposes of additional analysis. Such information is the responsibility of Committee management. We have applied certain limited procedures as prescribed by the *Audit Guide* to the accompanying supplementary information for the years ended June 30, 2020, and June 30, 2019, in Schedules 1 through 6. We have not applied procedures to the

accompanying supplementary information for the years ended June 30, 2018, in Schedules 3 through 6 and in the Analysis of Operations Section. We do not express an opinion, a conclusion, nor provide any assurance on the accompanying supplementary information in Schedules 1 through 6 or the Analysis of Operations Section.

SIGNED ORIGINAL ON FILE

JANE CLARK, CPA
Director of Financial and Compliance Audits

Springfield, Illinois
November 1, 2021

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2020

2020-001. **FINDING** (Voucher Processing Weaknesses)

The Joint Committee on Administrative Rules (Committee) did not exercise adequate control over voucher processing.

During testing of 73 non-payroll vouchers, we noted the following:

- Three (4%) vouchers tested, totaling \$153, were not date stamped when received by the Committee. As such, we were unable to determine if the vouchers were approved timely.

- Five (7%) vouchers tested, totaling \$639, were approved 10 to 59 days late.

The Illinois Administrative Code (74 Ill. Admin. Code 900.70(b)) requires the Committee to approve proper bills or deny bills with defects, in whole or in part, within 30 days after receipt. In addition, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Committee 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 law.

During the previous examination, Committee officials indicated they had tried to establish a program to comply with statutory mandates but were unable to do so because of inadequate staff resources. During the current examination, Committee officials indicated the issues noted above were due to staff error and lack of training/knowledge.

Failure to date stamp invoices received by the Committee and approve or deny bills with defects, in whole or in part, within 30 days after receipt, represents noncompliance with statutes. (Finding Code No. 2020-001, 2018-001)

RECOMMENDATION

We recommend the Committee strengthen controls over voucher processing to ensure date of receipt is properly documented and invoices are timely paid.

COMMITTEE RESPONSE

The Committee agrees with the finding and will work to implement the recommendation.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2020

2020-002. **FINDING** (Inadequate Controls over Employee Records)

The Joint Committee on Administrative Rules (Committee) did not maintain adequate control over employee records.

During testing, we noted the following:

- For six of eight (75%) employees tested, accrued balances of leave did not agree to leave slips resulting in a difference of approximately 28 hours.

The Illinois Administrative Code (80 Ill. Admin. Code 303.340) implemented and authorized by the Personnel Code (20 ILCS 415/1 et seq.) requires each agency maintain accurate attendance records.

- For seven of eight employees tested (88%), we noted 13 leave requests lacking proper signature authority.

The Committee’s Personnel Procedures (Article 11.1) states employee leave requests should be requested in advance and must be approved by both the employee's supervisor and the Executive Director.

- For eight of eight (100%) employees tested, the Committee did not retain a U.S. Citizenship and Immigration Services (USCIS) I-9 Employment Eligibility Verification Form (Form I-9) on file.

The Immigration Reform and Control Act of 1986 requires an entity hiring an individual for employment in the United States to attest, under penalty of perjury and on a form designated or established by the Attorney General by regulation, that it has verified the individual is not an unauthorized alien. Such attestation is required to be made by completing Form I-9. USCIS instructions for Form I-9 requires Section 1 to be completed no later than the first day of employment. The employer is also required to retain each employee’s completed I-9 form for as long as the individual remains employed for the employer and for a specified period after employment has ended. Once the individual’s employment ends, the employer must retain the I-9 form and attachments for either three years after the date of hire or one year after the date employment ended; whichever is later.

- For three of eight (38%) employees tested, the Committee was unable to provide documentation showing the employees completed annual ethics and sexual harassment training.

The State Officials and Employees Ethics Act (5 ILCS 430/5-10.5) states until 2020, each officer, member, and employee must complete at least annually, a

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2020

2020-002. **FINDING** (Inadequate Controls over Employee Records) – Continued

sexual harassment training program. The State Officials and Employees Ethics Act (5 ILCS 430/5-10) states each officer, member, and employee must complete, at least annually beginning in 2004, an ethics training program conducted by the appropriate State agency. Good business practices require sufficient and proper records be maintained to adequately document compliance with laws, rules, and regulations.

- One of two (50%) newly hired employees did not complete sexual harassment training within 30 days of the start of employment.

State Officials and Employees Ethics Act (5 ILCS 430/5-10.5) states a person who fills a vacancy in an elective or appointed position that requires training under this Section must complete his or her initial sexual harassment training program within 30 days after commencement of his or her office or employment. Good business practices require sufficient and proper records be maintained to adequately document compliance with laws, rules, and regulations.

Committee officials indicated the issues noted above were due to staff error and lack of training/knowledge.

Failure to maintain accurate attendance records increases the risk of the Committee paying for services not rendered by employees. In addition, failure to establish and maintain adequate internal controls over attendance increases the risk that errors or other irregularities could occur and not be found within the normal course of operations, increases the risk of litigation to the State, and represents noncompliance with laws, rules, and regulations. Further, failure to complete and retain I-9 forms within the required timeframe is a violation of USCIS requirements. Also, failure to document the completion of ethics and sexual harassment prevention training to all employees hinders employees from being informed of their rights and responsibilities in the workplace and increases the Committee's risk of liability. (Finding Code No. 2020-002)

RECOMMENDATION

We recommend the Committee strengthen controls over personal services to ensure records and documentation is accurately maintained.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2020

2020-002. **FINDING** (Inadequate Controls over Employee Records) – Continued

COMMITTEE RESPONSE

The Committee agrees with the finding and will work to implement the recommendation. The Committee expects to transition to an electronic timekeeping system in 2022 that will assist the Committee in maintaining accurate and properly approved employee time records. The Committee also plans to implement a more robust training documentation system to ensure required trainings are completed in a timely manner and documentation of the trainings is maintained.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2020

2020-003. **FINDING** (Inadequate Controls over Information Systems)

The Joint Committee on Administrative Rules (Committee) had inadequate control over its information systems.

During testing, we noted the following:

- Risk assessments were not performed by the Committee or on behalf of the Committee. As a result, the Committee could not form a mitigation plan.
- The Committee did not review its Active Directory accounts that have been dormant for 60 or more days.
- The Committee did not review its Security Software IDs.
- The Committee did not conduct or document annual reviews of access rights to the Committee’s internal applications.
- The Committee did not ensure the Legislative Information System (LIS) and the Department of Innovation and Technology (DoIT) were completing backups of their applications and databases.
- The Committee did not conduct or document annual reviews of access rights to CPS.

Generally accepted information technology guidance endorses the development of well-designed and well-managed controls to protect computer systems and data. Effective computer security controls provide safeguarding, securing, and controlling access to hardware, software, and the information stored in the computer system. The Fiscal Control and Internal Auditing Act (Act) (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

The Committee is responsible for the design, implementation, and maintenance of internal controls related to information systems to ensure resources and data are adequately protected. This responsibility is not limited due to the process being outsourced.

Committee officials indicated they were unaware of the requirements relating to information system controls.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2020

2020-003. **FINDING** (Inadequate Controls over Information Systems) – Continued

Without documentation of a risk assessment, the Committee is at risk of noncompliance. In addition, there is a risk that Committee systems and information could be vulnerable to attacks or intrusions, and these attacks may not be detected in a timely manner. Further, failure to periodically review access to information systems, including its Active Directory, Security Software IDs, internal applications, and CPS, exposes the Committee to the risk of undetected or unauthorized access that could result in incorrect or erroneous transactions. Lastly, failure to ensure backups of their applications and database are complete leaves the Committee exposed to the possibility of major disruption of services. (Finding Code No. 2020-003)

RECOMMENDATION

We recommend the Committee perform the following:

- Ensure risk assessments are performed,
- Develop a corrective action plan to remediate any risks identified related to CPS,
- Review its Active Directory accounts that have been dormant for 60 or more days,
- Review its Security Software IDs,
- Conduct or document annual reviews of access rights to the Committee’s internal application system,
- Ensure LIS and DoIT are completing backups of their applications and database data; and,
- Conduct or document annual reviews of access rights to CPS.

COMMITTEE RESPONSE

The Committee disagrees that risk assessments were not performed. Risk assessments were performed on behalf of the Committee by the Legislative Information System (LIS). LIS supplies all of the Committee’s computers and supports the Committee in all of its technology needs, including the development and maintenance of Committee applications and databases.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS
For the Two Years Ended June 30, 2020

2020-003. **FINDING** (Inadequate Controls over Information Systems) – Continued

The Committee agrees that it did not review: Active Directory accounts that have been dormant for 60 or more days; Security Software IDs; access rights to the Committee’s internal applications; and access rights to CPS.

The Committee will make reasonable efforts to review: Active Directory accounts, Security Software IDs, access rights to Committee applications, and access rights to CPS. Further, the Committee commits to research the recommendations related to corrective action plans for CPS and ensuring LIS and DoIT complete backups of LIS and DoIT applications and data. Where appropriate and within the Committee’s control, the Committee will make reasonable efforts to implement those recommendations.

ACCOUNTANT’S COMMENT

Although we agree LIS provides the Committee with IT services and equipment, the Committee is responsible for conducting a risk assessment of their applications, data, processes, and environment to ensure proper controls are in place. The risk assessments conducted by LIS were based on LIS controls and applications, not the Committee’s.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF FINDINGS – PRIOR FINDING NOT REPEATED
For the Two Years Ended June 30, 2020

A. **FINDING** (Property Control Weaknesses)

During the previous examination, the Joint Committee on Administrative Rules (Committee) did not exercise adequate control over its State property and equipment.

During the current examination, our detail testing indicated the Committee exercised adequate control over its State property and equipment. (Finding Code No. 2018-002)

SCHEDULE 1

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
 Appropriations for Fiscal Year 2020

For the 15 Months Ended September 30, 2020

Public Act 101-0007 FISCAL YEAR 2020	Appropriations (Net of Transfers)	Lapse Period		Total Expenditures 15 Months Ended September 30	Balances Lapsed
		Expenditures Through June 30	Expenditures July 1 to September 30		
<u>APPROPRIATED FUND</u>					
General Revenue Fund - 001					
Operational Expenses	\$ 1,140,700	\$ 970,939	\$ 11,106	\$ 982,045	\$ 158,655
Subtotal, Fund 001	<u>\$ 1,140,700</u>	<u>\$ 970,939</u>	<u>\$ 11,106</u>	<u>\$ 982,045</u>	<u>\$ 158,655</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 1,140,700</u>	<u>\$ 970,939</u>	<u>\$ 11,106</u>	<u>\$ 982,045</u>	<u>\$ 158,655</u>

Note 1: Appropriations, expenditures, and lapsed balances were obtained from the Comptroller's records as of September 30, 2020, and have been reconciled to Committee records.

Note 2: Expenditure amounts are vouchers approved for payment by the Committee and submitted to the Office of the Comptroller for payment to the vendor.

SCHEDULE 2

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
 Appropriations for Fiscal Year 2019

For the 16 Months Ended October 31, 2019

Public Act 100-0586 FISCAL YEAR 2019	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period		Total Expenditures 16 Months Ended October 31	Balances Lapsed
			Expenditures July 1 to October 31	Expenditures October 31		
<u>APPROPRIATED FUND</u>						
General Revenue Fund - 001						
Operational Expenses	\$ 1,140,700	\$ 940,911	\$ 2,237	\$ 943,148	\$ 197,552	
Subtotal, Fund 001	<u>\$ 1,140,700</u>	<u>\$ 940,911</u>	<u>\$ 2,237</u>	<u>\$ 943,148</u>	<u>\$ 197,552</u>	
GRAND TOTAL - ALL FUNDS	<u>\$ 1,140,700</u>	<u>\$ 940,911</u>	<u>\$ 2,237</u>	<u>\$ 943,148</u>	<u>\$ 197,552</u>	

Note 1: Appropriations, expenditures, and lapsed balances were obtained from the Comptroller's records as of October 31, 2019, and have been reconciled to Committee records.

Note 2: Expenditure amounts are vouchers approved for payment by the Committee and submitted to the Office of the Comptroller for payment to the vendor.

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
 EXPENDITURES, AND LAPSED BALANCES**
 For the Fiscal Year Ended June 30,

	<u>2020</u>	<u>FISCAL YEAR 2019</u>	<u>2018</u>
<u>APPROPRIATED FUND</u>			
General Revenue Fund - 001			
Appropriations (Net of Transfers)	\$ 1,140,700	\$ 1,140,700	\$ 1,140,700
Expenditures			
Operational Expenses	\$ 982,045	\$ 943,148	\$ 933,599
Total Expenditures	<u>\$ 982,045</u>	<u>\$ 943,148</u>	<u>\$ 933,599</u>
Balances Lapsed	<u>\$ 158,655</u>	<u>\$ 197,552</u>	<u>\$ 207,101</u>

Note 1: Appropriations, expenditures, and lapsed balances were obtained from the Comptroller's records as of September 30, 2020, and October 31, 2019, and have been reconciled to Committee records.

Note 2: Expenditure amounts are vouchers approved for payment by the Committee and submitted to the Office of the Comptroller for payment to the vendor.

Note 3: The Committee received appropriations during Fiscal Year 2019 from P.A. 100-586. The Committee received appropriations during Fiscal Year 2020 from P.A. 101-007.

Note 4: Notwithstanding anything within Public Act 100-0021 to the contrary, Public Act 100-0021 authorized the Committee to pay for all costs incurred prior to July 1, 2018, using its Fiscal Year 2018 appropriations for non-payroll expenditures.

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
COMPARATIVE SCHEDULE OF NET EXPENDITURES
BY MAJOR ACTIVITY
 For the Fiscal Year Ended June 30,

	<u>2020</u>	<u>2019</u>	<u>2018</u>
EXPENDITURE STATISTICS			
All State Treasury Funds			
Total Operations Expenditures:	\$ 982,045	\$ 943,148	\$ 933,599
Percentage of Total Expenditures:	100.0%	100.0%	100.0%
Personal Services	841,155	816,227	800,616
Other Payroll Costs	94,132	89,435	89,200
All Other Operating Expenditures	46,758	37,486	43,783
GRAND TOTAL - ALL EXPENDITURES:	<u>\$ 982,045</u>	<u>\$ 943,148</u>	<u>\$ 933,599</u>

Note 1: Expenditures were obtained from the Committee's records and have been reconciled to the State Comptroller's records as of September 30, 2020 and October 31, 2019.

Note 2: Expenditure amounts are vouchers approved for payment by the Committee and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
**COMPARATIVE SCHEDULE OF CASH RECEIPTS AND
 DEPOSITS INTO THE STATE TREASURY**
 For the Years Ended June 30,

<u>STATE TREASURY FUNDS</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Revenue Fund - 001			
Receipt Sources:			
Sale of Annual Reports	\$ 6	\$ 5	\$ 15
Miscellaneous (postage reimbursements, refunds)	367	43	-
Total Receipts, per the Committee's Records	<u>\$ 373</u>	<u>\$ 48</u>	<u>\$ 15</u>
Receipts, per the Committee's Records			
Deposits in Transit, Beginning of the Fiscal Year	-	-	-
Deposits in Transit, End of the Fiscal Year	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 373</u>	<u>\$ 48</u>	<u>\$ 15</u>
General Assembly Computer Equipment Revolving Fund - 155			
Receipt Sources:			
Sales of the Database of the Illinois Administrative Code	\$ -	\$ 8,000	\$ 16,000
Total Receipts, per the Committee's Records	<u>\$ -</u>	<u>\$ 8,000</u>	<u>\$ 16,000</u>
Receipts, per the Committee's Records			
Deposits in Transit, Beginning of the Fiscal Year	-	-	-
Deposits in Transit, End of the Fiscal Year	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ -</u>	<u>\$ 8,000</u>	<u>\$ 16,000</u>
GRAND TOTAL - ALL FUNDS			
Receipts, per the Committee's Records	\$ 373	\$ 8,048	\$ 16,015
Deposits in Transit, Beginning of the Fiscal Year	-	-	-
Deposits in Transit, End of the Fiscal Year	-	-	-
Deposits, Recorded by the State Comptroller	<u>\$ 373</u>	<u>\$ 8,048</u>	<u>\$ 16,015</u>

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF CHANGES IN PROPERTY
 For the Two Years Ended June 30, 2020

	Beginning Balance	Additions	Deletions	Net Transfers	Ending Balance
FISCAL YEAR 2020					
Property					
Equipment	\$ 68,034	-	\$ 19,998	-	\$ 48,036
Total	<u>\$ 68,034</u>	<u>-</u>	<u>\$ 19,998</u>	<u>-</u>	<u>\$ 48,036</u>
FISCAL YEAR 2019					
Property					
Equipment	\$ 69,384	\$ 5,172	-	\$ 6,522	\$ 68,034
Total	<u>\$ 69,384</u>	<u>\$ 5,172</u>	<u>-</u>	<u>\$ 6,522</u>	<u>\$ 68,034</u>

Note: These balances were obtained from the Joint Committee on Administrative Rules' records and have been reconciled for the Joint Committee on Administrative Rules' quarterly *Agency Report of State Property* reports submitted to the Office of Comptroller for the year ended June 30, 2020, and June 30, 2019, respectively.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
COMMITTEE FUNCTIONS AND PLANNING PROGRAM
For the Two Years Ending June 30, 2020

(NOT EXAMINED)

The Joint Committee on Administrative Rules (Committee) was established in 1977 to ensure the laws enacted by the General Assembly are appropriately implemented through administrative law.

The Committee is comprised of six senators and six representatives. The Committee convenes monthly in Chicago unless the General Assembly is in session. If the General Assembly is in session, the Committee convenes in Springfield.

Functions

The function of the Committee is the promotion of adequate and proper rules by agencies. The specific duties and authorities of the Committee are outlined in the Illinois Administrative Procedure Act (Act) (5 ILCS 100/5-5 et seq.) with the rulemaking process. In addition, the Committee is responsible for monitoring and investigating agencies' compliance with the provisions of the Act, making periodic investigations of the rulemaking activities of all agencies, and evaluating and reporting on all rules in terms of their propriety, legal adequacy, relation to statutory authorization, economic and budgetary effects, and public policy.

Planning

The Committee does not have a formal planning and monitoring function. However, all Committee objectives are clearly defined in the Act. The Committee's main priority is to review new rules and proposed changes to the *Illinois Administrative Code*. This is completed on a monthly basis and reported to the Committee members at their monthly meeting. The Committee reports its activities and accomplishments throughout the year in its Annual Report to the General Assembly.

The Committee's short-term goals continue to be centered upon reviewing every rulemaking that goes to Second Notice in a thorough and timely manner so that Committee members have accurate information on which to base their rulemaking decisions at the Committee's monthly meetings.

In addition, the following goals must be met:

- Provide agencies with accurate *Illinois Administrative Code* and *Illinois Register* versions of their rulemakings that may be filed with the Secretary of State for adoption and publication following consideration at a Committee meeting;
- Prepare the *Illinois Register* for publication each week;
- Maintain the *Illinois Administrative Code* on the Legislative Information System database and update it weekly to reflect newly adopted rulemakings;

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
COMMITTEE FUNCTIONS AND PLANNING PROGRAM
For the Two Years Ending June 30, 2020

(NOT EXAMINED)

- Write and publish the *Flinn Report*, the Committee's weekly newsletter, to educate and inform the public concerning proposed and adopted rulemakings and the rulemaking process; and,
- Investigate in a timely manner any complaints concerning agency rulemaking that are brought to the Committee's attention.

The Committee's long-term goals include:

- Increasing the number of State agencies that voluntarily use the Committee-generated *Illinois Register* and *Illinois Administrative Code* materials for filing adopted rulemaking text with the Secretary of State;
- Working with the Legislative Information System to refine the programs used to create and maintain the *Illinois Register* and *Illinois Administrative Code* on the internet; and,
- Working with the Secretary of State Code Division within the Index Department to ensure the accuracy of the file books of adopted rules maintained by both the Committee and Secretary of State.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2020

(NOT EXAMINED)

Fiscal Year 2020 Compared to Fiscal Year 2019

General Revenue Fund - 001

There were no significant variations noted between Fiscal Year 2020 and Fiscal Year 2019.

Fiscal Year 2019 Compared to Fiscal Year 2018

General Revenue Fund - 001

There were no significant variations noted between Fiscal Year 2019 and Fiscal Year 2018.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2020

(NOT EXAMINED)

Fiscal Year 2020 Compared to Fiscal Year 2019

General Assembly Computer Equipment Revolving Fund – 155

The Committee can receive monies from the sale of megabytes of information for updates of the Illinois Administrative Code and the Illinois Register collected in the Legislative Information System database it maintains. Updates were distributed to vendors only after prepayment was made. Fiscal Year 2020 receipts decreased due to a vendor discontinuing the practice of prepaying for these updates.

Fiscal Year 2019 Compared to Fiscal Year 2018

General Assembly Computer Equipment Revolving Fund – 155

The Committee can receive monies from the sale of megabytes of information for updates of the Illinois Administrative Code and the Illinois Register collected in the Legislative Information System database it maintains. Updates were distributed to vendors only after prepayment was made. Fiscal Year 2019 receipts decreased due to a vendor discontinuing the practice of prepaying for these updates midway through the fiscal year.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2020

(NOT EXAMINED)

Fiscal Year 2020

There were no significant expenditures incurred during the Lapse Period for Fiscal Year 2020.

Fiscal Year 2019

There were no significant expenditures incurred during the Lapse Period for Fiscal Year 2019.

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
NUMBER OF EMPLOYEES

(NOT EXAMINED)

For the Two Years Ended June 30, 2020

<u>Positions</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Executive Director	1	1	1
Deputy Director	1	1	1
Rules Review Division			
Attorney	0	1	2
Analyst	5	5	5
Support Staff			
Office Manager	1	1	1
Support Staff	6	5	4
Total Average Full-Time Equivalent Employees	<u>14</u>	<u>14</u>	<u>14</u>

Note 1: This schedule presents the average number of full time equivalent employees, by function.

Note 2: Full time, part time, and contractual employees are counted by quarter and must be present for the full quarter in order to be counted.

Note 3: These averages are rounded up to the nearest whole number (example: 13.03 is rounded to 14.)

Note 4: In the FY2018 column, the attorney cell was updated from 1 to 2 and the support staff cell was updated from 4 to 5. These updates do not change the total average full time equivalent employee number.

Note 5: In the FY2019 column, the attorney cell was updated from 0 to 1 and the support staff cell was updated from 6 to 5. These updates do not change the total average full time equivalent employee number.

Note 6: Since OAG is requiring the agency to complete this report component, JCAR completed this report based on monthly employee headcount sheets instead of quarterly. In the prior year, the auditors had a total of 13 in 2018.