

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
STATE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2021**

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



**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
STATE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2021**

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**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2021**

**BUREAU OFFICIALS**

Executive Director	James W. Dodge
Acting Fiscal Officer	Rebecca Hankiewicz

**BOARD OFFICERS**

Board Member (Chairperson) (10/01/20-06/30/21)	Brad Bolin, Assistant Clerk of the House
Board Member (Chairperson) (10/01/19-09/30/20)	John Hollman, Clerk of the House
Board Member (Chairperson) (07/01/19-09/30/19)	Tim Anderson, Secretary of the Senate

**GOVERNING BOARD MEMBERS**

Board Member	Scott Kaiser, Assistant Secretary of the Senate
Board Member	Tim Anderson, Secretary of the Senate
Board Member	John Hollman, Clerk of the House
Board Member	Brad Bolin, Assistant Clerk of the House

**BUREAU OFFICE**

The Legislative Reference Bureau's primary administrative office is located at:

Capitol Building, Room 112  
Springfield, Illinois 62706



STATE OF ILLINOIS  
**LEGISLATIVE REFERENCE BUREAU**  
ROOM 112 STATE HOUSE • SPRINGFIELD, IL 62706  
PHONE: 217/782-6625

**MANAGEMENT ASSERTION LETTER**

18 January 2022

West & Company, LLC  
Certified Public Accountants  
919 East Harris Avenue  
Greenville, Illinois 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 Legislative Reference Bureau (Bureau). 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 Bureau's compliance with the following specified requirements during the two-year period ended June 30, 2021. Based on this evaluation, we assert that during the years ended June 30, 2020, and June 30, 2021, the Bureau has materially complied with the specified requirements listed below.

- A. The Bureau 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 Bureau 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. Except as otherwise identified in the Schedule of Findings, the Bureau has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. Except as otherwise identified in the Schedule of Findings, State revenues and receipts collected by the Bureau 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 Bureau on behalf of the State or held in trust by the Bureau have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

We are not aware of any noncompliance matter(s) which occurred during the period subsequent to June 30, 2021, which requires disclosure by management under the attestation standards established by the American Institute of Certified Public Accountants (AT-C § 205.48).

Yours truly,

SIGNATURE REDACTED

James W. Dodge  
Executive Director

SIGNATURE REDACTED

Rebecca Hankiewicz  
Fiscal Officer

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
STATE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2021**

**STATE COMPLIANCE REPORT**

**SUMMARY**

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

**ACCOUNTANT’S REPORT**

The Independent Accountant’s Report on State Compliance and on Internal Control Over Compliance does not contain scope limitations or disclaimers, but does contain a modified opinion on compliance and identifies material weaknesses over internal control over compliance.

**SUMMARY OF FINDINGS**

<b>Number of</b>	<b><u>Current Report</u></b>	<b><u>Prior Report</u></b>
Findings	4	4
Repeated Findings	3	0
Prior Recommendations Implemented or Not Repeated	1	0

**SCHEDULE OF FINDINGS**

<u>Item No.</u>	<u>Page</u>	<u>Last/First Report</u>	<u>Description</u>	<u>Finding Type</u>
<b>Current Findings</b>				
2021-001	9	2019/2019	Inadequate Controls Over Receipts Processing	Material Weakness and Material Noncompliance
2021-002	11	2019/2019	Inadequate Controls Over Monthly Reconciliations	Material Weakness and Material Noncompliance
2021-003	13	New	Weaknesses in Cybersecurity Programs and Practices	Significant Deficiency and Noncompliance
2021-004	15	2019/2019	Untimely Submission of and Errors On Required Filings	Significant Deficiency and Noncompliance
<b>Prior Finding Not Repeated</b>				
A	17	2019/2019	Inadequate Segregation of Duties	

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
STATE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2021**

**EXIT CONFERENCE**

The findings and recommendations appearing in this report were discussed with Bureau personnel at an exit conference on January 3, 2022.

Attending were:

Legislative Reference Bureau

James W. Dodge, Executive Director  
Rebecca Hankiewicz, Acting Fiscal Officer

Office of the Auditor General

Ms. Christian Cortes, Audit Manager

West & Company, LLC – Special Assistant Auditors

Mr. Michael Lawler, Partner  
Mr. Brandon Craycroft, Supervisor

The responses to the recommendations were provided by James Dodge, Executive Director, in correspondence dated January 10, 2022.



919 East Harris Avenue  
Greenville, Illinois 62246

(618) 664-4848  
www.westcpa.com

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

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

and

Governing Board  
State of Illinois, *Board of the Joint Committee on Legislative Support Services*

**Report on State Compliance**

As Special Assistant Auditors for the Auditor General, we have examined compliance by the State of Illinois, Legislative Reference Bureau (Bureau) with the specified requirements listed below, as more fully described in the *Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide)* as adopted by the Auditor General, during the two years ended June 30, 2021. Management of the Bureau is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Bureau's compliance with the specified requirements based on our examination.

The specified requirements are:

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

Our examination disclosed material noncompliance with the specified requirements applicable to the Bureau during the two years ended June 30, 2021. As described in the accompanying Schedule of Findings as item 2021-001, the Bureau 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 2021-001 and 2021-002, the Bureau 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 2021-001, the Bureau had not ensured the State revenues and receipts collected by the Bureau 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.

In our opinion, except for the material noncompliance with the specified requirements described in the preceding paragraph, the Bureau complied with the specified requirements during the two years ended June 30, 2021, 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 2021-003 and 2021-004.

The Bureau's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The Bureau'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.

### **Report on Internal Control Over Compliance**

Management of the Bureau 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 Bureau's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Bureau's compliance with the specified requirements and to test and report on the Bureau's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Bureau's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bureau'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 2021-001 and 2021-002 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 2021-003 and 2021-004 to be significant deficiencies.

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

The Bureau's responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The Bureau'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.

Greenville, Illinois  
January 18, 2022

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS  
For the Two Years Ended June 30, 2021**

2021-001     **FINDING**     (Inadequate Controls Over Receipts Processing)

The Legislative Reference Bureau (Bureau) did not maintain adequate internal controls over receipts.

During testing, we noted the Bureau did not maintain a detailed itemized account of all moneys received during Fiscal Years 2020 and 2021 showing the receipt date, the payer, purpose, and amount; therefore, the Bureau was unable to provide adequate records substantiating the population of receipts collected during the examination period.

Due to these conditions, we were unable to conclude whether the Bureau’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 Bureau’s compliance relative to receipts. In addition, due to these limitations, we were unable to conclude the Bureau’s *Comparative Schedule of Cash Receipts and Deposits into the State Treasury* on page 26 was complete and appropriately reported.

***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 test:

During testing of receipts, we noted 3 of 4 (75%) receipts tested, totaling \$165, were deposited between 29 and 69 days late.

The State Officers and Employees Money Disposition Act (Act) (30 ILCS 230/2) requires the Bureau maintain in proper books a detailed itemized account of all moneys received for or on behalf of the State of Illinois, showing the date of receipt, the payor, and purpose and amount, and the date and manner of disbursement. In addition, the Act requires the Bureau to deposit receipts collected into the State Treasury within a specific number of business days, depending on the value of cash receipts on hand.

During the prior examination, Bureau personnel indicated the responsibility for receipt processing was hindered due to the lack of sufficient resources and key personnel turnover. During the current examination, Bureau personnel indicated the issues noted were due to competing priorities.

Failure to maintain itemized records of receipts including information such as the date of receipt, payor, purpose, and amount may result in receipts not being properly accounted for, and difficulty in performing receipts reconciliations. (Finding Code No. 2021-001, 2019-002)

**RECOMMENDATION**

We recommend the Bureau develop and maintain internal control over its receipts to ensure the timely collection and depositing of revenues, along with ensuring adequate documentation is maintained and readily available for all transactions. In addition, the Bureau should establish adequate records capable of providing detailed transactions and balance listing, which are timely reconciled to the Office of the Comptroller’s records.

**STATE OF ILLINOIS**  
**LEGISLATIVE REFERENCE BUREAU**  
**SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS**  
**For the Two Years Ended June 30, 2021**

2021-001      **FINDING**      (Inadequate Controls Over Receipts Processing) (Continued)

**BUREAU RESPONSE**

We appreciate the audit team bringing this to our attention. We have adopted processes to clarify the responsibilities related to deposits to ensure future compliance.

**STATE OF ILLINOIS**  
**LEGISLATIVE REFERENCE BUREAU**  
**SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS**  
**For the Two Years Ended June 30, 2021**

2021-002      **FINDING**      (Inadequate Controls Over Monthly Reconciliations)

The Legislative Reference Bureau (Bureau) did not have adequate controls over the monthly reconciliations of appropriations, cash receipts, contracts, expenditures, and obligation activity.

During testing of Fiscal Year 2020 and 2021 reconciliations between the Office of the Comptroller (Comptroller) records and the Bureau's records, we noted the following:

- All Fiscal Year 2020 and 2021 reconciliations of Monthly Appropriation Status Report (SB01), Monthly Agency Contract Report (SC14), and Monthly Obligation Activity Report (SC15) did not contain sufficient documentation to determine if the reconciliations were adequately prepared by the Bureau. We noted two Fiscal Year 2021 vouchers, totaling \$25,333, recorded on the Bureau's records twice which were not noted as unpaid reconciling items on the Bureau's Fiscal Year 2021 SB01 reconciliation.
- Seven of 29 (24%) SB01 reconciliations tested did not document the dates the reconciliations were performed. Accordingly, we could not determine if the SB01 reconciliations were performed or reviewed timely by the appropriate individuals.
- All Fiscal Year 2020 and 2021 reconciliations of the Monthly Revenue Status Report (SB04) and Object Expense/Expenditures by Quarter Report (SA02) were not completed by the Bureau.

The Statewide Accounting Management System (SAMS) (Procedure 07.30.20) states the effectiveness of any accounting and financial information system is very much dependent on the accuracy of data submitted and the confidence of its users that the system handled that data properly. Agency reconciliation is the primary control that insures these requirements are being satisfied. This reconciliation must be completed within 60 days of the month end. SAMS establishes processes for a monthly reconciliation of the Comptroller's SB01 (Procedure 11.40.10), SA02 (Procedure 07.30.21), and SC14 or SC15 (Procedure 15.30.30) reports. Additionally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Bureau 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. Management has ultimate responsibility for the Bureau's internal control over reporting of financial information. This responsibility should include an adequate system of review of the completeness and accuracy of the Bureau's financial records.

During the prior examination, Bureau personnel indicated the issues noted were due to lack of sufficient resources and key personnel turnover. During the current examination, Bureau personnel indicated the issues noted were due to oversight and the lack of sufficient resources.



**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS  
For the Two Years Ended June 30, 2021**

2021-003      **FINDING**      (Weakness in Cybersecurity Programs and Practices)

The Legislative Reference Bureau (Bureau) did not maintain adequate internal controls related to its cybersecurity programs and practices.

The Bureau's primary purpose is drafting and preparation of legislation, including bills, amendments, resolutions, and conference committee reports for the General Assembly. The Bureau utilized the Legislative Information System (LIS) and the Department of Innovation and Technology (DoIT) to maintain its applications, which contain some confidential or personal data. Although LIS was responsible for the IT infrastructure, the Bureau has ultimate responsibility to ensure its confidential or personal data is adequately secured.

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 Bureau's cybersecurity programs and practices, we noted the Bureau 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.
- Classified its data to establish the types of information most susceptible to attack to ensure adequate protection.
- Ensured cybersecurity roles and responsibilities were addressed internally, through DoIT, or through LIS.

Furthermore, the Bureau failed to ensure its employees were provided cybersecurity awareness training during the examination period.

*The Framework for Improving Critical Infrastructure Cybersecurity* and the *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology requires entities to consider risk management practices, threat environments, legal and regulatory requirements, mission objectives, and constraints in order to ensure the security of their applications, data, and continued business mission.

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.

Bureau management indicated information systems and cybersecurity practices are handled by LIS and the Bureau does not have resources to maintain these functions internally.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS  
For the Two Years Ended June 30, 2021**

2021-003      **FINDING**      (Weakness in Cybersecurity Programs and Practices) (Continued)

The lack of adequate cybersecurity programs and practices could result in unidentified risk and vulnerabilities, which could ultimately lead to the Bureau’s confidential and personal information being susceptible to cyber-attacks and unauthorized disclosure. (Finding Code No. 2021-003)

**RECOMMENDATION**

We recommend the Bureau work with LIS and DoIT to obtain a detailed understanding of responsibilities. Specifically, we recommend the Bureau:

- Perform a comprehensive risk assessment to identify and ensure adequate protection of information, including confidential or personal information.
- Classify its data to establish the types of information most susceptible to attack to ensure adequate protection.
- Ensure cybersecurity roles and responsibilities are adequately addressed.
- Ensure all staff members annually complete cybersecurity awareness training.

**BUREAU RESPONSE**

We appreciate the audit team bringing this matter to our attention. The Bureau currently lacks both the expertise and the personnel to perform this function. Because of this, the Bureau will plan its practical response to this matter in coordination with the Legislative Information System.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS  
For the Two Years Ended June 30, 2021**

2021-004     **FINDING**     (Untimely Submission of and Errors on Required Filings)

The Legislative Reference Bureau (Bureau) did not timely submit all filings required by the Illinois Compiled Statutes and misclassified some employees on Agency Workforce Reports.

During testing, we noted:

- The Agency Workforce Reports (Report) for Fiscal Year 2020 reported two contractual employees. Based on our testing, the Bureau should not have reported any contractual employees in Fiscal Year 2020. In addition, the Bureau reported six employees in the \$50,000-\$59,999 salary range on the Report and supporting documentation indicated only four.

The State Employment Records Act (Act) (5 ILCS 410/10(b)) defines a contractual services employee as a person employed by the State under a written contract and paid by a State system CO-2 voucher. The Act (5 ILCS 410/20) requires the Bureau to collect, classify, maintain, and report all information on a fiscal basis and file the Report by January 1.

- The Bureau failed to submit a corrected Report for Fiscal Year 2018 with the Office of the Governor (Governor) and Office of the Secretary of State (Secretary), after errors were identified during the prior examination. In addition, the Bureau submitted a corrected Report of Fiscal Year 2019 after errors were identified during the prior examination; however, the corrected Report included additional errors. The Report reported two contractual employees when it should not have included any for Fiscal Year 2019.

The Illinois State Auditing Act (30 ILCS 5/3-2.2(b)) requires the Bureau, within 30 days after the release of a report in which it is reported the Bureau did not materially comply with the Illinois State Auditing Act, to file corrected reports for all periods of noncompliance identified with the Governor and the Secretary.

- The Bureau did not timely file its Fiscal Control and Internal Auditing Act certification (certification) for Fiscal Year 2021. The certification was filed 45 days late.

The Fiscal Control and Internal Auditing Act (FCIAA) (30 ILCS 10/3003) requires the Chief Executive Officer of the Bureau to conduct an evaluation of their systems of internal fiscal and administrative controls and file a certification regarding the evaluation with the Auditor General by May 1<sup>st</sup> of each year.

During the prior examination, Bureau personnel indicated the issues noted were due to lack of sufficient resources and key personnel. During the current examination, Bureau personnel indicated the inaccuracies in the Agency Workforce Reports were due to oversight. The FCIAA certification was filed late due to competing priorities.

**STATE OF ILLINOIS**  
**LEGISLATIVE REFERENCE BUREAU**  
**SCHEDULE OF FINDINGS – STATE COMPLIANCE FINDINGS**  
**For the Two Years Ended June 30, 2021**

2021-004      **FINDING**      (Untimely Submission of and Errors on Required Filings) (Continued)

Not reporting accurate information on the Agency Workforce Reports reduces the reliability of the Reports which are used for providing the State and its citizens with information to help guide efforts to achieve a more diversified State workforce. Failure to timely file FCIAA certifications is noncompliance with the Fiscal Control and Internal Auditing Act. (Finding Code No. 2021-004, 2019-004)

**RECOMMENDATION**

We recommend the Bureau strengthen internal control over the timeliness and accuracy of various filings required by Illinois Compiled Statutes. We also recommend the Bureau file corrected Reports with the Secretary of State and Office of the Governor as required by the Illinois State Auditing Act (30 ILCS 5/3-2.2).

**BUREAU RESPONSE**

We appreciate the audit team bringing to our attention these issues regarding the Agency Workforce Report, the FCIAA, and employee classification. In the future, we will take steps to ensure that both the Agency Workforce Report and the FCIAA are filed accurately and on time. We will seek guidance from the Legislative Reference Bureau Board regarding the appropriate classification of non-permanent employees of the Bureau.

**STATE OF ILLINOIS**  
**LEGISLATIVE REFERENCE BUREAU**  
**SCHEDULE OF FINDINGS – PRIOR FINDING NOT REPEATED**  
**For the Two Years Ended June 30, 2021**

A. **FINDING** (Inadequate Segregation of Duties)

During the prior examination, the Legislative Reference Bureau (Bureau) did not maintain adequate segregation of duties in the areas of expenditures control, payroll, and receipts control.

During the current examination, we noted the Bureau maintained adequate segregation of duties in the areas of expenditures control, payroll, and receipts control. (Finding Code No. 2019-001)

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
DISCLOSURES ACCOMPANYING A STATE COMPLIANCE EXAMINATION REPORT  
For the Two Years Ended June 30, 2021**

**DISCLOSURES REPORT**

**SUMMARY**

A reading of the accompanying report components of the State of Illinois, Legislative Reference Bureau (Bureau) was performed by West & Company, LLC.

**ACCOUNTANT'S REPORT**

The accountants concluded an uncorrected material misstatement of the other information exists, as described in the Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report.

**EXIT CONFERENCE**

This report was discussed with Bureau personnel at an exit conference on January 3, 2022.

Attending were:

Legislative Reference Bureau  
James W. Dodge, Executive Director  
Rebecca Hankiewicz, Acting Fiscal Officer

Office of the Auditor General  
Ms. Christian Cortes, Audit Manager

West & Company, LLC – Special Assistant Auditors  
Mr. Michael Lawler, Partner  
Mr. Brandon Craycroft, Supervisor



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Greenville, Illinois 62246

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**INDEPENDENT ACCOUNTANT'S REPORT**  
**ON DISCLOSURES ACCOMPANYING A STATE COMPLIANCE EXAMINATION REPORT**

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

and

Governing Board  
State of Illinois, *Board of the Joint Committee on Legislative Support Services*

***Disclosures Accompanying a State Compliance Examination Report***

Management of the State of Illinois, Legislative Reference Bureau (Bureau) is responsible for the *Disclosures Accompanying a State Compliance Examination Report* (other information), which consists of the Fiscal Schedules and Analysis and Analysis of Operations report components as listed in the Table of Contents. The other information comprises disclosures which must be presented by management in accordance with *Report Components* memorandum published by the Auditor General of the State of Illinois, but does not include our *Independent Accountant's Report on State Compliance and on Internal Control over Compliance* found in the separate *State Compliance Examination Report* included within this document. Our opinion on the Bureau's State compliance and internal control over compliance does not cover this other information, and we do not express an opinion or any form of assurance thereon.

In connection with our examination of the Bureau, our responsibility is to read the other information and consider whether:

- 1) a material inconsistency exists between the other information and our knowledge and facts of the Bureau we obtained as part of the Bureau's State compliance examination;
- 2) the other information appears to have been omitted; or,
- 3) the other information appears to be materially misstated.

If, based on the work performed, we concluded an omission or uncorrected material misstatement of the other information exists, we are required to describe it in this report. As described below, we have concluded an uncorrected material misstatement of the other information exists.

- 1) The amounts in the *Comparative Schedule of Cash Receipts and Deposits into the State Treasury* were unable to be concluded as complete and appropriately reported due to the Bureau not maintaining a detailed itemized account of all moneys received.

**SIGNATURE REDACTED**

Greenville, Illinois  
January 18, 2022

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
Expenditure Authority for Fiscal Year 2021**

For the Fifteen Months Ended September 30, 2021

Public Act 101-0637 FISCAL YEAR 2021	Expenditure Authority (Net of Transfers)	Expenditures Through June 30, 2021	Lapse Period Expenditures July 1 to September 30, 2021	Total Expenditures 15 Months Ended September 30, 2021	Balances Lapsed September 30, 2021
<b><u>APPROPRIATED FUND</u></b>					
<b>General Revenue Fund - 001</b>					
Operational Expenses	\$ 2,712,800	\$ 2,649,134	\$ 8,085	\$ 2,657,219	\$ 55,581
<b>GRAND TOTAL-ALL FUNDS</b>	<b>\$ 2,712,800</b>	<b>\$ 2,649,134</b>	<b>\$ 8,085</b>	<b>\$ 2,657,219</b>	<b>\$ 55,581</b>

Note 1: Appropriations, expenditures, and lapsed balances were obtained from the Bureau's records and have been reconciled to the State Comptroller's records as of September 30, 2021.

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

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
Expenditure Authority for Fiscal Year 2020**

For the Fifteen Months Ended September 30, 2020

Public Act 101-0007 FISCAL YEAR 2020	Expenditure Authority (Net of Transfers)	Expenditures Through June 30, 2020	Lapse Period Expenditures July 1 to September 30, 2020	Total Expenditures 15 Months Ended September 30, 2020	Balances Lapsed September 30, 2020
<b>APPROPRIATED FUND</b>					
<b>General Revenue Fund - 001</b>					
Operational Expenses	\$ 2,581,400	\$ 2,544,992	\$ 12,824	\$ 2,557,816	\$ 23,584
<b>GRAND TOTAL-ALL FUNDS</b>	<b>\$ 2,581,400</b>	<b>\$ 2,544,992</b>	<b>\$ 12,824</b>	<b>\$ 2,557,816</b>	<b>\$ 23,584</b>

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

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

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,  
EXPENDITURES, AND LAPSED BALANCES**

For the Fiscal Year Ended June 30,

	2021	2020	2019
<b>APPROPRIATED FUND</b>			
<b>General Revenue Fund - 001</b>			
Expenditure Authority	\$ 2,712,800	\$ 2,581,400	\$ 2,581,400
Expenditures:			
Operational Expenses	\$ 2,657,219	\$ 2,557,816	\$ 2,529,225
Balances Lapsed	\$ 55,581	\$ 23,584	\$ 52,175

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the Bureau's records and have been reconciled to the State Comptroller's records as of September 30, 2021, and September 30, 2020.

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

Note 3: The Bureau received appropriations during Fiscal Year 2021 from Public Act 101-0637. In addition, the Bureau received appropriations during Fiscal Year 2020 from Public Act 101-0007.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
COMPARATIVE SCHEDULE OF NET EXPENDITURES  
BY MAJOR ACTIVITY**

For the Fiscal Year Ended June 30,

	2021	2020	2019
<b>EXPENDITURE STATISTICS</b>			
<b>All State Treasury Funds</b>			
Total Operations Expenditures:	\$ 2,657,219	\$ 2,557,816	\$ 2,529,225
Percentage of Total Expenditures:	100.0%	100.0%	100.0%
Personal Services	\$2,114,962	\$1,901,971	\$1,936,147
Other Payroll Costs	\$220,842	\$197,917	\$196,261
All Other Operating Expenditures	\$321,415	\$457,928	\$396,817
<b>GRAND TOTAL - ALL EXPENDITURES:</b>	<b>\$ 2,657,219</b>	<b>\$ 2,557,816</b>	<b>\$ 2,529,225</b>

Note 1: Expenditures were obtained from the Bureau's records and have been reconciled to the State Comptroller's records as of September 30, 2021, and September 30, 2020.

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

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES  
For the Two Years Ended June 30, 2021**

**Fiscal Year 2020 Compared to Fiscal Year 2021**

The Bureau did not have any significant variations in expenditures.

**Fiscal Year 2019 Compared to Fiscal Year 2020**

The Bureau did not have any significant variations in expenditures.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING  
For the Two Years Ended June 30, 2021**

**Fiscal Year 2020**

The Bureau did not have any significant Lapse Period spending.

**Fiscal Year 2021**

The Bureau did not have any significant Lapse Period spending.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
COMPARATIVE SCHEDULE OF CASH RECEIPTS  
AND DEPOSITS INTO THE STATE TREASURY**

For the Fiscal Year Ended June 30,

	2021	2020	2019
<b>STATE TREASURY FUND</b>			
<b>General Revenue Fund - 001</b>			
Receipt Sources:			
Reimbursement For Jury Duty/Recoveries	\$ 110	\$ 275	\$ -
Total Receipts, per the Agency's Records	\$ 110	\$ 275	\$ -
Receipts, per the Agency's Records	\$ 110	\$ 275	\$ -
Deposits in Transit, Beginning of the Fiscal Year	-	-	-
Deposits in Transit, End of the Fiscal Year	-	-	-
Deposits, Recorded by the State Comptroller	\$ 110	\$ 275	\$ -
<b>Grand Total - All Fund</b>			
Receipts, per the Agency's Records	\$ 110	\$ 275	\$ -
Deposits in Transit, Beginning of the Fiscal Year	-	-	-
Deposits in Transit, End of the Fiscal Year	-	-	-
Deposits, Recorded by the State Comptroller	\$ 110	\$ 275	\$ -

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS  
For the Two Years Ended June 30, 2021**

**Fiscal Year 2020 Compared to Fiscal Year 2021**

The Legislative Reference Bureau did not have any significant variations in receipts.

**Fiscal Year 2019 Compared to Fiscal Year 2020**

The Legislative Reference Bureau did not have any significant variations in receipts.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
SCHEDULE OF CHANGES IN PROPERTY  
For the Two Years Ended June 30, 2021**

	Beginning Balance	Additions	Deletions	Net Transfers	Ending Balance
<b>FISCAL YEAR 2021</b>					
<b>Property</b>					
Equipment	\$ 318,360	\$ 198	\$ -	\$ -	\$ 318,558
Total	<u>\$ 318,360</u>	<u>\$ 198</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 318,558</u>
<b>FISCAL YEAR 2020</b>					
<b>Property</b>					
Equipment	\$ 180,416	\$ 138,750	\$ 806	\$ -	\$ 318,360
Total	<u>\$ 180,416</u>	<u>\$ 138,750</u>	<u>\$ 806</u>	<u>\$ -</u>	<u>\$ 318,360</u>

Note 1: These balances were obtained from the Bureau's records and have been reconciled to the Bureau's quarterly *Agency Report of State Property* reports submitted to the Office of State Comptroller for the year ended June 30, 2021 and June 30, 2020.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
FUNCTIONS AND PLANNING  
For the Two Years Ended June 30, 2021**

**Functions**

The Legislative Reference Bureau (Bureau) is a service bureau responding to the needs of the General Assembly pursuant to the Legislative Reference Bureau Act (25 ILCS 135) and the Legislative Commission Reorganization Act of 1984 (25 ILCS 130). The Bureau was created June 26, 1913.

The Joint Committee on Legislative Support Services directs the Bureau and also determines many of the policies for the Bureau. The Bureau is governed by a Board that consists of the Secretary and Assistant Secretary of the Senate and the Clerk and Assistant Clerk of the House of Representatives.

The Legislative Reference Bureau is located in the Capitol Building, Room 112, Springfield, Illinois 62706. The main duties of the Bureau consist of:

- Establishing a reference bureau (legal library) in the State Capital to collect laws, books, periodicals, and other printed material adapted to the needs of the members of the General Assembly in the performance of their official duties.
- Collecting, summarizing, and indexing all bills, resolutions, and amendments introduced in the General Assembly. During the 101st General Assembly, there were 29,927 total drafting requests for all types of documents, and there have been 18,947 total drafting requests for all types of documents as of September 14, 2021 for the 102nd General Assembly.
- Preparing, printing and distributing a Legislative Synopsis and Digest for the members periodically when the General Assembly is in session, distributed free of charge. Subscriptions are available to the general public for a fee of \$55 each. There were three paid subscriptions for both Fiscal Year 2020 and Fiscal Year 2021.
- Offering such legal assistance and information as may be practicable in the preparation of bills, resolutions, and amendments and other legislative documents to be introduced into the General Assembly by a member. Attorneys employed by the Bureau provide this service to legislators on a non-partisan basis in a confidential attorney-client relationship.
- Recommending revisions, simplifications, and rearrangements of existing statutory law and the elimination of obsolete, superseded, duplicated, and unconstitutional statutes or parts of statutes.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
FUNCTIONS AND PLANNING  
For the Two Years Ended June 30, 2021**

- Reviewing all reported decisions of the Federal Courts and the Supreme and Appellate Courts of Illinois and recommending technical corrections in the statutes to comply with these decisions.
- Preparing revisions to conform the statutes to any reorganization of the executive branch taking effect pursuant to executive order of the governor under Article V, Section 11 of the Constitution and the Executive Reorganization Implementation Act.
- Maintaining a computer memory system containing the Illinois Compiled Statutes with current revisions. Information from that system is to be provided to the members and agencies of the General Assembly and the Attorney General. The Legislative Information System is providing the computer time for this memory system. In addition, the Bureau is required (25 ILCS 140/2 and 25 ILCS 135/5.04) to make this system available to the public or other governmental entities and agencies, subject to the requirement that the quality of the service to the Bureau, the General Assembly to the Attorney General shall not be reduced. The Bureau has adopted rates and conditions and has specified charges regarding the offering of this service.
- Supervising the participation of the State of Illinois in the National Conference of Commissioners on Uniform State Laws, and representing the State of Illinois on that commission (25 ILCS 135/5.07). In connection with these responsibilities, the Bureau is to examine those subjects on which uniformity with the laws of other states is desirable and is to ascertain the best means to affect uniformity in the laws of the states.

**Planning**

The Legislative Reference Bureau is a responsive agency with its operations and programs specified by the legislature in accordance with its legislative mandates. As a result, the Bureau does not have formal written goals and objectives, but instead operates to fulfill these mandates in a timely and efficient manner.

The Bureau does plan, on a short-term basis, for anticipated needs of the General Assembly and budgets time and appropriations accordingly. The small size of the Bureau enables the Executive Director to personally monitor the needs and to review personnel performance in fulfilling the mandates of the Bureau.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
FUNCTIONS AND PLANNING  
For the Two Years Ended June 30, 2021**

**Significant Challenges**

The Legislative Reference Bureau was presented with significant challenges during the audit period, due to the impact of the COVID-19 pandemic. In March of 2020, during the spring legislative session, the Bureau had to switch to remote operations (something it had never done before) and figure out how to continue to provide its services to the General Assembly. During the 2021 spring legislative session, the lack of legislative action in 2020 (due to the truncated 2020 session) caused a significant increase in the volume of legislative drafting requests, necessitating many more hours of overtime work (beyond what would historically would have been expected) for both attorneys and support staff, both for the initial period prior to the bill filing deadline and throughout the 2021 spring session. Beginning in 2021, the Bureau also began experiencing significant challenges to its ability to attract and retain employees, due to the below-market salaries caused by its current appropriation.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
NUMBER OF EMPLOYEES**

For the Fiscal Year Ended June 30,

	2021	2020	2019
<b><u>AVERAGE FULL-TIME EMPLOYEES</u></b>			
Executive Director	1	1	1
Attorneys	11	9	9
Administrative Employees	19	20	18
Part-time Employees	2	2	2
Total Full-Time Equivalent Employees	33	32	30

Note: This schedule presents the average number of employees, by function, at the Bureau.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

**STATE OF ILLINOIS  
LEGISLATIVE REFERENCE BUREAU  
ANALYSIS OF OVERTIME AND COMPENSATORY TIME**

For the Fiscal Year Ended June 30,

	2021	2020	2019
<b>OPERATIONAL DIVISION</b>			
<b>General Office</b>			
Overtime Hours Paid	132	236	317
Compensatory Hours Granted	5,610	1,695	1,917
Total	<u>5,742</u>	<u>1,931</u>	<u>2,234</u>
Value of Overtime Hours Paid	\$ 2,002	\$ 5,185	\$ 6,027
Value of Compensatory Hours Granted	158,117	53,088	55,185
Total Costs	<u>\$ 160,119</u>	<u>\$ 58,273</u>	<u>\$ 61,212</u>
<b>GRAND TOTAL - ENTIRE BUREAU</b>			
Overtime Hours Paid	132	236	317
Compensatory Hours Granted	5,610	1,695	1,917
Total	<u>5,742</u>	<u>1,931</u>	<u>2,234</u>
Value of Overtime Hours Paid	\$ 2,002	\$ 5,185	\$ 6,027
Value of Compensatory Hours Granted	158,117	53,088	55,185
Total Costs	<u>\$ 160,119</u>	<u>\$ 58,273</u>	<u>\$ 61,212</u>

Note: During the 2021 spring legislative session, the lack of legislative action in 2020 (due to the truncated 2020 session) caused a significant increase in the volume of legislative drafting requests, necessitating many more hours of overtime work (beyond what would historically would have been expected) for both attorneys and support staff, both for the initial period prior to the bill filing deadline and throughout the 2021 spring session.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.