



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

STATE UNIVERSITIES CIVIL SERVICE SYSTEM

State Compliance Examination
 For the Two Years Ended June 30, 2023

Release Date: April 8, 2025

FINDINGS THIS AUDIT: 2	AGING SCHEDULE OF REPEATED FINDINGS			
	Repeated Since	Category 1	Category 2	Category 3
Category 1:	2021		23-2	
Category 2:				
Category 3:				
TOTAL				
FINDINGS LAST AUDIT: 1				

SYNOPSIS

- **(23-01)** The State Universities Civil Service System’s (System) internal controls over its voucher processing function were not operating effectively during the examination period.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).
Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.
Category 3: Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**VOUCHER PROCESSING INTERNAL CONTROLS
NOT OPERATING EFFECTIVELY**

The State Universities Civil Service System's (System) internal controls over its voucher processing function were not operating effectively during the examination period.

Due to our ability to rely upon the processing integrity of the Enterprise Resource Planning (ERP) System operated by the Department of Innovation and Technology (DoIT), we were able to limit our voucher testing at the System to determine whether certain key attributes were properly entered by the System's staff into the ERP System. In order to determine the operating effectiveness of the System's internal controls related to voucher processing and subsequent payment of interest, we selected a sample of key attributes (attributes) to determine if the attributes were properly entered into the State's ERP System based on supporting documentation. The attributes tested were 1) vendor information, 2) expenditure amount, 3) object(s) of expenditure, and 4) the later of the receipt date of the proper bill or the receipt date of the goods and/or services.

Our testing noted 3 of 140 (2%) attributes were not properly entered into the ERP System. Specifically, the System did not enter the later of the receipt date of the proper bill or the receipt of goods and/or services into the ERP System correctly for 2 of 35 (6%) vouchers tested, totaling \$9,424. In addition, the vendor information entered into the ERP System for 1 of 35 (3%) vouchers tested, totaling \$245, did not agree to the vendor's invoice. Therefore, the System's internal controls over voucher processing **were not operating effectively**.

Even given the limitations noted above, we performed tests of details on a sample of the System's vouchers for other compliance matters and noted the following noncompliance:

**Key attributes not properly entered
into the ERP system**

**Vouchers processed with incorrect
detail object codes**

Improper payment of sales tax

**Voucher processed without
supporting invoice**

- For 3 of 35 (9%) general vouchers tested, totaling \$2,545, the System did not utilize the correct detail expenditure (object) codes for all components of the voucher, resulting in \$614 being allocated to the incorrect code.
- For 52 of 96 (54%) employee reimbursement vouchers examined, totaling \$6,575, the System paid sales tax. Total sales tax paid amounted to \$427.
- For 1 of 96 (1%) employee reimbursement vouchers examined, totaling \$80, no supporting invoice was included in ERP. As a result, we were unable to determine the purchase was reasonable and necessary. (Finding 1, pages 9-11).

We recommended the System design and maintain internal controls to provide assurance its data entry of key attributes into the ERP System is complete and accurate. In addition, we recommended the System utilize the correct detail object code. Further, we recommended the System ensure sales tax is not paid on purchases. Finally, we recommended the System ensure supporting documentation for purchases is received and maintained.

System agreed with recommendation

The System agreed with the finding and recommendation and noted they will develop internal controls to ensure its data entry is complete and accurate in ERP and that all information for purchases is received and maintained. The System also noted they will strive to utilize the correct detail object code when processing invoices with the Comptroller. Lastly, the System noted they have set up an account and taken measures to ensure the System does not incur taxes on purchases made after March 2025.

OTHER FINDING

The remaining finding pertain to weaknesses in cybersecurity programs and practices. We will review the System's progress towards the implementation of our recommendations in our next State compliance examination.

ACCOUNTANT'S OPINION

The accountants conducted a State compliance examination of the System for the two years ended June 30, 2023, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Finding 2023-001. Except for the noncompliance described in this finding, the accountants stated the System complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by the Office of the Auditor General's staff.

SIGNED ORIGINAL ON FILE

COURTNEY DZIERWA
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

FJM:QK