



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

UNIVERSITY OF ILLINOIS

Single Audit
 For the Year Ended June 30, 2024

Release Date: March 11, 2025

FINDINGS THIS AUDIT: 4				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	0	1	1	2022	24-1	24-2	
Category 2:	1	2	3				
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>	2020		24-3	
TOTAL	1	3	4				
FINDINGS LAST AUDIT: 9							

INTRODUCTION

This digest covers the University of Illinois (University) Single Audit for the year ended June 30, 2024. A separate digest covering the University’s Financial Audit as of and for the year ended June 30, 2024, was previously released on January 28, 2025. In addition, a separate digest covering the University’s State compliance examination for the year ended June 30, 2024 will be issued separately. In total, this report contains 4 findings, 1 of which was previously reported in the Financial Audit.

SYNOPSIS

- (24-2) The University of Illinois Urbana-Champaign and the University of Illinois Chicago did not make certain subrecipient payments timely and the controls in place did not identify the late payments.
- (24-4) The University of Illinois Urbana-Champaign and the University of Illinois Chicago did not have sufficient rationale documented for the noncompetitive procurement method selected within their iBuy system at the time of approval of the purchase to allow a reviewer to determine the appropriateness of the procurement method in the Research and Development Cluster.

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**

**CASH MANAGEMENT – TIMELINESS OF
SUBRECIPIENT PAYMENTS**

Subrecipient payments were not made timely

The University of Illinois Urbana-Champaign and the University of Illinois Chicago did not make certain subrecipient payments timely and the controls in place did not identify the late payments.

Out of thirty-two subrecipient payments tested which were made by the University of Illinois at Urbana Champaign under the Research & Development Cluster, twelve payments (38%) were not submitted within 30 days after receipt of the billing from the subrecipient. The payments ranged from 35-201 days after receipt of the billing from the subrecipients.

Out of eight subrecipient payments tested which were made by the University of Illinois Chicago under the Research & Development Cluster, one payment (13%) was not submitted within 30 days after receipt of the billing from the subrecipient. The payment was 32 days after receipt of billing from the subrecipient

Out of eighteen subrecipient payments tested which were made by the University of Illinois Chicago under the Health Center Program Cluster: Community Health Centers and AIDS Education and Training Centers, five payments (13%) were not submitted within 30 days after receipt of the billing from the subrecipient. The payments ranged from 42-120 days after receipt of billing from the subrecipients. (Finding 2, Pages 14-15)

We recommended the University of Illinois Urbana-Champaign and the University of Illinois Chicago review current processes, policies and procedures to minimize the time elapsing between the transfer of federal funds to the subrecipient.

University accepted the recommendation

University officials accepted the recommendation.

INTERNAL CONTROLS OVER PROCUREMENT

Documented controls for noncompetitive procurements need improvement

The University of Illinois Urbana-Champaign and the University of Illinois Chicago did not have sufficient rationale documented for the noncompetitive procurement method selected within their iBuy system at the time of approval of the purchase to allow a reviewer to determine the appropriateness of the procurement method in the Research & Development Cluster.

The University of Illinois Urbana-Champaign and the University of Illinois Chicago's internal controls over small purchases include review and approval of a purchase requisition form that documents the procurement method selected. Within the iBuy system, when a noncompetitive procurement method is selected, a radio button allows for selection of one of several circumstances where noncompetitive procurement is permitted by 2 CFR 200.320, including that the procurement can only be fulfilled by a single source. When this selection is made, additional information supporting this rationale should be available to the reviewer to determine that this noncompetitive procurement method is appropriate. We noted instances where there was not evidence that this information was available to the reviewer at the time of the approval.

Out of twenty-nine small purchase procurement transactions tested at the University of Illinois Urbana-Champaign, for five transactions (17%), there was not sufficient evidence to support that documentation of the noncompetitive procurement method selected was provided at the time of review and approval.

Out of eleven small purchase procurement transactions tested at the University of Illinois Chicago, for six transactions (55%), there was not sufficient evidence to support that documentation of the noncompetitive procurement method selected was provided at the time of review and approval.

Based on additional information provided to us during our testing, there were no indications that the noncompetitive procurement methods selected were inappropriate. (Finding 4, pages 18-19)

We recommended the University of Illinois Urbana-Champaign and the University of Illinois Chicago review current processes within the iBuy system for noncompetitive procurement transactions to ensure sufficient documentation is included to support the rationale for the noncompetitive method of procurement selected.

University accepted the recommendation

University officials accepted the recommendation.

OTHER FINDINGS

The remaining finding is reportedly being given attention by the University. We will review the University's progress towards the implementation of our recommendations in our next Single Audit.

AUDITOR'S OPINIONS

The financial audit report was previously released. The auditors stated the financial statements of the University as of and for

the year ended June 30, 2024 are fairly stated in all material respects.

The auditors also conducted a Single Audit of the University as required by the Uniform Guidance. The auditors stated the University complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on the University's major federal programs for the year ended June 30, 2024.

This Single Audit was conducted by RSM US LLP.

SIGNED ORIGINAL ON FILE

COURTNEY DZIERWA
Division Director

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

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FRANK J. MAUTINO
Auditor General

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