



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

WESTERN ILLINOIS UNIVERSITY

State Compliance Examination
 For the Year Ended June 30, 2023

Release Date: May 9, 2024

FINDINGS THIS AUDIT: 10				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:	1	1	2	2022	23-1	23-9	
Category 2:	5	3	8	2021		23-7	
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>	2018		23-5	
TOTAL	6	4	10				
FINDINGS LAST AUDIT: 7							

Introduction

This digest covers Western Illinois University’s (University) State compliance examination for the year ended June 30, 2023. Separate digests covering the University’s Financial Audit as of and for the year ended June 30, 2023 and Single Audit for the year ended June 30, 2023 were previously released on March 14, 2024. In total, this report contains ten findings, two of which were reported in the Financial Audit and Single Audit collectively.

SYNOPSIS

- **(23-05)** Western Illinois University (University) had weaknesses regarding the review of independent internal control reviews over its service providers.

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

LACK OF ADEQUATE CONTROLS OVER THE REVIEW OF INTERNAL CONTROLS OVER SERVICE PROVIDERS

Western Illinois University (University) had weaknesses regarding the review of independent internal controls reviews over its service providers.

The University was not able to provide a complete listing of service providers.

We requested the University provide a listing of its service providers utilized, System and Organization Control (SOC) Reports reviewed, and review of Complementary User Entity Controls (CUECs) as documented. However, the University was not able to provide a complete listing of service providers.

Due to these conditions, we were unable to conclude the University's population records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AT-C §205.36).

Even given the population limitations noted above, we performed testing of the service providers identified by the University to have a SOC report.

The University utilized various service providers to provide:

- Credit Card Processing,
- Online Classes,
- Emergency alert system,
- Email,
- Office Suite, and
- Work Order system

Our testing of the controls over service providers noted the following:

- For 8 of 8 (100%) service providers sampled, there was no formal requirement to obtain or review SOC reports at the University.
- For 6 of 8 (75%) service providers sampled, SOC reports were not collected by the University.
- For 8 of 8 (100%) service providers sampled, there was no SOC report review conducted by the University.
- For 8 of 8 (100%) service providers sampled, there was no CUEC mapping to the University's internal controls conducted by the University. (Finding 5, pages, 18-20)
This finding has been reported since 2018.

The University did not obtain SOC reports for six of eight service providers identified.

We recommend the University strengthen controls to identify and document all service providers utilized and determine and

document if a review of controls is required. Where appropriate, we recommend the University:

- Establish and enforce a formal university-wide onboarding requirement and processes for all third-party service providers.
- Establish and enforce a formal university-wide requirement to obtain SOC reports from third-party service providers.
- Establish and enforce a formal university-wide requirement to review SOC reports.
- Establish and enforce a formal university-wide requirement to review applicable Complementary User Entity Controls (CUECs) and map CUECs to existing internal controls at the University.

The University agreed with the finding.

The University agreed with the finding and stated they will continue to review policies and procedures related to SOC reports.

OTHER FINDINGS

The remaining findings pertain to inadequate control over student enrollment reporting, Return of Title IV Funds, verification requirements, lack of adequate change control, security related weaknesses, weaknesses in cybersecurity programs and practices, lack of access reviews and inappropriate screen access, weaknesses with payment card industry data and security standards, and untimely recognition of equipment acquisitions and disposals. We will review the University's progress towards the implementation of our recommendations in our next State compliance examination.

AUDITOR'S OPINIONS

The financial audit report was issued separately. The auditors stated the financial statements of the University as of and for the year ended June 30, 2023, are fairly stated in all material respects.

The single audit report was issued separately. The auditors also conducted a Single Audit of the University as required by the Uniform Guidance. The auditors stated that 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, 2023.

ACCOUNTANT'S OPINION

The accountants conducted a State compliance examination of the University for the year ended June 30, 2023, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for findings 2023-001 and 2023-

002. Except for the noncompliance described in these findings, the accountants stated the University complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by Plante Moran.

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JANE CLARK
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

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