



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

**DEPARTMENT OF INNOVATION AND TECHNOLOGY
 INFORMATION TECHNOLOGY SHARED SERVICES**

**System and Organization Control Report and Report
 Required Under *Government Auditing Standards*
 For the Year Ended June 30, 2023**

Release Date: September 7, 2023

FINDINGS THIS AUDIT: 2	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	2	2	2022	23-01		
Category 2:	0	0	0	2018	23-02		
Category 3:	0	0	0				
TOTAL	0	2	2				
FINDINGS LAST AUDIT: 3							

INTRODUCTION

This digest covers our System and Organization Control Report and Report Required under Government Auditing Standards of the Department of Innovation and Technology Information Technology Shared Services for the period from July 1, 2022 through June 30, 2023.

The System and Organization Control Report contains an adverse opinion due to weaknesses associated with the Department’s Description of System, suitability of the control design and operating effectiveness of controls. In addition, the Report Required under *Government Auditing Standards* (GAS) contains two findings.

SYNOPSIS

- **(23-1)** The controls related to the control objectives stated in the Description of the Information Technology Shared Services System for the Information Technology General Controls and Application Controls were not suitably designed to provide reasonable assurance the control objectives would be achieved.
- **(23-2)** The controls related to the control objectives stated in the Description of the Information Technology Shared Services System for the Information Technology General Controls and Application Controls did not operate effectively.

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

CONTROLS WERE NOT SUITABLY DESIGNED

Controls not suitably designed

The controls related to the control objectives stated in the “Description of the Information Technology Shared Services System for the Information Technology General Controls and Application Controls” (description of system), provided by the Department of Innovation and Technology (Department), were not suitably designed to provide reasonable assurance the control objectives would be achieved.

Populations not provided

As part of our testing to determine if the controls were suitably designed, we requested the Department provide populations related to:

- New Agency Application Administrator logical access requests;
- Active Directory access requests, modifications, and terminations;
- Security Software accounts created, modified, and revoked;
- New Security Software Administrator accounts;
- New and terminated physical access request, including non-State employees; and
- Changes made to applications.

Testing could not be performed

However, the Department did not provide complete and accurate populations. As such, we could not perform testing.

Department did not respond to request

In addition, the Department did not respond to our request regarding staff and vendors with a business need to access or modify network devices.

Change management procedures and process not followed

Further, our testing noted the Department did not follow their change management procedures or processes for changes to the mainframe operating system and the network security tool.

Lastly, the Department did not provide documentation demonstrating they were monitoring for compliance with the enterprise information security policies.

As a result, we were unable to determine if the controls were suitably designed. (Finding 1, pages 8-9 of GAS Report)

We recommended the Department ensure the controls are suitably designed over the services provided to user agencies.

Department agreed

Department officials agreed and stated they would review the controls in place and would work to ensure they are effectively designed.

CONTROLS DID NOT OPERATE EFFECTIVELY

Controls did not operate effectively

The controls related to the control objectives stated in the “Description of the Information Technology Shared Services System for the Information Technology General Controls and Application Controls” (description of system), provided by the Department of Innovation and Technology (Department), did not operate effectively.

During our testing of the controls related to the control objectives stated in the description of system, we noted specific controls which did not operate effectively. Specifically, we noted:

Incorrect tax rate

Applications

- A state tax rate was incorrect.

Change management weaknesses

Change Management

- Post Implementation Reviews were not always completed timely.
- Some changes did not have a test plan.
- Changes to the environment operating systems were not always approved.

Physical security weaknesses

Physical Security

- A monthly review of the Central Computing Facility (CCF) secured area was not completed.
- Individuals were issued temporary badges with inappropriate access to the Department’s buildings.

Logical security weaknesses

Logical Security

- Security software weekly violation reports did not document if violations were followed up on or reviewed.
- The Department did not provide several proxy agencies a listing of their security software accounts for review.
- Security settings did not always conform to the Department’s or vendor’s standards.

Security violation weaknesses

Security Violations

- Security violation reports did not document followup actions taken related to security violations.
- Mainframe monitoring reports were not always completed and distributed.

Policies and procedures not updated

Environments

- Several policies and procedures had not been updated to reflect current processes. (Finding 3, pages 10-11 of GAS Report) This finding has been repeated since 2018.

We recommended the Department ensure its controls operate effectively over the services provided to user agencies.

Department agreed

Department officials agreed and stated they would review the controls in place and would work to ensure they are operating effectively.

SERVICE AUDITOR’S OPINION

The System and Organization Control Report contained an adverse opinion. Specifically, the Service Auditors determined:

- a. the description does not fairly presents the State of Illinois, Department of Innovation and Technology’s Information Shared Services system that was designed and implemented throughout the period from July 1, 2022 to June 30, 2023.
- b. the controls related to the control objectives stated in the description were not suitably designed to provide reasonable assurance that the control objectives would be achieved if the control operated effectively throughout the period July 1, 2022 to June 30, 2023.
- c. the controls did not operate effectively to provide reasonable assurance that the controls stated in the description were achieved throughout the period from July 1, 2022 to June 30, 2023.

The System and Organization Control Examination was conducted by the Office of the Auditor General’s staff.

SIGNED ORIGINAL ON FILE

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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