

STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION

PROGRAM-SPECIFIC AUDIT  
FOR THE YEAR ENDED JUNE 30, 2007  
(In Accordance with OMB Circular A-133)

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

**STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION  
PROGRAM-SPECIFIC AUDIT  
FOR THE YEAR ENDED JUNE 30, 2007**

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**Other Reports Issued Applicable to this Program-Specific Audit:**

Financial Audit and Compliance Examination of the Chicago Technology Park Corporation For the Year Ended June 30, 2007, including The Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated April 30, 2008.

**STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION  
PROGRAM-SPECIFIC AUDIT  
FOR THE YEAR ENDED JUNE 30, 2007**

**CORPORATION OFFICIALS**

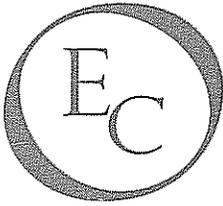
President	Mr. Samuel Pruett
Vice President	Mr. Mich Hein (07/01/06 to 10/08/07)
Acting Chief Fiscal Officer	Mr. Robert Nauert (11/06/07 to 09/19/08)
Chief Fiscal Officer	Ms. Paula Philbrook (07/01/06 to 10/12/06)
Technical Counsel	Mr. Kenneth Scheiwe
Project Manager, Financial Affairs	Mr. Thomas Custardo (03/04/08 to present)

***Corporation office is located at:***

2201 W. Campbell Park Drive, Suite 1  
Chicago, Illinois 60612

***Fiscal office is located at:***

600 South Hoyne Avenue  
Chicago, Illinois 60612



E.C. ORTIZ & CO., LLP  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT  
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Honorable William G. Holland  
Auditor General  
State of Illinois

Board of Directors of  
Chicago Technology Park Corporation

As Special Assistant Auditors for the Auditor General, we have audited the accompanying schedule of expenditures of federal awards for the WIA Pilots, Demonstrations, and Research Projects (BiTmaP) Program of the Chicago Technology Park Corporation (Corporation) for the year ended June 30, 2007. This financial statement is the responsibility of the Corporation's management. Our responsibility is to express an opinion on the financial statement of the program based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the schedule of expenditures of federal awards referred to above presents fairly, in all material respects, the expenditures of federal awards under the BiTmaP Program in conformity with accounting principles generally accepted in the United States of America.

*E. C. Ortiz & Co., LLP*  
Chicago, Illinois  
October 31, 2008

**STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2007**

Federal Grantor/Pass-Through Grantor Program/Grant Title	CFDA Number	Pass- Through Number	Fiscal Year 2007 Expenditures
<u>DEPARTMENT OF LABOR</u>			
WIA Pilots, Demonstrations, and Research Projects (BiTmaP)	17.261		<u>\$ 618,063</u>
TOTAL FEDERAL AWARDS EXPENDED			<u><u>\$ 618,063</u></u>

*The accompanying notes are an integral part of this schedule.*

**STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2007**

**1. Significant Accounting Policy**

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the WIA Pilots, Demonstrations, and Research Projects (BiTmaP) Program of the Chicago Technology Park Corporation (Corporation). This was recorded on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

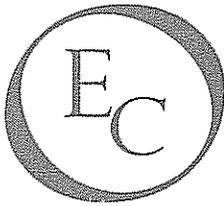
**2. Description of Program**

WIA Pilots, Demonstrations, and Research Projects (BiTmaP)

This is a training program that certifies information technology (IT) professionals in the field of bioinformatics. BiTmaP is sponsored by a \$3 million grant awarded to the Chicago Technology Park by the U.S. Department of Labor. The grant supports a partnership with the Corporation and the University of Illinois at Chicago to create and manage an online training curriculum at the interface of information technology and the life sciences. The ultimate goal of BiTmaP is to partner with local and regional businesses, learning institutions, industrial organizations, and workforce development agencies to place BiTmaP students in successful careers in bioinformatics.

**3. Subrecipient Payments**

There were no subrecipient payments made during the year.



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO THE FEDERAL PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH THE PROGRAM-SPECIFIC AUDIT  
OPTION UNDER OMB CIRCULAR A-133**

Honorable William G. Holland  
Auditor General  
State of Illinois

Board of Directors of  
Chicago Technology Park Corporation

**Compliance**

As Special Assistant Auditors for the Auditor General, we have audited the compliance of the Chicago Technology Park Corporation (Corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to the WIA Pilots, Demonstrations, and Research Projects (BiTmaP) Program for the year ended June 30, 2007. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Corporation's management. Our responsibility is to express an opinion on the Corporation's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on its BiTmaP Program occurred. An audit includes examining, on a test basis, evidence about the Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Corporation's compliance with those requirements.

In our opinion, the Corporation complied, in all material respects, with the requirements referred to above that are applicable to its BiTmaP Program for the year ended June 30, 2007. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported, in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 07-1 and 07-2.

## Internal Control Over Compliance

The management of the Corporation is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Corporation's internal control over compliance with requirements that could have a direct and material effect on its BitTmaP Program in order to determine our auditing procedures for the purpose of expressing an opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 07-1 and 07-2 to be significant deficiencies.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The Corporation's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the Corporation's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, Board of Directors, management of Corporation, and federal awarding agency and is not intended to be and should not be used by anyone other than these specified parties.

*E. C. Ortiz + Co., LLP*

Chicago, Illinois  
October 31, 2008

**STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2007**

**Part I: Summary of Auditor's Results**

**Financial Statement**

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified?        Yes   ✓   No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)?        Yes   ✓   None reported
- Noncompliance material to financial statement noted?        Yes   ✓   No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?        Yes   ✓   No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)?   ✓   Yes        None reported

Type of auditor's report issued on compliance for major program: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?   ✓   Yes        No

**Identification of major program:**

**U.S. Department of Labor**

CFDA Number

Name of Federal Program or Cluster

17.261

WIA Pilots, Demonstrations, and Research Projects

Dollar threshold used to distinguish between type A and type B Programs: \$500,000

Auditee qualified as low-risk auditee?        Yes   ✓   No

**STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2007**

**Part II: Finding Related to the Financial Statement**

None

**STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2007**

**Part III. Findings and Questioned Costs for Federal Awards**

**INSTANCES OF NONCOMPLIANCE:**

07-1 Financial Status Report Inaccurate and Not Filed Timely

**Award Number: AH-13683-04-60**  
**Questioned Cost: None**

The Chicago Technology Park Corporation (Corporation) filed an inaccurate Financial Status Report (SF 269) with the U.S. Department of Labor for WIA Pilots, Demonstrations and Research Projects.

During our review, we noted that the SF 269 report filed by the Corporation for the fourth quarter of fiscal year 2007 did not reconcile with the Corporation's accounting records for a total amount of \$31,689. In addition, one of the four SF 269 reports (first quarter) filed by the Corporation for the fiscal year 2007 was 48 days late.

The grant agreement between the Corporation (grantee) and the U.S. Department of Labor states that the grantee shall submit quarterly Financial Status Reports within 30 days after the end of each calendar quarter. It also states that the reports shall include program outlays (expenditures) and program income on an accrual basis.

Corporation officials stated that the delay was due to turnover of the accounting staff responsible for the preparation of the reports.

Failure to file accurate Financial Status Reports in a timely manner results in a lack of proper accountability and may jeopardize future Federal funding. (Finding Code Nos. 07-1, 06-1)

***Recommendation***

We recommend that the Corporation improve procedures to ensure that accurate Financial Status Reports are filed in a timely manner. We further recommend that the Corporation correct the inaccurate report noted above.

***Corporation Response***

The Corporation agrees with the recommendation and will ensure SF 269 Q4 2007 is corrected and re-filed.

**STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2007**

**Part III. Findings and Questioned Costs for Federal Awards (Continued)**

**INSTANCES OF NONCOMPLIANCE: (Continued)**

07-2 Proof of U.S. Citizenship or Permanent Residence Status Not Maintained

**Award Number: AH-13683-04-60**  
**Questioned Cost: None**

The Chicago Technology Park Corporation (Corporation) did not maintain proof of U.S. Citizenship or Permanent Residence status for WIA Pilots, Demonstrations and Research Projects (BiTmaP) Program students.

During our review, we noted that 4 of 30 program students' files did not include proof of U.S. Citizenship or Permanent Residence status. Two of the 4 exceptions noted were born in the United States; 1 was a naturalized citizen; and 1 completed 3 college degrees in the United States and proof of U.S. Citizenship or Permanent Residence status was not deemed necessary by the Corporation.

The grant agreement between the Corporation (grantee) and the U.S. Department of Labor requires that Program applicants must be U.S. citizens or permanent residents.

Corporation officials entered into a contract with a vendor to administer the program in October 2006. The vendor reviewed existing students' files for adequate supporting documentation. Corporation personnel stated that the missing documentation relates to those students already accepted into the program prior to the vendor's review.

Failure to adequately maintain required documentation results in noncompliance with program requirements and may jeopardize future Federal funding. (Finding Code No. 07-2)

***Recommendation***

We recommend that the Corporation obtain and maintain adequate program documentation, including proof of U.S. Citizenship or Permanent Residence status, as required.

***Corporation Response***

With previous exceptions noted and documented, a checklist procedure was instituted in January 2007 to ensure that all program required student documentation was obtained for its files. The Corporation agrees with this recommendation.

**STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2007**

**Part III. Findings and Questioned Costs for Federal Awards (Continued)**

**SIGNIFICANT DEFICIENCIES:**

- 07-1 Financial Status Report Inaccurate and Not Filed Timely (Finding details on page 9)
- 07-2 Proof of U.S. Citizenship or Permanent Residence Status Not Maintained (Finding details on page 10)

**STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDING  
JUNE 30, 2007**

07-1 Financial Status Report Inaccurate and Not Filed Timely

*Conditions:*

An inaccurate Financial Status Report (SF 269) was filed with the U.S. Department of Labor for WIA Pilots, Demonstrations, and Research Projects.

The SF 269 report filed by the Corporation for the fourth quarter of fiscal year 2007 did not reconcile with the Corporation's accounting records for a total amount of \$31,689. In addition, one of the four SF 269 reports (first quarter) filed by the Corporation for the fiscal year 2007 was 48 days late.

*Plans:*

Corporation staffs are being cross-trained in the filing of various required financial reports for the State and U.S. Government so that financial filings are not dependent on one individual.

*Anticipated Completion Dates:*

Corporation completed the cross-training last June 30, 2008.

*Name of Contact Person:*

Thomas Custardo, Project Manager, Financial Affairs

**STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDING  
JUNE 30, 2007**

07-2 Proof of U.S. Citizenship or Permanent Residence Status Not Maintained

*Conditions:*

The Chicago Technology Park Corporation (Corporation) did not maintain proof of U.S. Citizenship or Permanent Residence status for WIA Pilots, Demonstrations, and Research Projects (BiTmaP) Program students.

Current audit noted that 4 of 30 program students' files did not include proof of U.S. Citizenship or Permanent Residence status. Two of the 4 exceptions noted were born in the United States; 1 was a naturalized citizen; and 1 completed 3 college degrees in the United States and proof of U.S. Citizenship or Permanent Residence status was not deemed necessary by the Corporation.

*Plans:*

Corporation initiates an application check list that allows staff to check off required application materials as they are received and placed into student files.

*Anticipated Completion Dates:*

Corporation implemented the application check list process last January 31, 2007.

*Name of Contact Person:*

Thomas Custardo, Project Manager, Financial Affairs

**STATE OF ILLINOIS  
CHICAGO TECHNOLOGY PARK CORPORATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2007**

<b><u>Finding No.</u></b>	<b><u>Condition</u></b>	<b><u>Current Status</u></b>
06-1	Financial Status Report Inaccurate and Not Filed Timely	Partial Repeat 07-1
06-2	Inadequate Documentation for Federal Program Cost Sharing	Resolved