

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY**

**COMPLIANCE EXAMINATION  
FOR THE YEAR ENDED JUNE 30, 2014**

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

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
COMPLIANCE EXAMINATION  
FOR THE YEAR ENDED JUNE 30, 2014**

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**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
COMPLIANCE EXAMINATION  
FOR THE YEAR ENDED JUNE 30, 2014**

**AGENCY OFFICIALS**

President (9/15/2014 - present)	Dr. José M. Torres
President (through 9/14/2014)	Ms. Catherine Veal
VP of Business & Finance (through 9/30/2013)	Mr. Patrick Furlong
VP of Human Resources/Chief Operating Officer	Ms. Mary Spreitzer
Director Business & Financial Operations	Ms. Kimberly Corrao

**BOARD OF TRUSTEES**

Chairman	Ms. Shelia MB Griffin
1 <sup>st</sup> Vice Chairman	Dr. Paula Olszewski-Kubilius
2 <sup>nd</sup> Vice Chairman	Dr. Erin W. Roche
Ex-Officio Member (12/10/13 to present)	Dr. James Applegate
Ex-Officio Member (through 12/9/2013)	Dr. Harry Berman
Ex-Officio Member	Dr. Christopher Koch
Ex-Officio Member	Dr. Karen Hunter Anderson
Ex-Officio Member (7/1/2014 – present)	Dr. Jeffrey Craig
Ex-Officio Member (through 6/30/2014)	Dr. James Rydland
Trustee	Dr. Jerome “Jay” Budzik
Trustee	Ms. Kathy He
Trustee	Dr. Steven T. Isoye
Trustee	Ms. Leslie N. Juby
Trustee	Dr. Mary Kalantzis
Trustee (10/11/2013 – present)	Ms. Carey L. Mayer
Trustee (through 10/11/2013)	Mr. John H. McEachern, Jr.
Trustee	Dr. Luis Núñez
Trustee	Dr. Marsha R. Rosner
Trustee (10/18/2013 – present)	Mr. Eric R. Brown
Trustee (10/3/2014 – present)	Dr. H. Steven Sims
Trustee (1/3/2014 – 7/3/2014)	Ms. Ana G. Rodriguez

The Academy is located at:  
1500 Sullivan Rd.  
Aurora, IL 60506-1000



igniting and nurturing  
**creative, ethical scientific minds**  
that advance the human condition

December 17, 2014

Borschnack, Pelletier & Co.  
Certified Public Accountants  
200 E. Court St., Suite 608  
Kankakee, IL 60901

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Illinois Mathematics and Science Academy. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Illinois Mathematics and Science Academy's compliance with the following assertions during the year ended June 30, 2014. Based on this evaluation, we assert that during the year ended June 30, 2014, the Illinois Mathematics and Science Academy has materially complied with the assertions below.

A. The Illinois Mathematics and Science Academy has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.

B. The Illinois Mathematics and Science Academy has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.

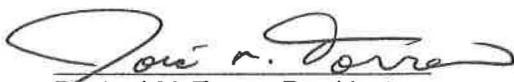
C. The Illinois Mathematics and Science Academy has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

D. State revenues and receipts collected by the Illinois Mathematics and Science Academy are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.

E. Money or negotiable securities or similar assets handled by the Illinois Mathematics and Science Academy on behalf of the State or held in trust by the agency have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Illinois Mathematics and Science Academy

  
Dr. José M. Torres, President

  
Mary Spreitzer, Vice President of Human Resources /  
Chief Operating Officer

  
Kimberly Corrao, Director of Business and Financial Operations

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
COMPLIANCE EXAMINATION  
FOR THE YEAR ENDED JUNE 30, 2014**

**COMPLIANCE REPORT**

**SUMMARY**

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

**ACCOUNTANTS' REPORT**

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes does not contain scope limitations, disclaimers, or other significant non-standard language.

**SUMMARY OF FINDINGS**

<u>Number of</u>	<u>Current Report</u>	<u>Prior Report</u>
Findings	0	0
Repeated findings	0	0
Prior recommendations implemented or not repeated	0	1

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
COMPLIANCE EXAMINATION  
FOR THE YEAR ENDED JUNE 30, 2014**

**EXIT CONFERENCE**

The results of the examination were discussed with Academy personnel at an exit conference on December 17, 2014. In attendance were:

Illinois Mathematics and Science Academy

Dr. José M. Torres, President (via teleconference)  
Ms. Mary Spreitzer, Vice President of Human Resources/Chief Operating Officer  
Ms. Kimberly Corrao, Director of Business and Financial Operations

Office of the Auditor General

Mr. Jose Roa, Audit Manager

Borschnack Pelletier & Co.

Mr. Paul Pelletier, Partner  
Mr. Brian Creek, Manager

**INDEPENDENT ACCOUNTANTS' REPORT ON STATE COMPLIANCE,  
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON  
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

Honorable William G. Holland  
Auditor General  
State of Illinois

And

Board of Trustees  
Illinois Mathematics and Science Academy  
Aurora, Illinois

**Compliance**

As Special Assistant Auditors for the Auditor General, we have examined the State of Illinois, Illinois Mathematics and Science Academy's compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the year ended June 30, 2014. The management of the State of Illinois, Illinois Mathematics and Science Academy is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Illinois Mathematics and Science Academy's compliance based on our examination.

- A. The State of Illinois, Illinois Mathematics and Science Academy has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois, Illinois Mathematics and Science Academy has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The State of Illinois, Illinois Mathematics and Science Academy has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the State of Illinois, Illinois Mathematics and Science Academy are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the State of Illinois, Illinois Mathematics and Science Academy on behalf of the State or held in trust by the State of Illinois, Illinois Mathematics and Science Academy have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the Audit Guide as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the State of Illinois, Illinois Mathematics and Science Academy's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the State of Illinois, Illinois Mathematics and Science Academy's compliance with specified requirements.

In our opinion, the State of Illinois, Illinois Mathematics and Science Academy complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the year ended June 30, 2014.

### **Internal Control**

Management of the State of Illinois, Illinois Mathematics and Science Academy is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the State of Illinois, Illinois Mathematics and Science Academy's internal control over compliance with the requirements listed in the first paragraph of this report to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide, issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the State of Illinois, Illinois Mathematics and Science Academy's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Illinois Mathematics and Science Academy's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the requirements listed in the first paragraph of this report on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

As required by the Audit Guide, immaterial findings excluded from this report have been reported in a separate letter to your office.

**Supplementary Information for State Compliance Purposes**

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information for the year ended June 30, 2014 in Schedules 1 through 10 and the Analysis of Operations Section is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2014 accompanying supplementary information in Schedules 1 through 10. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2013 accompanying supplementary information in Schedules 2 through 8, and Schedule 10 and in the Analysis of Operations Section, and accordingly, we do not express an opinion or provide any assurance 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, Academy management, and the Academy's Board of Trustees and is not intended to be and should not be used by anyone other than these specified parties.

*Borschmann, Pelletier & Co.*

December 17, 2014

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
FOR THE YEAR ENDED JUNE 30, 2014**

**SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

**SUMMARY**

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

- Fiscal Schedules and Analysis:
  - Schedule of Appropriations, Expenditures and Lapsed Balances
  - Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
  - Schedule of Receipts, Disbursements and Fund Balance (Cash Basis)
    - Locally-Held Funds
  - Schedule of Changes in State Property
  - Comparative Schedule of Cash Receipts
  - Reconciliation of Cash Receipts to Deposits Remitted to the State Comptroller
  - Analysis of Significant Variations in Expenditures
  - Analysis of Significant Variations in Receipts
  - Analysis of Significant Lapse Period Spending
  - Analysis of Accounts Receivable
  
- Analysis of Operations (Not Examined):
  - Agency Functions and Planning Program (Not Examined)
  - Average Number of Employees (Not Examined)
  - Emergency Purchases (Not Examined)
  - Service Efforts and Accomplishments (Not Examined)

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the accountants have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2014 accompanying supplementary information in Schedules 1 through 10. However, the accountants do not express an opinion on the supplementary information. The accountants report also states that they have not applied procedures to the Analysis of Operations section, and accordingly, they do not express an opinion or provide any assurance on it.

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES  
APPROPRIATIONS FOR FISCAL YEAR 2014  
FOURTEEN MONTHS ENDED AUGUST 31, 2014**

	<u>Appropriations (Net After Transfers)</u>	<u>Expenditures Through 6/30/14</u>	<u>Lapse Period Expenditures 7/01 - 8/31/14</u>	<u>Total Expenditures</u>	<u>Balances Lapsed</u>
<u>APPROPRIATED FUNDS:</u>					
<u>EDUCATION ASSISTANCE FUND - 007 (P.A. 98-0033)</u>					
Personal Services	\$ 12,766,200	\$ 12,057,872	\$ 708,324	\$ 12,766,196	\$ 4
Retirement	100	-	100	100	-
State Contributions to Social Security, for Medicare	189,000	172,237	10,313	182,550	6,450
Contractual Services	4,124,400	3,875,880	248,349	4,124,229	171
Travel	127,500	93,001	18,340	111,341	16,159
Commodities	314,400	265,504	44,471	309,975	4,425
Equipment	637,600	505,651	130,522	636,173	1,427
Electronic Data Processing	134,500	30,542	101,136	131,678	2,822
Telecommunication Services	100,000	87,736	11,469	99,205	795
Operation of Automotive Equipment	52,000	49,154	2,791	51,945	55
Total - Fund 007	<u>18,445,700</u>	<u>17,137,577</u>	<u>1,275,815</u>	<u>18,413,392</u>	<u>32,308</u>
<u>INCOME FUND - 768 (P.A. 98-0033)</u>					
Personal Services	2,261,900	1,553,717	130,086	1,683,803	578,097
State Contributions to Social Security, for Medicare	45,900	31,097	2,956	34,053	11,847
Contractual Services	294,700	148,461	133,806	282,267	12,433
Travel	126,700	24,750	1,007	25,757	100,943
Commodities	143,200	96,400	13,962	110,362	32,838
Equipment	65,000	3,141	-	3,141	61,859
Telecommunication Services	80,000	14,019	740	14,759	65,241
Operation of Automotive Equipment	5,000	740	1,033	1,773	3,227
Refunds	27,600	1,550	-	1,550	26,050
Total - Fund 768	<u>3,050,000</u>	<u>1,873,875</u>	<u>283,590</u>	<u>2,157,465</u>	<u>892,535</u>
<b>TOTAL - ALL APPROPRIATED FUNDS</b>	<u><u>\$ 21,495,700</u></u>	<u><u>\$ 19,011,452</u></u>	<u><u>\$ 1,559,405</u></u>	<u><u>\$ 20,570,857</u></u>	<u><u>\$ 924,843</u></u>

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES  
APPROPRIATIONS FOR FISCAL YEAR 2014  
FOURTEEN MONTHS ENDED AUGUST 31, 2014

	<u>Appropriations (Net After Transfers)</u>	<u>Expenditures Through 6/30/14</u>	<u>Lapse Period Expenditures 7/01 - 8/31/14</u>	<u>Total Expenditures</u>	<u>Balances Lapsed</u>
<u>NON-APPROPRIATED FUNDS:</u>					
<u>SPECIAL PURPOSES TRUST FUND - 359</u>					
Personal Services		\$ 162,473	\$ 39,827	\$ 202,300	
Retirement		12,522	5,432	17,954	
State Contributions for Social Security, for Medicare		3,591	1,565	5,156	
Employer Contributions for Group Insurance		27,870	-	27,870	
Contractual Services		256,318	89,764	346,082	
Travel		36,792	2,172	38,964	
Commodities		54,628	56,629	111,257	
Printing		4,959	4,263	9,222	
Equipment		34,010	41,517	75,527	
Electronic Data Processing		1,546	31,360	32,906	
Telecommunication Services		997	-	997	
Awards and Grants		46,433	667	47,100	
Permanent Improvements		-	26,000	26,000	
Refunds		124,440	-	124,440	
		<u>\$ 766,579</u>	<u>\$ 299,196</u>	<u>\$ 1,065,775</u>	
TOTAL - ALL NON-APPROPRIATED FUNDS		<u>\$ 766,579</u>	<u>\$ 299,196</u>	<u>\$ 1,065,775</u>	
GRAND TOTAL - ALL FUNDS	<u>\$ 21,495,700</u>	<u>\$ 19,778,031</u>	<u>\$ 1,858,601</u>	<u>\$ 21,636,632</u>	<u>\$ 924,843</u>

**Note:** Appropriations, expenditures, and lapsed balances were obtained from Academy records and have been reconciled to the records of the State Comptroller.

**Note:** Expenditure amounts are vouchers approved for payment by the Academy and submitted to the State Comptroller for payment to the vendor.

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES  
AND LAPSED BALANCES  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	<b>FISCAL YEAR</b>	
	<b>2014</b>	<b>2013</b>
	<b>P.A. 98-0033</b>	<b>P.A. 97-0729</b>
<b>EDUCATION ASSISTANCE FUND - 007</b>		
<u>Appropriations (Net after Transfers)</u>	\$ 18,445,700	\$ 17,697,900
<u>Expenditures</u>		
Personal Services	12,766,196	12,542,673
Retirement	100	100
State Contributions to Social Security, for Medicare	182,550	181,468
Contractual Services	4,124,229	3,801,601
Travel	111,341	94,278
Commodities	309,975	319,928
Equipment	636,173	531,678
Electronic Data Processing	131,678	32,875
Telecommunication Services	99,205	108,235
Operation of Automotive Equipment	51,945	46,554
Total Expenditures	18,413,392	17,659,390
<u>Lapsed Balances</u>	\$ 32,308	\$ 38,510
<b>INCOME FUND - 768</b>		
<u>Appropriations (Net after Transfers)</u>	\$ 3,050,000	\$ 3,050,000
<u>Expenditures</u>		
Personal Services	1,683,803	1,596,693
State Contributions to Social Security, for Medicare	34,053	31,797
Contractual Services	282,267	137,584
Travel	25,757	50,462
Commodities	110,362	69,834
Equipment	3,141	941
Telecommunication Services	14,759	21,613
Operation of Automotive Equipment	1,773	5,000
Refunds	1,550	10,270
Total Expenditures	2,157,465	1,924,194
<u>Lapsed Balances</u>	\$ 892,535	\$ 1,125,806
<b>GRAND TOTAL, ALL APPROPRIATED FUNDS</b>		
Appropriations (Net after Transfers)	\$ 21,495,700	\$ 20,747,900
Total Expenditures	20,570,857	19,583,584
Lapsed Balances	\$ 924,843	\$ 1,164,316

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES  
AND LAPSED BALANCES  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	<b>FISCAL YEAR</b>	
	<b>2014</b>	<b>2013</b>
<b><u>SPECIAL PURPOSES TRUST FUND - 359</u></b>		
<u>Non-appropriated fund</u>		
<u>Expenditures</u>		
Personal Services	\$ 202,300	\$ 316,462
Retirement	17,954	34,342
State Contributions for Social Security, for Medicare	5,156	5,596
Employer Contributions for Group Insurance	27,870	31,088
Contractual Services	346,082	246,366
Travel	38,964	43,585
Commodities	111,257	127,509
Printing	9,222	3,276
Equipment	75,527	75,045
Electronic Data Processing	32,906	-
Telecommunication services	997	-
Awards and Grants	47,100	36,660
Permanent Improvements	26,000	36,154
Refunds	124,440	120,761
	<u>1,065,775</u>	<u>1,076,844</u>
Total Expenditures	<u>1,065,775</u>	<u>1,076,844</u>
<b><u>GRAND TOTAL, ALL NON-APPROPRIATED FUNDS</u></b>		
Total Expenditures	<u>\$ 1,065,775</u>	<u>\$ 1,076,844</u>
<b><u>GRAND TOTAL, ALL FUNDS</u></b>		
Total Expenditures	<u>\$ 21,636,632</u>	<u>\$ 20,660,428</u>

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
FUND BALANCE (CASH BASIS) - LOCALLY-HELD FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014**

<u>Fund Name/Fund Number</u>	<u>2014</u>
OPERATING FUND - 1223	
Beginning balance of cash and investments	\$ 3,161,463
Total funds received during the fiscal year	306,800
Total funds disbursed during the fiscal year	<u>602,000</u>
Ending balance of cash and investments	<u>\$ 2,866,263</u>
STUDENT ACTIVITY FUND - 1366	
Beginning balance of cash and investments	\$ 142,490
Total funds received during the fiscal year	494,325
Total funds disbursed during the fiscal year	<u>490,006</u>
Ending balance of cash and investments	<u>\$ 146,809</u>

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
SCHEDULE OF CHANGES IN STATE PROPERTY  
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Net Transfers</u>	<u>Balance June 30, 2014</u>
Land and land improvements	\$ 200,646	\$ -	\$ -	\$ -	\$ 200,646
Building and building improvements	49,411,577	26,000	-	335,721	\$ 49,773,298
Equipment	14,075,587	645,027	(4,529,802)	-	\$ 10,190,812
Totals	<u>\$ 63,687,810</u>	<u>\$ 671,027</u>	<u>\$ (4,529,802)</u>	<u>\$ 335,721</u>	<u>\$ 60,164,756</u>

The property and equipment information was obtained from the Academy's accounting records which were used to prepare the Academy's "Agency Report of State Property" (Form C-15) submitted to the State Comptroller. Such records have been reconciled to the Academy's property control records as of June 30, 2014.

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
COMPARATIVE SCHEDULE OF CASH RECEIPTS  
FOR THE YEARS ENDED JUNE 30,**

	<u>2014</u>	<u>2013</u>
GENERAL REVENUE FUND - 001		
Third Party Reimbursements	\$ -	\$ 55
Prior Year Refunds	2,028	6,653
Total 001 Fund Receipts	<u>2,028</u>	<u>6,708</u>
EDUCATION ASSISTANCE FUND - 007		
Third Party Reimbursements	2,830	9,480
Prior Year Refunds	1,599	506
Total 007 Fund Receipts	<u>4,429</u>	<u>9,986</u>
SPECIAL PURPOSES TRUST FUND - 359		
Private Grant Funds	8,750	1,375
Other Illinois State Agency Grant Funds	109,750	117,500
Federal Grant Funds	12,463	8,130
Private Donations	1,047,705	739,045
Total 359 Fund Receipts	<u>1,178,668</u>	<u>866,050</u>
INCOME FUND - 768		
Student Activity Fees	1,756,932	1,514,493
Conference Fees	212,362	253,724
Miscellaneous Fees	67,866	89,925
Professional Services	18,030	10,750
Workshop Materials Fees	5,977	8,075
Prior Year Refunds	216	-
Total 768 Fund Receipts	<u>2,061,383</u>	<u>1,876,967</u>
TOTAL RECEIPTS	<u>\$ 3,246,508</u>	<u>\$ 2,759,711</u>

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED  
TO THE STATE COMPTROLLER  
FOR THE YEARS ENDED JUNE 30,**

	<u>2014</u>	<u>2013</u>
Receipts per Academy Records	\$ 3,246,508	\$ 2,759,711
Add: Deposits in Transit, Beginning of Year	91,857	207,385
Less: Deposits in Transit, End of Year	(20,494)	(91,857)
Receipts per Comptroller Records	<u>\$ 3,317,871</u>	<u>\$ 2,875,239</u>

**STATE OF ILLINOIS**  
**ILLINOIS MATHEMATICS AND SCIENCE ACADEMY**  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
**FOR THE YEAR ENDED JUNE 30, 2014**

A comparative schedule of significant variations in expenditures of 20% and \$10,000 for the fiscal years ended June 30, 2014 and June 30, 2013 are shown below:

	<u>FISCAL YEAR</u> <u>ENDED JUNE 30</u>		<u>INCREASE</u> <u>(DECREASE)</u>	
	<u>2014</u>	<u>2013</u>	<u>AMOUNT</u>	<u>PERCENT</u>
<u>Education Assistance Fund - 007</u>				
Electronic Data Processing	\$ 131,678	\$ 32,875	\$ 98,803	301%
<u>Income Fund - 768</u>				
Contractual Services	282,267	137,584	144,683	105%
Travel	25,757	50,462	(24,705)	(49%)
Commodities	110,362	69,834	40,528	58%
<u>Special Purposes Trust Fund - 359</u>				
Personal Services	202,300	316,462	(114,162)	(36%)
Retirement	17,954	34,342	(16,388)	(48%)
Contractual Services	346,082	246,366	99,716	40%
Electronic Data Processing	32,906	0	32,906	
Awards and Grants	47,100	36,660	10,440	28%
Permanent Improvements	26,000	36,154	(10,154)	(28%)

Academy management provided the following explanations for the significant variations identified above.

**Education Assistance Fund-007**

**Electronic Data Processing**

The increase in electronic data processing expenditures was due to upgrades to the Academy's wireless network in FY 14.

**Income Fund – 768**

**Contractual Services**

The increase in contractual services expenditures was due to growth of the Academy's statewide student and educator programs. The increase was also due to an overall increase in FY 14 utility costs compared to prior year.

**Travel**

The decrease in travel expenditures was due to travel associated with the Academy's statewide student and statewide educator programs being funded from the Education Assistance Fund in FY 14.

**Commodities**

The increase in commodities expenditures was due to growth of the Academy's statewide student and educator programs in FY 14.

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2014**

**Special Purposes Trust Fund – 359**

Personal Services and Retirement

The decrease in personal services expenditures was due to the Academy receiving fewer grants to specifically support personal services expenditures in FY 14. Funds received in the Special Purpose Trust Fund vary from year to year and spending conforms to the restrictions imposed by grantors with respect to spending.

Contractual Services

The increase in contractual services expenditures was due to an increase in grants to support the Academy's statewide student and educator programs and a new award to support development of a facility master plan. Funds received in the Special Purpose Trust Fund vary from year to year and spending conforms to the restrictions imposed by grantors with respect to spending.

Electronic Data Processing

The increase in electronic data processing expenditures was due to the receipt in FY 14 of an award for the purchase of video conferencing equipment. Funds received in the Special Purpose Trust Fund vary from year to year and spending conforms to the restrictions imposed by grantors with respect to spending.

Awards and Grants

The increase in awards and grants was due to an increase in FY 14 grants to support scholarships to participants who attend the Academy's statewide educator programs. Funds received in the Special Purpose Trust Fund vary from year to year and spending conforms to the restrictions imposed by grantors with respect to spending.

Permanent Improvements

The decrease in permanent improvements was due to a decrease in FY 14 of grants to support permanent improvement projects. Funds received in the Special Purpose Trust Fund vary from year to year and spending conforms to the restrictions imposed by grantors with respect to spending.

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS  
FOR THE YEAR ENDED JUNE 30, 2014**

A comparative schedule of significant variations in receipts of 20% and \$20,000 for the fiscal years ended June 30, 2014 and June 30, 2013 are shown below:

	<u>FISCAL YEAR</u> <u>ENDED JUNE 30</u>		<u>INCREASE</u> <u>(DECREASE)</u>	
	<u>2014</u>	<u>2013</u>	<u>AMOUNT</u>	<u>PERCENT</u>
<u>Special Purposes Trust Fund - 359</u>				
Private Donations	\$ 1,047,705	\$ 739,045	\$ 308,660	42%
<u>Income Fund - 768</u>				
Miscellaneous Fees	67,866	89,925	(22,059)	(25)%

Academy management provided the following explanations for the significant variations in receipts.

**Special Purposes Trust Fund – 359**

Private Donations

The increase in Private Donations was due to an increase in FY 14 of private grants supporting the Academy's outreach programs, energy center, and facility planning initiatives.

**Income Fund – 768**

Miscellaneous Fees

The decrease in Miscellaneous Fees is due to a drop in the amount of building revenue received in FY 14.

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING  
FOR THE YEAR ENDED JUNE 30, 2014**

Our testing of lapse period expenditures for the fiscal year ended June 30, 2014 disclosed the following appropriation line items with significant (20% and \$10,000 or more) lapse period expenditures, as shown below:

	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
<u>Education Assistance Fund – 007</u>			
Equipment	\$ 636,173	\$ 130,522	21%
Electronic Data Processing	131,678	101,136	77%
<u>Income Fund - 768</u>			
Contractual Services	282,267	133,806	47%
<u>Special Purposes Trust Fund – 359</u>			
Contractual Services	346,082	89,764	26%
Commodities	111,257	56,629	51%
Equipment	75,527	41,517	55%
Electronic Data Processing	32,906	31,360	95%
Permanent Improvements	26,000	26,000	100%

Academy management provided the following explanations for the significant lapse period expenditures identified above.

**Education Assistance Fund – 007**

Equipment

Lapse period expenditures included classroom and residential hall furniture, household equipment, instructional equipment, and computer network equipment purchased at the conclusion of the academic school year.

Electronic Data Processing

Lapse period expenditures included network computing equipment purchased at the conclusion of the academic school year to scale network performance and reliability.

**Income Fund – 768**

Contractual Services

Lapse period expenditures include final Academy utility bills typically fully funded from the Education Assistance Fund as well as food service for participants during delivery of summer statewide student and educator programs.

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING  
FOR THE YEAR ENDED JUNE 30, 2014**

**Special Purposes Trust Fund – 359**

Contractual Services

Lapse period expenditures included development of online Science Technology Engineering and Math (STEM) courses for use in the Academy's statewide student and statewide educator programs as well as contractual services related to delivery of summer statewide student and educator programs.

Commodities

Lapse period expenditures include instructional materials and supplies for delivery of the Academy's statewide student and educator programs.

Equipment

Lapse period expenditures included equipment used in science labs and classrooms as well as educational equipment for the Academy's statewide student and educator programs.

Electronic Data Processing

Lapse period expenditures included equipment for improvement to the Academy's wireless network infrastructure funded by private grant dollars.

Permanent Improvements

Lapse period expenditures included improvements to the Academy's organic chemistry lab implemented at the conclusion of the academic school year.

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
ANALYSIS OF ACCOUNTS RECEIVABLE  
FOR THE YEARS ENDED JUNE 30**

<b>DESCRIPTION OF ACCOUNTS RECEIVABLE</b>	<b>2014</b>	<b>2013</b>
Student Fees-Other	\$ 80	\$ 219
Student Fees	148	427
Building Rental	-	5,427
Private Organization Program Registration Fees	<u>20,400</u>	<u>6,757</u>
 Total Accounts Receivable	 <u>\$ 20,628</u>	 <u>\$ 12,830</u>

The Academy turns delinquent accounts over to a collection agency. The entire receivable balance is considered collectible and no allowance for doubtful accounts was reported.

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
ANALYSIS OF OPERATIONS  
AGENCY FUNCTIONS AND PLANNING PROGRAM  
FOR THE YEAR ENDED JUNE 30, 2014  
(Not Examined)**

The Illinois Mathematics and Science Academy (Academy) is located at 1500 Sullivan Road, Aurora, Illinois 60506-1000. The current president of the Academy is Dr. José M. Torres. The senior administration consists of:

- José M. Torres – President (effective 9/15/2014)
- Catherine Veal – Senior Vice President for Strategy and Policy
- Branson Lawrence, Jr. – Principal
- Mary Spreitzer – Vice President for Human Resources and Chief Operating Officer
- Michelle Kolar – Executive Director for Professional Field Services

### **Functions**

The Academy was established in 1985 as a result of action by the State Legislature (105 ILCS 305). The internationally recognized Academy develops creative, ethical leaders in science, technology, engineering and mathematics. As a teaching and learning laboratory created by the State of Illinois, the Academy enrolls academically talented Illinois students (grades 10-12) in its advanced, residential college preparatory program, and it serves thousands of educators and students in Illinois and beyond through innovative instructional programs that foster imagination and inquiry. The Academy also advances education through research, groundbreaking ventures and strategic partnerships.

### **Background**

The Academy's legislative mandate is to "provide excellence in mathematics and science education in order to nourish an informed citizenry, assure technological skills for the work force, and assist in the preparation of professionals to serve the interests of Illinois in such fields as engineering, research, teaching, and computer technology". The Academy serves as a catalyst and laboratory for the advancement of teaching. The primary role of the Academy is to offer a uniquely challenging education for students talented in the areas of mathematics and science. Both high school and college levels of instruction are authorized along with "other programs deemed necessary to assure the elements of a strong general education required of creative scientists". The Academy's second legislative charge is to stimulate further excellence for all Illinois schools in mathematics and science. By legislative act, the Academy's location in the Fox River Valley was established in close proximity to the national science laboratories based in Illinois.

Students who meet the following criteria are eligible to apply:

- Current Illinois resident
- Enrolled in an Illinois school at the time of application
- Completed Algebra 1 and a high school equivalent science course

Admission is determined by a competitive process in which all applicants are required to submit a specific set of materials. The process is highly competitive, though there are no minimum scores required to apply. The students who present the strongest combination of credentials are invited to attend. The Academy utilizes an accomplishment-based selection process that

**STATE OF ILLINOIS**  
**ILLINOIS MATHEMATICS AND SCIENCE ACADEMY**  
**ANALYSIS OF OPERATIONS**  
**AGENCY FUNCTIONS AND PLANNING PROGRAM**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
(Not Examined)

incorporates classroom performance, participation in extracurricular activities, and leadership history with more traditional indicators of talent such as test scores and grades. For this reason, students with the highest test scores may not emerge as the strongest applicants in the pool for the purpose of selection. Along with these criteria, geographic and demographic variables are considered to ensure a diverse student population. Minimal fees established by the Academy's Board are charged. Budget proposals for State Appropriations are submitted to the Illinois Board of Higher Education for each fiscal year.

The Academy is governed by a 17 member Board of Trustees consisting of 13 appointed voting members and 4 positional non-voting members. The members, specified in the Illinois Mathematics and Science Academy Law (105 ILCS 305/3), include:

- Three representatives of the scientific community in Illinois, appointed by the Governor.
- Three representatives of the Illinois private industrial sector, appointed by the Governor.
- Two representatives of the general public at large, appointed by the Governor.
- Two representatives of Higher Education, one of whom must be a Dean of Education, appointed by the Executive Director of the Illinois Board of Higher Education.
- Three representatives of Secondary Education, one of whom must be a mathematics or science teacher, appointed by the State Superintendent of Education.
- Four ex-officio nonvoting members, the State Superintendent of Education, the Executive Director of the Illinois Community College Board, the Executive Director of the Board of Higher Education, and the Superintendent of Schools in the school district in which the Academy is located.

Board members serve a 6-year term. A chair is elected from among the members for a 2-year term.

The Board is authorized to:

- Accept donations, bequests, or other forms of financial assistance from any public or private person or agency.
- Purchase equipment and make improvements to facilities.
- Adopt rules, regulations and policies for the conduct of the business of the Board.
- Award certificates and issue diplomas for successful completion of programs.
- Select a Director who shall be the chief administrative officer of the Academy and who shall administer the rules, regulations and policies adopted by the Board. The Director is the chief administrative officer of the Board, responsible for all administrative functions, duties and needs of the Board.
- Determine faculty and staff positions necessary for the efficient operation and select personnel for such positions.
- Prepare and adopt an annual budget.
- Enter into contracts and agreements.
- Perform such other functions as are necessary.
- Delegate to the Director such administrative powers as deemed appropriate.
- Lease or purchase real and personal property, subject to provisions of State Law.

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
ANALYSIS OF OPERATIONS  
AGENCY FUNCTIONS AND PLANNING PROGRAM  
FOR THE YEAR ENDED JUNE 30, 2014  
(Not Examined)**

- Establish criteria for eligibility of applicants for enrollment.
- Determine subjects and extracurricular activities to be offered.
- Pay salaries and expenses out of funds appropriated or otherwise made available.
- Exercise budgetary responsibility.
- Prescribe and select free schoolbooks provided by funding from the General Assembly.
- Adopt programs of study and rules, bylaws, and regulations for the conduct of students and for the government of the school and programs.
- Employ such personnel as may be needed, establish policies governing their employment and dismissal, and fix the amount of their compensation.

The Board meets at least 6 times a year. Day-to-day operations are directed under an administrative organization structure adopted by the President. The organizational structure consists of senior administrators made up of the Senior Vice President for Strategy and Policy, Principal, Vice President for Human Resources and Chief Operating Officer and Executive Director for Professional Field Services. Each senior administrator has additional administrative leadership positions reporting to him/her. Authority for administering budget expenditures and staff relations has been delegated to the various appropriate organizational levels.

The Academy relies on the Board of Higher Education, legal counsel, and other key contacts to stay informed of law and regulation changes applicable to its activities. Representatives from the Academy attend meetings at the Board of Higher Education in order to receive information pertinent to the Academy's activities.

**Planning**

On June 30, 2013, Dr. Glenn McGee retired as the Academy's president. The Board of Trustees appointed Catherine Veal as interim president beginning July 1, 2013. Following a national search, the Board of Trustees selected Dr. José M. Torres as the new President of the Academy. Dr. Torres first day was September 15, 2014.

The Board has identified the following six priorities for the Academy's President:

1. Engage in an institutional planning process that galvanizes the Academy around a compelling vision and strategy for the Academy's future.
2. Develop a more creative, sustainable financial/business model with a better mix of revenue streams.
3. Design, develop, and implement "breakthrough" innovations in teaching and learning, STEM talent development and other aspects of education.
4. Produce more institutional research and scholarship that demonstrate program effectiveness and "return on investment".
5. Raise IMSA's public profile, thought leadership and influence in STEM education policy.
6. Inspire and motivate more of the Academy's constituencies and stakeholders to take positive action(s) for the Academy.

These six priorities will frame the priorities and work of the Academy's new President and senior administrators in fiscal year 2015.

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
ANALYSIS OF OPERATIONS  
AVERAGE NUMBER OF EMPLOYEES  
FOR THE YEARS ENDED JUNE 30,  
(Not Examined)**

AVERAGE NUMBER OF EMPLOYEES

The following table, prepared from Academy records, presents the average number of employees, by function.

Full-Time Equivalent Number of Employees

<u>Funded by State appropriated funds</u>	<u>2014</u>	<u>2013</u>
Administration	8	11
Faculty	59	62
Support leadership	76	73
Instructional program assistants	6	7
Residential life	33	34
Security	10	9
Maintenance/custodians	21	19
Secretaries	38	39
Other*	62	58
	<u>313</u>	<u>312</u>
<u>Funded by non-appropriated funds</u>		
Support leadership	0	1
Secretaries	0	0
Other*	5	2
	<u>5</u>	<u>3</u>
Grand Total	<u>318</u>	<u>315</u>

NOTE:

- \* The average number of employees categorized as "Other" is not represented on a full-time equivalent basis because it is not readily determinable. "Other" employees include part-time hourly, temporary help and stipends.

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
ANALYSIS OF OPERATIONS  
EMERGENCY PURCHASES  
FOR THE YEAR ENDED JUNE 30, 2014  
(Not Examined)**

Following is a list of two emergency purchase awards approved by the Illinois Higher Education Procurement State Purchasing Officer during fiscal year 2014:

On January 6, 2014 late in the evening, the Academy experienced weather related problems in (4) four residence halls. Pipes and sprinkler heads ruptured causing water damage to approximately (20) twenty student rooms, (3) three Resident Counselor apartments, hallways, stairways, and Resident Counselor offices. Cleanup and repair was required for water damage and flooring.

- Water remediation and drywall replacement \$63,135
- Replacement flooring \$75,290

**STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
ANALYSIS OF OPERATIONS  
SERVICE EFFORTS AND ACCOMPLISHMENTS  
FOR THE YEAR ENDED JUNE 30, 2014  
(Not Examined)**

The internationally recognized Illinois Mathematics and Science Academy (IMSA) develops creative, ethical leaders in science, technology, engineering and mathematics. As a teaching and learning laboratory created by the State of Illinois, IMSA enrolls academically talented Illinois students (grades 10-12) in its advanced, residential college preparatory program, and it serves thousands of educators and students in Illinois and beyond through innovative instructional programs that foster imagination and inquiry. IMSA also advances education through research, groundbreaking ventures and strategic partnerships.

- Student Inquiry and Research is an integral part of the academic program that enables students to work independently with peers, prominent scholars and world-renowned scientists to pursue their own compelling questions of interest, conduct research or invent products. Students partner with distinguished professionals at colleges and universities, research institutions, businesses, and museums.
- Members of the class of 2014 were selected as finalists in the NASA Exploration Design Challenge where they were asked to design shielding to protect a radiation detector on the upcoming Orion un-crewed mission. A student had a paper published in the Singapore International Science Competition and presented the results. IMSA students won more gold medals than any other high school in the nation in the National Russian Essay Contest.
- In the workforce, IMSA alumni use their scientific minds to creatively solve global issues and advance the human condition. They are doctors leading breakthroughs in neurological disorders and cancer treatments. They are scientists at national laboratories. They are leaders in education at Harvard, MIT, the University of Illinois and other prestigious universities. They are technology experts at Facebook, Google, and Microsoft. They are business leaders and engineers at the Boeing Company, McDonald's Corporation, Motorola, the New York Stock Exchange, Nissan, Fermi National Accelerator Laboratory, and Shell Oil. They are entrepreneurs and co-founders of Netscape, PayPal, Yelp and YouTube.
- Members of the Academy's faculty, staff, and founders are models of professional growth and achievement. They include presidential award winners, published authors, and a Nobel Laureate in physics. In academic year 2013-14, all faculty members had advanced degrees, with 47% holding doctorate degrees; and 31% certified by the National Board of Professional Teaching Standards, the highest standard for excellence in the teaching profession.
- The Academy delivers statewide professional development programs to teachers and enrichment programs to students in grades 3-12 at the Aurora campus and throughout Illinois, integrating science, mathematics and engineering with the use of technology. IMSA has three field offices, located in Chicago, the Metro East region, and Rock Island, that offer inquiry-based, hands-on programs to Illinois teachers and students. Since 1997, IMSA has served more than 90,000 students in its student outreach programs and more than 20,000 educators in its educator programs.