



**WASHINGTON,
PITTMAN &
MCKEEVER, LLC**

**CERTIFIED PUBLIC ACCOUNTANTS AND MANAGEMENT CONSULTANTS
401 North Michigan Avenue, Suite 1200, Chicago, Illinois 60611
(312) 786-0330**

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

COMPLIANCE EXAMINATION

FOR THE YEAR ENDED JUNE 30, 2018

**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, 2018

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The Illinois Mathematics and Science Academy's individual governmental funds financial statement reports for the year ended June 30, 2018, which includes the Independent Auditor's Report, the financial statements for each individual governmental fund (including the General Fund, IMSA Operating Fund, IMSA Income Fund, and IMSA Special Purposes Trust Fund), and the notes to the financial statements, and the Independent Auditor's Report on Internal Control on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards have been issued under a separate cover. In addition, the Illinois Mathematics and Science Academy's fiduciary (agency) funds financial statement report for the year ended June 30, 2018, which includes the Independent Auditor's Report, the financial statements (including the IMSA Student Activities Fund), and the notes to the financial statements, and the Independent Auditor's Report on Internal Control on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards have been issued under a separate cover.

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY

COMPLIANCE EXAMINATION

FOR THE YEAR ENDED JUNE 30, 2018

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**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
COMPLIANCE EXAMINATION
FOR THE YEAR ENDED JUNE 30, 2018**

AGENCY OFFICIALS

President	Dr. José M. Torres
Chief Operating Officer	Mr. Lawrence Bergie
Executive Director of Business and Financial Operations	Ms. Kimberly Corrao, MBA

BOARD OF TRUSTEES

Chairman (11/15/2017 to present)	Dr. Erin W. Roche
Chairman Pro Tem (7/1/2017 to 11/14/2017)	Dr. Paula Olszewski-Kubilius
1 st Vice Chairman (11/15/2017 to present)	Dr. Paula Olszewski-Kubilius
1 st Vice Chairman (7/1/2017 to 11/14/2017)	Dr. Erin W. Roche
2 nd Vice Chairman	Ms. Carey L. Mayer
Ex-Officio Member (11/1/2017 to present)	Dr. Al Bowman
Ex-Officio Member (2/16/2017 to 10/31/2017)	Dr. Daniel Cullen
Ex-Officio Member	Dr. Tony Smith
Ex-Officio Member	Dr. Karen Hunter Anderson
Ex-Officio Member	Dr. Jeffrey Craig
Trustee (12/8/2017 to present)	Dr. Rebecca Sherrick
Trustee (12/8/2017 to present)	Mr. Sergio Pereira
Trustee (7/1/2017 to 12/7/2017)	Ms. Leslie N. Juby
Trustee (7/1/2017 to 12/7/2017)	Ms. Shelia MB Griffin
Trustee	Ms. Kathleen Clarke
Trustee	Dr. Jerome “Jay” Budzik
Trustee	Dr. Steven T. Isoye
Trustee	Dr. Alfred Tatum
Trustee	Dr. Luis Núñez
Trustee	Dr. Marsha R. Rosner
Trustee	Mr. Eric R. Brown
Trustee	Dr. Herbert Steven Sims

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



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

January 3, 2019

Washington, Pittman & McKeever, LLC
Certified Public Accountant
819 S. Wabash, Suite 600
Chicago, IL 60605

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 (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 Academy’s compliance with the following assertions during the two-year period ended June 30, 2018. Based on this evaluation, we assert that during the year ended June 30, 2018, the Academy has materially complied with the assertions below.

- A. The 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 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 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 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 Academy on behalf of the State or held in trust by the Academy have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours truly,

Illinois Mathematics and Science Academy

SIGNED ORIGINAL ON FILE

Dr. José M. Torres, President

SIGNED ORIGINAL ON FILE

Lawrence Bergie, Chief Operating Officer

SIGNED ORIGINAL ON FILE

Kimberly Corrao, Executive Director of Business and Financial Operations



STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
COMPLIANCE EXAMINATION
FOR THE YEAR ENDED JUNE 30, 2018

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.

ACCOUNTANT'S REPORT

The Independent Accountant's 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>This</u>	<u>Prior</u>
Findings	<u>Report</u>	<u>Report</u>
Repeated findings	0	0
Prior recommendations implemented or not repeated	0	3

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
		FINDINGS (<i>GOVERNMENT AUDITING STANDARDS</i>)	
		The audits did not disclose findings required by <i>Government Auditing Standards</i> .	
		FINDINGS (STATE COMPLIANCE)	
		The examination did not disclose any State compliance findings.	
		PRIOR FINDINGS NOT REPEATED	
		There were no prior findings not repeated	

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
COMPLIANCE EXAMINATION
FOR THE YEAR ENDED JUNE 30, 2018**

EXIT CONFERENCE

The Academy waived holding an exit conference in a communication from Kimberly Corrao, Executive Director of Business and Financial Operations, dated December 4, 2018.



CERTIFIED PUBLIC ACCOUNTANTS AND MANAGEMENT CONSULTANTS
401 North Michigan Avenue, Suite 1200, Chicago, Illinois 60611
(312) 786-0330

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

Honorable Frank J. Mautino
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, 2018. 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 (the Audit Guide). Those standards, the Act, and the Audit Guide require that we plan and perform the examination to obtain reasonable assurance about whether the State of Illinois, Illinois Mathematics and Science Academy complied, in all material respects, with the specified requirements listed above. An examination involves performing procedures to obtain evidence about whether the State of Illinois, Illinois Mathematics and Science Academy complied with the specified requirements listed above. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error.

We believe that the evidence we obtained is sufficient and appropriate to provide 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, 2018.

The purpose of this report on compliance is solely to describe the scope of our testing and the results of that testing in accordance with the requirements of the Audit Guide issued by the Illinois Office of the Auditor General. Accordingly, this report is not suitable for any other purpose.

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.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Audit Guide, issued by the Illinois Office of the Auditor General. Accordingly, this report is not suitable for any other purpose.

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, 2018 in Schedules 1 through 6 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, 2018 accompanying supplementary information in Schedules 1 through 6. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2017 accompanying supplementary information in Schedules 2 through 6 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.

SIGNED ORIGINAL ON FILE

WASHINGTON, PITTMAN & MCKEEVER, LLC

**Chicago, Illinois
January 3, 2019**



CERTIFIED PUBLIC ACCOUNTANTS AND MANAGEMENT CONSULTANTS
401 North Michigan Avenue, Suite 1200, Chicago, Illinois 60611
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**INDEPENDENT AUDITOR'S 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**

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Trustees
Illinois Mathematics and Science Academy
Aurora, Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the General Fund, the Special Purposes Trust Fund, the IMSA Income Fund, and the IMSA Operating Fund of the State of Illinois, Illinois Mathematics and Science Academy, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the State of Illinois, Illinois Mathematics and Science Academy's basic financial statements, and have issued our report thereon dated January 3, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State of Illinois, Illinois Mathematics and Science Academy's internal control over financial reporting (internal control) of the General Fund, the Special Purposes Trust Fund, the IMSA Income Fund, and the IMSA Operating Fund to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion(s) on the financial statements, 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. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Illinois Mathematics and Science Academy's internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a

deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control of the General Fund, the Special Purposes Trust Fund, the IMSA Income Fund, and the IMSA Operating Fund that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Illinois, Illinois Mathematics and Science Academy's financial statements of the General Fund, the Special Purposes Trust Fund, the IMSA Income Fund, and the IMSA Operating Fund are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Illinois, Illinois Mathematics and Science Academy's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Illinois, Illinois Mathematics and Science Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

WASHINGTON, PITTMAN & MCKEEVER, LLC

**Chicago, Illinois
January 3, 2019**



CERTIFIED PUBLIC ACCOUNTANTS AND MANAGEMENT CONSULTANTS
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**INDEPENDENT AUDITOR'S 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**

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Trustees
Illinois Mathematics and Science Academy
Aurora, Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the IMSA Student Activities Fund – a fiduciary (agency) fund of the State of Illinois, Illinois Mathematics and Science Academy, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the State of Illinois, Illinois Mathematics and Science Academy's basic financial statements, and have issued our report thereon dated January 3, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State of Illinois, Illinois Mathematics and Science Academy's internal control over financial reporting (internal control) of the IMSA Student Activities Fund to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, 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. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Illinois Mathematics and Science Academy's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control of the IMSA Student Activities Fund of the State of Illinois, Illinois Mathematics and Science Academy that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Illinois, Illinois Mathematics and Science Academy's financial statements of the IMSA Student Activities Fund are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Illinois, Illinois Mathematics and Science Academy's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Illinois, Illinois Mathematics and Science Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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WASHINGTON, PITTMAN & MCKEEVER, LLC

**Chicago, Illinois
January 3, 2019**

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018

PRIOR FINDINGS NOT REPEATED

None Noted

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
COMPLIANCE EXAMINATION
FOR THE YEAR ENDED JUNE 30, 2018**

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 Operations (Not examined):
 - Agency Functions and Planning Program (Not examined)
 - Analysis of Significant Variations in Expenditures (Not examined)
 - Analysis of Significant Variations in Receipts (Not examined)
 - Analysis of Significant Lapse Period Spending (Not examined)
 - Analysis of Accounts Receivable (Not examined)
 - Budget Impasse Disclosures (Not examined)
 - Alternative Financing in Lieu of Appropriations and Programs to Address Untimely Payments to Vendors (Not examined)
 - Interest Costs on Fiscal Year 2017 and 2018 Invoices (Not examined)
 - Average Number of Employees (Not examined)
 - Service Efforts and Accomplishments (Not examined)

The accountant's 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, 2018 accompanying supplementary information in Schedules 1 through 6. However, the accountants do not express an opinion on the supplementary information. The accountant's 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 2018
SIXTEEN MONTHS ENDED OCTOBER 31, 2018

	Expenditure Authority (Net After Transfers)	Expenditures Through June 30, 2018	Lapse Period Expenditures July 1 to October 31	Total Expenditures 16 Months Ended October 31	Balances Lapsed October 31
<u>APPROPRIATED FUNDS:</u>					
<u>EDUCATION ASSISTANCE FUND - 007 (P.A. 100-0021)</u>					
Operational Expenses-Lump Sum & Other Purposes					
Personal Services	\$ 12,479,000	\$ 11,741,779	\$ 737,217	\$ 12,478,996	\$ 4
Retirement	100	100	-	100	-
State Contributions to Social Security, for Medicare	184,700	169,197	10,681	179,878	4,822
Contractual Services	4,162,930	3,515,454	645,540	4,160,994	1,936
Travel	70,388	52,098	15,437	67,535	2,853
Commodities	366,801	276,538	90,177	366,715	86
Equipment	497,300	272,477	219,592	492,069	5,231
Electronic Data Processing	131,500	124,887	6,438	131,325	175
Telecommunication Services	99,481	76,204	14,388	90,592	8,889
Operation of Auto Equipment	38,500	36,935	1,565	38,500	-
Total - Fund 007	<u>18,030,700</u>	<u>16,265,669</u>	<u>1,741,035</u>	<u>18,006,704</u>	<u>23,996</u>
<u>INCOME FUND - 768 (P.A. 100-0021)</u>					
Personal Services	\$ 2,261,900	\$ 1,197,032	\$ 48,826	\$ 1,245,858	\$ 1,016,042
State Contributions to Social Security, for Medicare	45,900	22,348	1,604	23,952	21,948
Contractual Services	569,700	199,030	84,028	283,058	286,642
Travel	151,700	22,243	925	23,168	128,532
Commodities	243,200	42,079	17,302	59,381	183,819
Equipment	165,000	1,326	-	1,326	163,674
Telecommunication Services	80,000	26,010	128	26,138	53,862
Operation of Automotive Equipment	5,000	-	-	-	5,000
Refunds	27,600	1,315	-	1,315	26,285
Total - Fund 768	<u>3,550,000</u>	<u>1,511,383</u>	<u>152,813</u>	<u>1,664,196</u>	<u>1,885,804</u>
TOTAL - ALL APPROPRIATED FUNDS	<u>\$ 21,580,700</u>	<u>\$ 17,777,052</u>	<u>\$ 1,893,848</u>	<u>\$ 19,670,900</u>	<u>\$ 1,909,800</u>

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2018
SIXTEEN MONTHS ENDED OCTOBER 31, 2018

	<u>Expenditure Authority (Net After Transfers)</u>	<u>Expenditures Through June 30, 2018</u>	<u>Lapse Period Expenditures July 1 to October 31</u>	<u>Total Expenditures 16 Months Ended October 31</u>	<u>Balances Lapsed October 31</u>
<u>NON-APPROPRIATED FUNDS:</u>					
<u>SPECIAL PURPOSES TRUST FUND - 359</u>					
Personal Services		\$ 246,251	\$ 60,896	\$ 307,147	
Retirement		24,642	5,549	30,191	
State Contributions for Social Security, for Medicare		3,834	1,826	5,660	
Employer Contributions for Group Insurance		18,953	-	18,953	
Contractual Services		165,116	58,795	223,911	
Travel		36,690	2,155	38,845	
Commodities		136,950	82,453	219,403	
Equipment		119,399	36,637	156,036	
Awards and Grants		2,250	750	3,000	
Permanent Improvements		1,081,812	-	1,081,812	
Refunds		198,836	-	198,836	
		<u>\$ 2,034,733</u>	<u>\$ 249,061</u>	<u>\$ 2,283,794</u>	
TOTAL - ALL NON-APPROPRIATED FUNDS		<u>\$ 2,034,733</u>	<u>\$ 249,061</u>	<u>\$ 2,283,794</u>	
GRAND TOTAL - ALL FUNDS	<u>\$ 21,580,700</u>	<u>\$ 19,811,785</u>	<u>\$ 2,142,909</u>	<u>\$ 21,954,694</u>	<u>\$ 1,909,800</u>

Note 1:

Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller's records as of October 31, 2018, and have been reconciled to Academy records.

Note 2:

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

**ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	FISCAL YEAR	
	2018	2017
	P.A. 100-0021	P.A. 100-0021
<u>GENERAL REVENUE FUND - 001</u>		
<u>Appropriations (Net after Transfers)</u>	\$ -	\$ 10,574,000
<u>Expenditures</u>		
Lump Sums, Operations	-	-
Total Expenditures	-	-
<u>Lapsed Balances</u>	\$ -	\$ 10,574,000
		P.A. 99-0524, P.A. 100-0021 & Court Ordered Payroll
	P.A. 100-0021	P.A. 100-0021
<u>EDUCATION ASSISTANCE FUND - 007</u>		
<u>Appropriations (Net after Transfers)</u>	\$ 18,030,700	\$ 20,120,400
<u>Expenditures</u>		
Personal Services	12,478,996	12,478,983
Retirement	100	-
State Contributions to Social Security, for Medicare	179,878	183,291
Contractual Services	4,160,994	4,136,518
Travel	67,535	66,953
Commodities	366,715	319,982
Equipment	492,069	393,605
Electronic Data Processing	131,325	87,197
Telecommunication Services	90,592	21,881
Operation of Automotive Equipment	38,500	44,453
Total Expenditures	18,006,704	17,732,863
<u>Lapsed Balances</u>	\$ 23,996	\$ 2,387,537

STATE OF ILLINOIS
 ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
 COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
 AND LAPSED BALANCES
 FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

Schedule 2

	FISCAL YEAR	
	2018	2017
	P.A. 100-0021	P.A. 99-0524
<u>INCOME FUND - 768</u>		
<u>Appropriations (Net after Transfers)</u>	\$ 3,550,000	\$ 3,050,000
<u>Expenditures</u>		
Personal Services	1,245,858	1,058,995
State Contributions to Social Security, for Medicare	23,952	22,887
Contractual Services	283,058	126,501
Travel	23,168	20,928
Commodities	59,381	130,850
Equipment	1,326	46,432
Telecommunication Services	26,138	61,866
Refunds	1,315	1,460
Total Expenditures	1,664,196	1,469,919
<u>Lapsed Balances</u>	\$ 1,885,804	\$ 1,580,081
 <u>GRAND TOTAL, ALL APPROPRIATED FUNDS</u>		
Appropriations (Net after Transfers)	\$ 21,580,700	\$ 33,744,400
Total Expenditures	19,670,900	19,202,782
<u>Lapsed Balances</u>	\$ 1,909,800	\$ 14,541,618

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

Schedule 2

	FISCAL YEAR	
	2018	2017
<u>SPECIAL PURPOSES TRUST FUND - 359</u>		
<u>Non-appropriated fund</u>		
<u>Expenditures</u>		
Personal Services	\$ 307,147	\$ 233,610
Retirement	30,191	24,752
State Contributions for Social Security, for Medicare	5,660	4,481
Employer Contributions for Group Insurance	18,953	16,111
Contractual Services	223,911	290,929
Travel	38,845	35,562
Commodities	219,403	117,028
Printing	-	2,071
Equipment	156,036	468,752
Telecommunication Services	-	1,992
Awards and Grants	3,000	80,558
Permanent Improvements	1,081,812	887,892
Refunds	198,836	77,122
	<u>2,283,794</u>	<u>2,240,860</u>
Total Expenditures	<u>2,283,794</u>	<u>2,240,860</u>
<u>GRAND TOTAL, ALL NON-APPROPRIATED FUNDS</u>		
Total Expenditures	<u>2,283,794</u>	<u>2,240,860</u>
<u>GRAND TOTAL, ALL FUNDS</u>		
Total Expenditures	<u>\$ 21,954,694</u>	<u>\$ 21,443,642</u>

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

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

STATE OF ILLINOIS
 ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
 COMPARATIVE SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND FUND BALANCE (CASH BASIS) - LOCALLY-HELD FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

Schedule 3

<u>Fund Name/Fund Number</u>	<u>2018</u>
OPERATING FUND - 1223	
Beginning balance of cash and investments	\$ 3,588,645
Total funds received during the fiscal year	3,584,653
Total funds disbursed during the fiscal year	<u>2,805,462</u>
Ending balance of cash and investments	<u>\$ 4,367,836</u>
STUDENT ACTIVITY FUND - 1366	
Beginning balance of cash and investments	\$ 156,200
Total funds received during the fiscal year	497,315
Total funds disbursed during the fiscal year	<u>473,116</u>
Ending balance of cash and investments	<u>\$ 180,399</u>

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF CHANGES IN STATE PROPERTY
FOR THE YEAR ENDED JUNE 30, 2018**

Schedule 4

	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Net Transfers</u>	<u>Transfers in from CDB</u>	<u>Balance June 30, 2018</u>
Land and land improvements	\$ 200,646	\$ -	\$ -	\$ -	\$ -	\$ 200,646
Building and building improvements	61,327,156	1,180,953	-	157,218		\$ 62,665,327
Equipment	10,648,597	847,227	(1,019,651)	-	-	\$ 10,476,173
Capital Lease Assets						
Equipment	<u>-</u>	<u>2,606,615</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 2,606,615</u>
Totals	<u>\$72,176,399</u>	<u>\$4,634,795</u>	<u>\$ (1,019,651)</u>	<u>\$ 157,218</u>	<u>\$ -</u>	<u>\$ 75,948,761</u>

Note: This schedule was derived from the Academy's property records, which were reconciled to property reports submitted to the Office of the State Comptroller.

STATE OF ILLINOIS
 ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
 COMPARATIVE SCHEDULE OF CASH RECEIPTS
 FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

Schedule 5

	<u>2018</u>	<u>2017</u>
GENERAL REVENUE FUND - 001		
Prior Year Refunds	\$ -	\$ -
Total 001 Fund Receipts	<u>-</u>	<u>-</u>
 EDUCATION ASSISTANCE FUND - 007		
Third Party Reimbursements	1,151	3,694
Prior Year Refunds	3,350	274
Total 007 Fund Receipts	<u>4,501</u>	<u>3,968</u>
 SPECIAL PURPOSES TRUST FUND - 359		
Private Grant Funds	14,090	34,540
Other Illinois State Agency Grant Funds	97,400	-
Federal Grant Funds	81,348	5,831
Private Donations	2,021,396	2,165,862
Total 359 Fund Receipts	<u>2,214,234</u>	<u>2,206,233</u>
 INCOME FUND - 768		
Student Activity Fees	2,201,393	2,303,995
Conference Fees	-	110,000
Miscellaneous Fees	75,234	56,802
Professional Services	50,971	160,000
Workshop Materials Fees	72	905
Donations	20,000	-
Prior Year Refunds	-	550
Total 768 Fund Receipts	<u>2,347,670</u>	<u>2,632,252</u>
 TOTAL RECEIPTS	<u>\$ 4,566,405</u>	<u>\$ 4,842,453</u>

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	2018				
	General Revenue Fund (001)	Education Assistance Fund (007)	Special Purpose Trust Fund (359)	Income Fund (768)	Total
Cash Receipts per Agency	\$ -	\$ 4,501	\$ 2,214,234	\$ 2,347,669	\$ 4,566,404
Adjustments:					
Deposits in Transit, at July 1, 2017	-	-	-	35,175	35,175
Deposits in Transit, at June 30, 2018	-	-	(23,975)	(18,286)	(42,261)
Totals	<u>-</u>	<u>4,501</u>	<u>2,190,259</u>	<u>2,364,558</u>	<u>4,559,318</u>
Receipts per Comptroller (SB04)	<u>-</u>	<u>4,501</u>	<u>2,190,259</u>	<u>2,364,558</u>	<u>4,559,318</u>
Agency/Comptroller variance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	2017				
	General Revenue Fund (001)	Education Assistance Fund (007)	Special Purpose Trust Fund (359)	Income Fund (768)	Total
Cash Receipts per Agency	\$ -	\$ 3,968	\$ 2,206,233	\$ 2,632,252	\$ 4,842,453
Adjustments:					
Deposits in Transit, at July 1, 2016	-	-	159,100	39,053	198,153
Deposits in Transit, at June 30, 2017	-	-	-	(35,175)	(35,175)
Totals	<u>-</u>	<u>3,968</u>	<u>2,365,333</u>	<u>2,636,130</u>	<u>5,005,431</u>
Receipts per Comptroller (SB04)	<u>-</u>	<u>3,968</u>	<u>2,365,333</u>	<u>2,636,130</u>	<u>5,005,431</u>
Agency/Comptroller variance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF OPERATIONS
ACADEMY FUNCTIONS AND PLANNING PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(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, Ph.D. – President
- Robert Hernandez, Ed.D. – Principal
- Lawrence Bergie – Chief Operations Officer, Chief Information Officer
- Katie Berger, Ed.D. - Executive Director of Student Affairs
- Traci D. Ellis, J.D. - Executive Director, Human Resources
- Norman "Storm" Robinson III, Ph.D. - 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 incorporates classroom performance, participation in extracurricular activities, and leadership history with more traditional indicators of talent

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF OPERATIONS
ACADEMY FUNCTIONS AND PLANNING PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)**

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.
- 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.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF OPERATIONS
ACADEMY FUNCTIONS AND PLANNING PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)**

- 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 Principal, Chief Operating Officer/Chief Information Officer, Executive Director of Student Affairs, Executive Director of Human Resources, 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 January 21, 2016, IMSA's board approved adoption of the *IMSA Impact and Outcomes* plan which details IMSA's overall impact goal: "By 2022 IMSA is a Recognized Global Leader and Catalyst in Equity and Excellence in STEM Teaching & Learning, Innovation and Entrepreneurship".

This goal will be achieved under three broad pillars: STEM Teaching and Learning, Operational Capacity, and Stakeholder Engagement. The following five priorities have been established:

1. Develop Student STEM Proficiency
2. Develop Educator STEM Proficiency
3. Strengthen Identity as Learning Laboratory
4. Increase Fiscal Sustainability
5. Build IMSA's Network

These five priorities will frame the priorities and work of the Academy's President and senior administrators in Fiscal Year 2019.

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)

A comparative schedule of significant variations in expenditures of 20% and \$10,000 for the Fiscal Years ended June 30, 2018 and June 30, 2017 are shown below:

	FISCAL YEAR ENDED JUNE 30		INCREASE (DECREASE)	
	2018	2017	AMOUNT	PERCENT
<u>Education Assistance Fund-007</u>				
Equipment	492,069	393,605	98,464	25%
Electronic Data Processing	131,325	87,197	44,128	51%
Telecommunications	90,592	21,881	68,711	314%
<u>Income Fund - 768</u>				
Contractual Services	283,058	126,501	156,557	124%
Commodities	59,381	130,850	(71,469)	(55%)
Equipment	1,326	46,432	(45,106)	(97%)
Telecommunications	26,138	61,866	(35,728)	(58%)
<u>Special Purposes Trust Fund - 359</u>				
Personal Services	307,147	233,610	73,537	31%
Contractual Services	223,911	290,929	(67,018)	(23%)
Commodities	219,406	117,027	102,375	87%
Equipment	156,036	468,752	(312,716)	(67%)
Awards and Grants	3,000	80,558	(77,558)	(96%)
Permanent Improvements	1,081,812	887,892	193,920	22%
Refunds	198,836	77,122	121,714	158%

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

Education Assistance Fund-007

Equipment

The increase in equipment expenditures was due to the upgrades or replacement of audio visual/presentation equipment throughout academic buildings, classroom furniture, fitness center equipment, musical instruments, custodial machinery and computers.

Electronic Data Processing

The increase in electronic data processing expenditures was due to server storage upgrades.

Telecommunications Services

The increase in telecommunications expenditures was due to a shift in funding source for some of the Academy's telecommunications expenditures. In Fiscal Year 2018 the Academy budgeted about 72% of its estimated telecommunications expenditures in the Education Assistance Fund with the balance budgeted in the Income Fund compared to Fiscal Year 2017 where 75% of the Academy's telecommunications expenditures were funded in the Income Fund.

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)

Income Fund – 768

Contractual Services

The increase in contractual services expenditures was due to a shift in funding source for some of the Academy's contractual expenditures. In Fiscal Year 2018 the Academy budgeted about 10% of its estimated food services expenditures in the Income Fund compared to Fiscal Year 2017 where 100% of the Academy's food services expenditures were funded in the Education Assistance Fund.

Commodities

The decrease in commodities expenditures was due to the cost associated with IMSA Fusion curriculum kits shifting from the Academy to each respective organization enrolled in the program.

Equipment

The decrease in equipment expenditures was due to the Fiscal Year 2017 one time purchase of equipment for both the Grainger Lab and Grainger Workshop area to support the Academy's Student Inquiry and Research program. These expenditures were not repeated in Fiscal Year 2018.

Telecommunications

The decrease in telecommunications expenditures was due to a shift in funding source for some of the Academy's telecommunications expenditures. In Fiscal Year 2018 the Academy budgeted about 20% of its estimated telecommunications expenditures in the Income Fund with the balance budgeted in the Education Assistance Fund compared to Fiscal Year 2017 where 75% of the Academy's telecommunications expenditures were funded in the Income Fund.

Special Purposes Trust Fund – 359

Personal Services

The increase in personal services expenditures was due to the receipt of two State grants to support statewide educator programs and curriculum writing at the Academy and the receipt of funding to support the Academy's hosting of the 14th annual International Student Science Fair.

Contractual Services

The decrease in contractual services expenditures was due to the conclusion in Fiscal Year 2017, of construction of the IN2 Innovation Center and a program evaluation project for the IMSA Fusion program.

Commodities

The increase in commodities expenditures was due to the receipt of two State grants to support statewide educator programs and curriculum writing and the receipt of funding to support the Academy's hosting of the 14th Annual International Student Science Fair.

Equipment

The decrease in equipment expenditures was due to the conclusion in Fiscal Year 2017, of the construction of the IN2 Innovation Center and renovation of the Academy's A-wing science labs.

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)

Special Purposes Trust Fund – 359 (Continued)

Awards and Grants

The decrease in awards and grant expenditures was due to the conclusion in Fiscal Year 2017 of grant funds from private donors to support student programs.

Permanent Improvements

The increase in permanent improvement expenditures was due to the receipt of private grant funds for the renovation to the Academy's B-wing science labs.

Refunds

The increase in refund expenditures was due to the end of several grants received to support construction work in the IN2 Innovation Center and several pilot projects for development of a new curriculum. The timeline for planning and executing was longer than expected and therefore received grant funds were returned to the IMSA Fund for the Advancement of Education.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
FOR THE YEAR ENDED JUNE 30, 2018**
(Not examined)

A comparative schedule of significant variations in receipts of 20% and \$20,000 for the Fiscal Years ended June 30, 2018 and June 30, 2017 are shown below:

	FISCAL YEAR ENDED JUNE 30		INCREASE (DECREASE)	
	2018	2017	AMOUNT	PERCENT
<u>Special Purposes Trust Fund - 359</u>				
Federal Grant Funds	\$ 81,348	\$ 5,831	\$ 75,516	1,295%
Other Illinois State Agency Grant Funds	97,400	-	97,400	N/A
Private Grant Funds	14,090	34,540	(20,450)	(59%)
<u>Income Fund - 768</u>				
Conference Fees	-	110,000	(110,000)	(100%)
Professional Services	50,971	160,000	(109,029)	(68%)
Donations	20,000	-	20,000	N/A

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

Special Purposes Trust Fund – 359

Federal Grant Funds

The increase was due to receipt of federal funds from the Illinois State Board of Education to support development of curriculum for grades K-5 for use Statewide.

Other Illinois State Agency Grant Funds

The increase was due to State passage of an annual budget that included appropriation to the Board of Higher Education for support of STEM diversity and the IMSA Fusion program. In the prior fiscal year there was no budget appropriated for this purpose.

Private Grant Funds

The decrease was due to the receipt of fewer grants from private organizations in Fiscal Year 2018. Private grant funds vary from year to year depending on Academic Program activities related to conferences and competitions.

Income Fund – 768

Conference Fees

The decrease was due to the conclusion of a project to deliver professional development to teachers at Coal City High School and its area partners.

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)

Income Fund – 768 (Continued)

Professional Services

The decrease was due to a change in the fund used for deposit of federal funds received from the Illinois State Board of Education to support development of curriculum for grades K-5 for use Statewide. To improve tracking and reporting, these funds were deposited in the Special Purpose Trust Fund. In Fiscal Year 2017, these funds were deposited to the Income Fund.

Donations

The increase was due to IMSA receiving a donation from the Bicentennial Commission to support IMSA's hosting of the 14th Annual International Student Science Fair in Fiscal Year 2018. In Fiscal Year 2017 no such funds were received.

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)

Our testing of lapse period expenditures for the Fiscal Year ended June 30, 2018 disclosed the following appropriation line items with significant (20% and \$10,000 or more) lapse period expenditures, as shown below:

	<u>TOTAL</u> <u>EXPENDITURES</u>	<u>LAPSE PERIOD</u> <u>EXPENDITURES</u>	<u>PERCENTAGE</u>
<u>Education Assistance Fund – 007</u>			
Travel	\$ 67,535	\$ 15,437	23%
Commodities	366,715	90,177	25%
Equipment	492,069	219,592	45%
<u>Income Fund - 768</u>			
Contractual Services	283,058	84,028	30%
Commodities	59,381	17,302	29%
<u>Special Purposes Trust Fund – 359</u>			
Personal Services	307,147	60,896	20%
Contractual Services	223,911	58,795	26%
Commodities	219,403	82,453	38%
Equipment	156,036	36,637	24%

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

Education Assistance Fund – 007

Travel

Lapse period expenditures include travel by Academy’s faculty and students to attend and present at professional conferences and competitions in May and June.

Commodities

Lapse period expenditures include maintenance, custodial, grounds supplies, and educational supplies purchased at the end of the academic school year to prepare for summer programs and the upcoming academic year.

Equipment

Lapse period expenditures include replacement classroom tables, chairs, classroom and auditorium audio and display systems purchased at the conclusion of the academic school year.

Income Fund – 768

Contractual Services

Lapse period expenditures include foods services and transportation for the residential academic program, summer Statewide student and educator programs, and summer orientation as well as June building utility costs.

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)

Income Fund – 768 (Continued)

Commodities

Lapse period expenditures include educational materials and supplies purchased for delivery of the academy's summer Statewide student and educator programs.

Special Purposes Trust Fund – 359

Personal Services

Lapse period expenditures include June stipends for faculty and staff for curriculum writing and for temporary staff needed to host the International Student Science Fair.

Contractual Services

Lapse period expenditures include food services, transportation and non-State employee travel associated with IMSA's hosting of the International Student Science fair as well as food services associated with the delivery of summer Statewide student and educator programs.

Commodities

Lapse period expenditures include promotional items associated with IMSA's hosting of the International Student Science Fair as well as educational supplies purchased at the end of the academic school year Statewide student and educator programs.

Equipment

Lapse period expenditures include educational science equipment purchased as part of the renovation of the Academy's B-wing science lab.

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF ACCOUNTS RECEIVABLE
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017
(Not examined)

DESCRIPTION OF ACCOUNTS RECEIVABLE	2018	2017
Student Fees-Other	\$ 204	\$ 95
Student Fees	4,528	1,678
Private Organization Program Registration Fees	2,300	26,319
Professional Services Fees	2,500	30,000
Miscellaneous Royalties	5,123	-
	<hr/>	<hr/>
Total Accounts Receivable	<u>\$ 14,655</u>	<u>\$ 58,092</u>

The Academy turns delinquent accounts over to the Illinois Comptroller's Offset System. The entire receivable balance is considered collectible and no allowance for doubtful accounts was reported.

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
BUDGET IMPASSE DISCLOSURES
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)

Payment of Fiscal Year 2017 Costs in Future Fiscal Years

Article 998 of Public Act 100-0021 authorized the Academy to pay its unpaid Fiscal Year 2017 costs using either the Academy's Fiscal Year 2017 or Fiscal Year 2018 appropriations for non-payroll expenditures. The Academy did not have any outstanding invoices from Fiscal Year 2017 unpaid after the closure of the Fiscal Year 2017 Lapse Period on September 30, 2017. Therefore, the Academy did not use its Fiscal Year 2018 appropriation to pay its Fiscal Year 2017 costs.

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ALTERNATIVE FINANCING IN LIEU OF APPROPRIATIONS AND
PROGRAMS TO ADDRESS UNTIMELY PAYMENTS TO VENDORS
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)

Transactions Involving the Illinois Finance Authority

The Academy and its vendors did not participate in alternative financing in lieu of enacted appropriations involving the Illinois Finance Authority during Fiscal Year 2018.

Transactions Involving the Vendor Payment Program and Vendor Support Initiative Program

Vendor Payment Program (VPP)

In 2011, the State of Illinois (State) created the voluntary VPP in response to delays in payments for goods and services provided by the State's vendors arising from the State's cash flow deficit. The Department of Central Management Services (CMS) approved third party financing entities to act as "qualified purchasers" of accounts receivable from "participating vendors" who had submitted invoices which had not been paid by the State.

A participating vendor's accounts receivable is eligible for the VPP if it is from an invoice unpaid by the State that is (1) not for medical assistance payments (2) where 90 days have passed since the proper bill date, which is (3) entitled to interest under the State Prompt Payment Act (Act) (30 ILCS 540) and (4) free of any liens or encumbrances. Under the terms of an agreement between a qualified purchaser and the participating vendor, the participating vendor receives payment for 90% of the receivable balance. The participating vendor, in turn, assigns its rights to the interest due under the Act to the qualified purchaser. When the State Comptroller ultimately pays the invoice, the participating vendor receives the remaining 10% due (less any offsets).

Notably, while CMS approved the qualified purchasers and provided information to vendors about VPP, neither CMS nor the State are parties to the assignment agreements.

During Fiscal Year 2017 and Fiscal Year 2018, none of the Academy's vendors participated in the Vendor Payment Program (VPP).

Vendor Support Initiative Program (VSI)

During Fiscal Year 2016, the State created the voluntary VSI as an alternative to the VPP for cases where the Academy lacked an enacted appropriation or other legal expenditure authority to present invoices to the State Comptroller for payment. The VSI operated similarly to the VPP, although the Academy was required to determine a participating vendor's invoice (1) would have met the requirements of the VPP and (2) provided the proper bill date of invoice prior to the qualified purchaser and participating vendor entering into an agreement where the participating vendor received payment for 90% of the receivable balance. The participating vendor, in turn, assigned its rights to the interest due under the Act to the qualified purchaser. After the State Comptroller ultimately paid/pays the invoice after the Academy receives/received appropriations or other legal expenditure authority to pay the invoice, the participating vendor receives/received the remaining 10% due (less any offsets).

During Fiscal Year 2017 and Fiscal Year 2018, none of the Academy's vendors participated in the Vendor Support Initiative Program (VSI).

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
INTEREST COSTS ON FISCAL YEAR 2017 AND 2018 INVOICES
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)**

Prompt Payment Interest Costs

The Academy calculated prompt payment interest due to vendors under the State Prompt Payment Act (Act) (30 ILCS 540) using the vendor's proper bill date through the date the State Comptroller issues a warrant to the vendor, regardless of when and if an enacted appropriation existed during Fiscal Year 2017 and Fiscal Year 2018. The Act (30 ILCS 540/3-2) and the Illinois Administrative Code (74 Ill. Admin. Code 900.100) require interest to be paid under a daily simple interest rate of .033% (1% over a 30-day period) for every day elapsed following the 90th day after a vendor submits an eligible proper bill to the Academy. The following chart shows the Academy's prompt payment interest incurred related to Fiscal Year 2017 and Fiscal Year 2018 invoices, calculated on the accrual basis of accounting, through June 30, 2017 and June 30, 2018, by fund:

PROMPT PAYMENT INTEREST INCURRED

Year Ended June 30, 2017

Fund#	Fund Name	Invoices	Vendors	Dollar Value
007	Education Assistance Fund	3	3	\$ 36
768	Income Fund	-	-	-
		<u>3</u>	<u>3</u>	<u>\$ 36</u>

PROMPT PAYMENT INTEREST INCURRED

Year Ended June 30, 2018

Fund#	Fund Name	Invoices	Vendors	Dollar Value
007	Education Assistance Fund	1	1	\$ 52
768	Income Fund	-	-	-
		<u>1</u>	<u>1</u>	<u>\$ 52</u>

STATE OF ILLINOIS
 ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
 ANALYSIS OF OPERATIONS
 AVERAGE NUMBER OF EMPLOYEES
 FOR THE YEARS ENDED JUNE 30, 2018 AND 2017
 (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>2018</u>	<u>2017</u>
Administration	6	7
Faculty	57	57
Support leadership	77	74
Instructional program assistants	4	4
Residential life	32	34
Security	15	13
Maintenance/custodians	19	19
Secretaries	28	28
Other*	29	37
	<u>267</u>	<u>273</u>
<u>Funded by non-appropriated funds</u>		
Support leadership	2	1
Administrative Support	2	1
Other*	2	4
	<u>6</u>	<u>6</u>
Grand Total	<u>273</u>	<u>279</u>

NOTE:

- * The average number of employees categorized as "Other" is not represented on a FTE 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
SERVICE EFFORTS AND ACCOMPLISHMENTS
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)**

The internationally recognized Illinois Mathematics and Science Academy® (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. In Fiscal Year 2018, the Academy students completed over 122,865 hours of service learning at organizations like Fox Valley Park District, Feed My Starving Children, Hesed House, Messenger Public Library, the Exodus tutoring program, and so many more.

- Student Inquiry and Research (SIR) 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 including, but not limited to Ball Horticultural, Fermi National Accelerator Laboratory, Loyola University, The Morton Arboretum, Northwestern University, North Central College, Northwestern Medical, University of Chicago, Benedictine University and University of Illinois, Chicago.
- The Academy's IN2 - the Steve and Jamie Chen Center for Innovation and Inquiry, was honored with the 2017 Chicago Innovation People's Choice Award. Staff rang the NASDAQ closing bell with fellow Chicago Innovation award winners in New York City as part of the recognition. IN2 reinforces the Academy's presence as a global leader and catalyst in equity and excellence in STEM teaching, learning, innovation and entrepreneurship. IN2 is a prime example of leveraging private partnerships with State resources to expand the Academy's programming and impact.
- The Academy hosted the 2018 International Student Science Fair. Over 90 students, educators and school leaders from over 30 schools from approximately 20 countries attended the event. During the five-day program, delegates participated in a music-inspired opening ceremony and visited world-class research labs and facilities, science museums and attractions in the Chicagoland area. Student delegates shared their research posters and research presentations and all delegates enjoyed three days of programming dedicated to discussion and ideation on three of the United Nations Sustainable Development Goals: Zero Hunger, Clean Water and Sanitation and Affordable and Clean Energy. This provided attendees with the opportunity to collaborate on possible ideas for solutions and to inspire continuation of the discussion in their home countries. Our sharing of the events and activities through social media reached well over 100,000 people internationally, showing the Academy to be a world leading learning Academy at the forefront of international conversations on STEM teaching and learning.
- An Academy student was named among the top finalists for the Regeneron Science Talent Search. Another student placed third in the National Siemens Competition in Math, Science & Technology. Yet another student was named a 2018 Coca-Cola Scholar, one of only 150 students nationwide selected for this honor. Two students placed in the Top 20 in the nation at the American Regions Mathematics League competition. 23% of the Academy's senior class was named as National Merit Finalists. A student was named a 2017 National Russian Scholar Laureate by the American Council of teachers of Russia.

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF OPERATIONS
SERVICE EFFORTS AND ACCOMPLISHMENTS
FOR THE YEAR ENDED JUNE 30, 2018
(Not examined)

- The Academy's Chess Team won the IHSA State Chess Tournament for the second year in a row and finished 10th at the K-12 United States Chess Federation (USCF) National High School Championship. Nine students represented the Academy and Illinois at the National Future Business Leaders of America (FBLA) State Leadership Conference. The Academy's Titan Robotics Team won the Entrepreneurship Award at the St. Louis Regional Competition. Nine students competed in the national speech and debate finals. Seven students presented their design of a mobile satellite tracking system at the prestigious MILCOM, a military communications conference.
- In the workforce, over 6,500 Academy 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; scientists at national laboratories; leaders in education at Harvard, MIT, the University of Illinois and other prestigious universities; technology experts at Facebook, Google, BuzzFeed and Microsoft; 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; investors in tech start-ups and social ventures; and entrepreneurs and co-founders of Netscape, PayPal, OkCupid, 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 2017-2018, all faculty members held advanced degrees, with 55% holding doctorate degrees.
- The Academy delivers statewide professional development programs to teachers and enrichment programs to students in grades K-12 at the Aurora campus and throughout Illinois, integrating science, mathematics and engineering with the use of technology. The Academy has one field office, located in southwestern Illinois, the Metro East region, which offers inquiry-based, hands-on programs to Illinois teachers and students. The Academy provided 50,000 hours of educator professional development to 2,676 Illinois teachers. The Academy Outreach provided unique STEM education experiences for 8,716 Illinois students.
- The Academy hosted the National Oceanic and Atmospheric Administration (NOAA) Conference and Professional Development Institute Day.
- The Academy partnered with the Illinois Bicentennial Committee providing the STEM Fusion program to students at 75 elementary and middle schools in underserved communities across Illinois. Fusion provided teachers with stimulating curricula in math and science.
- The Academy's President, Dr. José Torres was named a finalist for the 2018 Golden Apple Stanley C. Golder Leadership Award for excellence in education.