

WASHINGTON, PITTMAN & McKEEVER, LLC

CERTIFIED PUBLIC ACCOUNTANTS AND

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STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY

COMPLIANCE EXAMINATION

FOR THE YEAR ENDED JUNE 30, 2015

**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, 2015

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Financial Statement Report

The Illinois Mathematics and Science Academy's individual governmental funds financial statement reports for the year ended June 30, 2015, 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 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, 2015, which includes the Independent Auditor's Report, the financial statements (including the IMSA Student Activities Fund), and the notes to the financial statements have been issued under a separate cover.

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

COMPLIANCE EXAMINATION

FOR THE YEAR ENDED JUNE 30, 2015

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**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
COMPLIANCE EXAMINATION
FOR THE YEAR ENDED JUNE 30, 2015**

AGENCY OFFICIALS

President	Dr. José M. Torres
VP of Policy and Strategy (through 6/30/15)	Ms. Catherine Veal
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 st Vice Chairman	Dr. Paula Olszewski-Kubilius
2 nd Vice Chairman	Dr. Erin W. Roche
Ex-Officio Member	Dr. James Applegate
Ex-Officio Member (7/1/2014 - 4/30/2015)	Dr. Christopher Koch
Ex-Officio Member (5/1/2015 to present)	Dr. Tony Smith
Ex-Officio Member	Dr. Karen Hunter Anderson
Ex-Officio Member	Dr. Jeffrey Craig
Trustee	Dr. Jerome “Jay” Budzik
Trustee	Ms. Kathy He
Trustee	Dr. Steven T. Isoye
Trustee	Ms. Leslie N. Juby
Trustee (7/1/2014 – 1/31/2015)	Dr. Mary Kalantzis
Trustee (2/1/2015 – present)	Dr. Alfred Tatum
Trustee	Ms. Carey L. Mayer
Trustee	Dr. Luis Núñez
Trustee	Dr. Marsha R. Rosner
Trustee	Mr. Eric R. Brown
Trustee (1/3/2014 – 7/3/2014)	Ms. Ana G. Rodriguez
Trustee (10/3/2014 – present)	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 28, 2016

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 year ended June 30, 2015. Based on this evaluation, we assert that during the year ended June 30, 2015, 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


Dr. José M. Torres, President


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, 2015**

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	2	0
Repeated findings	0	0
Prior recommendations implemented or not repeated	0	0

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)			
2015-001	10	Weaknesses with Payment Card Industry Data Security Standards	Significant Deficiency and Noncompliance
2015-002	12	Improper Agency Fee Imposition Report	Significant Deficiency and Noncompliance

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
COMPLIANCE EXAMINATION
FOR THE YEAR ENDED JUNE 30, 2015**

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Academy personnel at an exit conference on December 22, 2015.

Attending were:

Illinois Mathematics and Science Academy

Mr. Lawrence "Bud" Bergie	Chief Operations Officer
Ms. Kimberly Corrao	Director of Business and Financial Operations

Office of the Auditor General

Mr. Jose Roa	Audit Manager
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Washington, Pittman & McKeever, LLC

Ms. Angela T. Allen	Principal
Ms. Bola M. Babatunde	Audit Manager

Responses to the recommendations were provided by Kimberly Corrao, in a letter dated December 22, 2015.

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**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, 2015. 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, 2015. However, the results of our procedures disclosed instances of noncompliance with the requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of findings as items 2015-001 and 2015-002.

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, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings as items 2015-001 and 2015-002, that we consider to be significant deficiencies.

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

The Illinois Mathematics and Science Academy's responses to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the Illinois Mathematics and Science Academy's responses and, accordingly, we express no opinion on the responses.

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, 2015 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, 2015 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, 2014 accompanying supplementary information in Schedules 2 through 8 and 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.


WASHINGTON, PITTMAN & MCKEEVER, LLC

**Chicago, Illinois
January 28, 2016**

WASHINGTON, PITTMAN & McKEEVER, LLC

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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, 2015, and the related notes to the financial statements, as listed in the table of contents, and have issued our report thereon dated January 28, 2016.

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 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 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.


WASHINGTON, PITTMAN & MCKEEVER, LLC

**Chicago, Illinois
January 28, 2016**

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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, 2015, and the related notes to the financial statements, as listed in the table of contents, and have issued our report thereon dated January 28, 2016.

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(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 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 financial statements of the IMSA Student Activities Fund of the State of Illinois, Illinois Mathematics and Science Academy 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.

Washington, Pittman & McKeever, LLC
WASHINGTON, PITTMAN & MCKEEVER, LLC

Chicago, Illinois
January 28, 2016

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015**

CURRENT FINDINGS—STATE COMPLIANCE

2015-001 **FINDING** (Weaknesses with Payment Card Industry Data Security Standards)

The Illinois Math and Science Academy (Academy) had not completed all requirements to demonstrate full compliance with the Payment Card Industry Data Security Standards (PCI DSS).

The Academy accepted credit card payments for student registration and activity fees processed by a service provider. In fiscal year 2015, the Academy handled approximately 2,700 transactions estimated at approximately \$1,160,000.

Upon review of Academy's efforts to ensure compliance with PCI DSS we noted the Academy had not:

- Formally assessed each program accepting credit card payments, the methods in which payments could be made, matched these methods to the appropriate Self Assessment Questionnaire (SAQ), and contacted service providers and obtained relevant information and guidance as deemed appropriate.
- Completed a SAQ addressing all elements of its environment utilized to store, process, and transmit cardholder data.

Additionally, the Academy paid a monthly noncompliance fee of \$19.95, totaling \$239 annually to the service provider for not completing the SAQ.

PCI DSS was developed to detail security requirements for entities that store, process or transmit cardholder data. Cardholder data is any personally identifiable data associated with a cardholder.

To assist merchants in the assessments of their environment, the PCI Council has established Self Assessment Questionnaires (SAQ) for validating compliance with PCI's core requirements. At minimum, PCI DSS required completion of SAQ A, which highlights specific requirements to restrict access to paper and electronic media containing cardholder data, destruction of such media when it is no longer needed, and requirements for managing service providers. As additional elements, such as face-to-face acceptance of credit cards and point-of-sale solutions, are introduced into the credit card environment being assessed, additional PCI DSS requirements apply.

Confidential and personally identifiable information collected by the Academy should be adequately secured at all times.

Academy management indicated noted problems were due to management oversight. The Academy believed it was sufficient to pay the service provider for maintenance of the compliance requirement and didn't realize that an in-house compliance was still needed for transactions performed and maintained by Academy staff.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015**

2015-001 **FINDING** (Weaknesses with Payment Card Industry Data Security Standards)
 —Continued

Failure to establish and maintain adequate procedures to handle and protect confidential and personally identifiable information could result in identity theft or other unintended use. Furthermore, deficiencies noted resulted in unnecessary fees. (Finding Code No. 2015-001)

RECOMMENDATION

We recommend the Academy:

- At least annually, assess each program accepting credit card payments and match the payment method to the appropriate SAQ.
- Complete the appropriate SAQ(s) for its environment and maintain documentation supporting its validation efforts.
- Maintain contact with service providers to ensure sufficient knowledge and awareness of PCI Compliance status, issues, and guidance.

ACADEMY'S RESPONSE

Protection of confidential and personally identifiable cardholder data is of the utmost importance to the Academy. Controls are in place to adequately secure cardholder data however the Academy acknowledges and agrees that it has not completed all requirements to demonstrate full compliance with PCI DSS. The Academy will respond appropriately to achieve full PCI DSS compliance.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015**

2015-002 **FINDING** (Improper Agency Fee Imposition Report)

The Illinois Mathematics and Science Academy (Academy) did not properly report all fees collected on the 2015 Agency Fee Imposition Reports (Report) submitted to the Illinois Office of the Comptroller (Comptroller).

During our examination of the Academy's 2015 Report, we noted the Report was not properly prepared. The Academy only included fees collected from students, however, it was noted fees were also collected for various other programs such as seminars held at the Academy, fees for school camps, fees for rental of school facilities etc. Excluded fees totaled \$809,579 in fiscal year 2015.

The State Comptrollers Act (Act) (15 ILCS 405/16.2) requires all State agencies that impose and collect fees to prepare and submit the Agency Fee Imposition Report Form with the Comptroller. The Statewide Accounting Management System (Procedure 33.16.10) requires the report to list the number of licenses/permits/fees, the charge for each, and the total collected. The form shall list and describe all fees imposed by the Academy, the purpose of the fees, the amount of revenue generated by each fee, and the funds into which the fees are deposited.

Academy management stated only fees considered obligated were reported.

Inadequate reporting of fees on the Agency Fee Imposition Report Form could lead to inaccurate information on the Statewide Agency Fee Imposition Report and lessens governmental oversight. (Finding Code No. 2015-002)

RECOMMENDATION

We recommend the Academy properly report all fees collected as required by the Act.

ACADEMY'S RESPONSE

Academy agrees with finding and in the future will include all fees on the annual Agency Fee Imposition Report.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
COMPLIANCE EXAMINATION
FOR THE YEAR ENDED JUNE 30, 2015**

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 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, 2015 accompanying supplementary information in Schedules 1 through 10. 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 2015
FOURTEEN MONTHS ENDED AUGUST 31, 2015

	Appropriations (Net After Transfers)	Expenditures Through June 30, 2015	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
			Expenditures July 1 to August 31	Expenditures August 31		
<u>APPROPRIATED FUNDS:</u>						
<u>EDUCATION ASSISTANCE FUND - 007 (P.A. 98-0678, P.A. 99-0001)</u>						
Personal Services	\$ 12,479,000	\$ 11,850,965	\$ 628,030	\$ 12,478,995	\$	5
Retirement	100	100	-	100	-	-
State Contributions to Social Security, for Medicare	184,700	172,120	9,132	181,252	3,448	3,448
Contractual Services	4,102,600	3,809,591	254,809	4,064,400	38,200	38,200
Travel	124,600	67,014	8,356	75,370	49,230	49,230
Commodities	307,300	264,297	12,543	276,840	30,460	30,460
Equipment	561,300	372,621	140,728	513,349	47,951	47,951
Electronic Data Processing	122,500	122,500	-	122,500	-	-
Telecommunication Services	97,800	94,997	2,803	97,800	-	-
Operation of Automotive Equipment	50,800	44,996	3,612	48,608	2,192	2,192
Total - Fund 007	18,030,700	16,799,201	1,060,013	17,859,214	171,486	171,486
<u>INCOME FUND - 768 (P.A. 98-0678)</u>						
Personal Services	2,261,900	1,730,226	387,592	2,117,818	144,082	144,082
State Contributions to Social Security, for Medicare	45,900	34,912	7,118	42,030	3,870	3,870
Contractual Services	294,700	163,690	59,009	222,699	72,001	72,001
Travel	126,700	15,672	-	15,672	111,028	111,028
Commodities	143,200	81,493	19,592	101,085	42,115	42,115
Equipment	65,000	23,556	8,438	31,994	33,006	33,006
Telecommunication Services	80,000	11,547	1,161	12,708	67,292	67,292
Operation of Automotive Equipment	5,000	4,667	-	4,667	333	333
Refunds	27,600	-	-	-	27,600	27,600
Total - Fund 768	3,050,000	2,065,763	482,910	2,548,673	501,327	501,327
TOTAL - ALL APPROPRIATED FUNDS	\$ 21,080,700	\$ 18,864,964	\$ 1,542,923	\$ 20,407,887	\$	672,813

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2015
FOURTEEN MONTHS ENDED AUGUST 31, 2015

	Appropriations (Net After Transfers)	Expenditures Through June 30, 2015	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
			Expenditures July 1 to August 31	Expenditures August 31		
<u>NON-APPROPRIATED FUNDS:</u>						
<u>SPECIAL PURPOSES TRUST FUND - 359</u>						
Personal Services		\$ 204,561	\$ 44,427	\$	248,988	
Retirement		17,362	6,737		24,099	
State Contributions for Social Security, for Medicare		3,774	1,087		4,861	
Employer Contributions for Group Insurance		35,581	-		35,581	
Contractual Services		319,928	123,826		443,754	
Travel		28,388	1,282		29,670	
Commodities		185,094	21,020		206,114	
Printing		822	-		822	
Equipment		45,698	17,462		63,160	
Electronic Data Processing		-	-		-	
Telecommunication Services		38	-		38	
Awards and Grants		6,000	-		6,000	
Permanent Improvements		375,050	21,845		396,895	
Refunds		89,453	-		89,453	
TOTAL - ALL NON-APPROPRIATED FUNDS		\$ 1,311,749	\$ 237,686	\$	\$ 1,549,435	
GRAND TOTAL - ALL FUNDS		\$ 21,080,700	\$ 20,176,713	\$ 1,780,609	\$ 21,957,322	\$ 672,813

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.

Note: P.A. 99-0001 reduced the Academy's Education Assistance Fund - 007 appropriation from \$18,445,700 to \$18,030,700.

STATE OF ILLINOIS
 ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
 COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
 AND LAPSED BALANCES
 FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

Schedule 2

	FISCAL YEAR	
	2015	2014
	P.A. 98-0678 & P.A. 99-0001	P.A. 98-0033
EDUCATION ASSISTANCE FUND - 007		
<u>Appropriations (Net after Transfers)</u>	\$ 18,030,700	\$ 18,445,700
<u>Expenditures</u>		
Personal Services	12,478,995	12,766,196
Retirement	100	100
State Contributions to Social Security, for Medicare	181,252	182,550
Contractual Services	4,064,400	4,124,229
Travel	75,370	111,341
Commodities	276,840	309,975
Equipment	513,349	636,173
Electronic Data Processing	122,500	131,678
Telecommunication Services	97,800	99,205
Operation of Automotive Equipment	48,608	51,945
Total Expenditures	17,859,214	18,413,392
<u>Lapsed Balances</u>	\$ 171,486	\$ 32,308
INCOME FUND - 768		
<u>Appropriations (Net after Transfers)</u>	\$ 3,050,000	\$ 3,050,000
<u>Expenditures</u>		
Personal Services	2,117,818	1,683,803
State Contributions to Social Security, for Medicare	42,030	34,053
Contractual Services	222,699	282,267
Travel	15,672	25,757
Commodities	101,085	110,362
Equipment	31,994	3,141
Telecommunication Services	12,708	14,759
Operation of Automotive Equipment	4,667	1,773
Refunds	-	1,550
Total Expenditures	2,548,673	2,157,465
<u>Lapsed Balances</u>	\$ 501,327	\$ 892,535
GRAND TOTAL. ALL APPROPRIATED FUNDS		
Appropriations (Net after Transfers)	\$ 21,080,700	\$ 21,495,700
Total Expenditures	20,407,887	20,570,857
Lapsed Balances	\$ 672,813	\$ 924,843

STATE OF ILLINOIS
 ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
 COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
 AND LAPSED BALANCES
 FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

Schedule 2

	FISCAL YEAR	
	2015	2014
<u>SPECIAL PURPOSES TRUST FUND - 359</u>		
<u>Non-appropriated fund</u>		
<u>Expenditures</u>		
Personal Services	\$ 248,988	\$ 202,300
Retirement	24,099	17,954
State Contributions for Social Security, for Medicare	4,861	5,156
Employer Contributions for Group Insurance	35,581	27,870
Contractual Services	443,754	346,082
Travel	29,670	38,964
Commodities	206,114	111,257
Printing	822	9,222
Equipment	63,160	75,527
Electronic Data Processing	-	32,906
Telecommunication services	38	997
Awards and Grants	6,000	47,100
Permanent Improvements	396,895	26,000
Refunds	89,453	124,440
	<u>1,549,435</u>	<u>1,065,775</u>
Total Expenditures		
	<u>1,549,435</u>	<u>1,065,775</u>
<u>GRAND TOTAL, ALL NON-APPROPRIATED FUNDS</u>		
Total Expenditures	<u>1,549,435</u>	<u>1,065,775</u>
<u>GRAND TOTAL, ALL FUNDS</u>		
Total Expenditures	<u>\$ 21,957,322</u>	<u>\$ 21,636,632</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.

Note: P.A. 99-0001 reduced the Academy's Education Assistance Fund - 007 appropriation from \$18,445,700 to \$18,030,700.

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, 2015

Schedule 3

<u>Fund Name/Fund Number</u>	<u>2015</u>
OPERATING FUND - 1223	
Beginning balance of cash and investments	\$ 2,866,263
Total funds received during the fiscal year	365,151
Total funds disbursed during the fiscal year	<u>1,391,064</u>
Ending balance of cash and investments	<u>\$ 1,840,350</u>
STUDENT ACTIVITY FUND - 1366	
Beginning balance of cash and investments	\$ 146,809
Total funds received during the fiscal year	435,984
Total funds disbursed during the fiscal year	<u>460,463</u>
Ending balance of cash and investments	<u>\$ 122,330</u>

STATE OF ILLINOIS
 ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
 SCHEDULE OF CHANGES IN STATE PROPERTY
 FOR THE YEAR ENDED JUNE 30, 2015

	Balance July 1, 2014	Additions	Deletions	Net Transfers	Transfers in from CDB	Balance June 30, 2015
Land and land improvements	\$ 200,646	\$ -	\$ -	\$ -	-	\$ 200,646
Building and building improvements	49,773,298	1,200,453	-	5,958,326	213,968	\$ 56,932,077
Equipment	10,190,812	648,716	(881,724)	(5,179)	-	\$ 9,952,625
Totals	\$ 60,164,756	\$ 1,849,169	\$ (881,724)	\$ 5,953,147	213,968	\$ 67,299,316

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, 2015 AND 2014**

Schedule 5

	2015	2014
GENERAL REVENUE FUND - 001		
Prior Year Refunds	\$ 203	\$ 2,028
Total 001 Fund Receipts	203	2,028
 EDUCATION ASSISTANCE FUND		
Third Party Reimbursements	950	2,829
Prior Year Refunds	1,257	1,599
Total 007 Fund Receipts	2,207	4,429
 SPECIAL PURPOSES TRUST FUND - 359		
Private Grant Funds	-	8,750
Other Illinois State Agency Grant Funds	179,750	109,750
Federal Grant Funds	-	12,463
Private Donations	1,107,205	1,047,705
Total 359 Fund Receipts	1,286,955	1,178,668
 INCOME FUND - 768		
Student Activity Fees	2,159,139	1,756,932
Conference Fees	196,223	212,362
Miscellaneous Fees	61,767	67,866
Professional Services	-	18,030
Workshop Materials Fees	27,252	5,977
Prior Year Refunds	-	216
Total 768 Fund Receipts	2,444,381	2,061,383
 TOTAL RECEIPTS	\$ 3,733,746	\$ 3,246,508

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, 2015 AND 2014

	2015				
	General Revenue Fund (001)	Education Assistance Fund (007)	Special Purpose Trust Fund (359)	Income Fund (768)	Total
Cash Receipts per Agency	\$ 203	\$ 2,207	\$ 1,286,955	\$ 2,444,381	\$ 3,733,746
Adjustments:					
Deposits in Transit, at July 1, 2014	-	-	750	19,744	20,494
Deposits in Transit, at June 30, 2015	-	-	-	(38,869)	(38,869)
Totals	<u>203</u>	<u>2,207</u>	<u>1,287,705</u>	<u>2,425,256</u>	<u>3,715,371</u>
Receipts per Comptroller (SB04)	203	2,207	1,287,705	2,425,256	3,715,371
Agency/Comptroller variance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	2014				
	General Revenue Fund (001)	Education Assistance Fund (007)	Special Purpose Trust Fund (359)	Income Fund (768)	Total
Cash Receipts per Agency	\$ 2,028	\$ 4,429	\$ 1,178,668	\$ 2,061,383	\$ 3,246,508
Adjustments:					
Deposits in Transit, at July 1, 2014	-	-	1,831	90,026	91,857
Deposits in Transit, at June 30, 2015	-	-	(750)	(19,744)	(20,494)
Totals	<u>2,028</u>	<u>4,429</u>	<u>1,179,749</u>	<u>2,131,665</u>	<u>3,317,871</u>
Receipts per Comptroller (SB04)	2,028	4,429	1,179,749	2,131,665	3,317,871
Agency/Comptroller variance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2015

A comparative schedule of significant variations in expenditures of 20% and \$10,000 for the fiscal years ended June 30, 2015 and June 30, 2014 are shown below:

	<u>FISCAL YEAR</u> <u>ENDED JUNE 30</u>		<u>INCREASE</u> <u>(DECREASE)</u>	
	<u>2015</u>	<u>2014</u>	<u>AMOUNT</u>	<u>PERCENT</u>
<u>Education Assistance Fund - 007</u>				
Travel	\$ 75,370	\$ 111,342	\$ (35,975)	(32%)
<u>Income Fund - 768</u>				
Personal Services	2,117,818	1,683,803	434,015	26%
Contractual Services	222,699	282,267	(59,568)	(21%)
Travel	15,672	25,757	(10,085)	(39%)
Equipment	31,994	3,141	28,853	919%
<u>Special Purposes Trust Fund - 359</u>				
Personal Services	248,988	202,300	46,688	23%
Contractual Services	443,754	346,082	97,672	28%
Commodities	206,114	111,257	94,857	85%
Electronic Data Processing	0	32,903	(32,906)	(100%)
Awards and Grants	6,000	47,100	(41,100)	(87%)
Permanent Improvements	396,895	26,000	370,895	1427%
Refunds	89,453	124,440	(34,987)	(28%)

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

Education Assistance Fund - 007

Travel

The decrease in travel was due to House Bill 317 which reduced the Academy's travel appropriation, Executive Order 15-08 which imposed prior approval on the expenditure of State funds for out of state travel and a request from the Governor's Office of Management and Budget to reserve appropriated funds to help address the State's fiscal year 2015 budget deficit.

Income Fund - 768

Personal Services

The increase in personal services was due to House Bill 317 which reduced the Academy's Education Assistance Fund (EAF) Personal Services Appropriation. As a result of the decrease in EAF appropriation, staff salaries previously funded by EAF shifted to the Income Fund. The increase is also due the execution of a board approved early retirement agreement executed to help the Academy adapt to its long-term workforce needs.

Contractual Services

The decrease in contractual services expenditures was due a shift in expenditures between Academy funds to help manage a mid-year budget reduction enacted by House Bill 317 and a request from the Governor's Office of Management and Budget to reserve a portion of the Academy's appropriated funds.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2015**

Travel

The decrease in travel expenditures was due an overall reduction in Academy travel to help manage a mid-year budget reduction enacted by House Bill 317 and a request from the Governor's Office of Management and Budget to reserve a portion of the Academy's appropriated funds.

Equipment

The increase in equipment expenditures was due a shift in expenditures between Academy funds to help manage a mid-year budget reduction enacted by House Bill 317 and a request from the Governor's Office of Management and Budget to reserve a portion of the Academy's appropriated funds.

Special Purposes Trust Fund – 359

Personal Services

The increase in personal services expenditures was due to the Academy receiving more grants to specifically support personal services expenditures in fiscal year 2015.

Contractual Service

The increase in contractual services expenditures was due to an increase in grants to support facility projects and enhancement of the Academy's Mentorship Matching Engine application in fiscal year 2015.

Commodities

The increase in commodities expenditures was due to an increase in grants to support consumables needed for delivery of the Academy's Statewide Student and Educator programs in fiscal year 2015.

Electronic Data Processing

The decrease in electronic data processing expenditures was due to the receipt in fiscal year 2014 of a one-time award for the purchase of video conferencing equipment.

Awards

The decrease in awards and grants was due to a decrease in fiscal year 2015 grants to support scholarships to participants who attend the academy's statewide educator programs.

Permanent Improvements

The increase in permanent improvements was due to an increase in fiscal year 2015 of grants to support permanent improvement projects.

Refunds

The decrease in refunds was due to a decrease in fiscal year 2015 of grant money remaining unspent after grant end date.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
FOR THE YEAR ENDED JUNE 30, 2015**

A comparative schedule of significant variations in receipts of 20% and \$20,000 for the fiscal years ended June 30, 2015 and June 30, 2014 are shown below:

	FISCAL YEAR ENDED JUNE 30		INCREASE (DECREASE)	
	2015	2014	AMOUNT	PERCENT
<u>Special Purposes Trust Fund - 359</u>				
Other Illinois State Agency Grant Funds	\$ 179,750	\$ 109,750	\$ 70,000	64%
<u>Income Fund - 768</u>				
Student Activity Fees	2,159,139	1,756,932	402,207	23%
Workshop Materials Fees	27,252	5,977	21,275	356%

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

Special Purposes Trust Fund – 359

Other Illinois State Agency Grant Funds

The increase was due to the receipt of two Illinois Department of Commerce and Economic Opportunity grants for renovation to the exterior portion of the Academy's residential hall in fiscal year 2015.

Income Fund – 768

Student Activity Fees

The increase was due to the increase of fees for attending the Academy's residential academic program in fiscal year 2015.

Workshop Material Fees

The increase was due to the increase of sales of toolkits and materials used for teaching STEM curriculum in fiscal year 2015.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF SIGNIFICANT VARIATIONS LAPSE PERIOD SPENDING
FOR THE YEAR ENDED JUNE 30, 2015**

Our testing of lapse period expenditures for the fiscal year ended June 30, 2015 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	\$ 513,349	\$ 140,728	27%
<u>Income Fund - 768</u>			
Contractual Services	222,699	59,009	26%
<u>Special Purposes Trust Fund – 359</u>			
Contractual Services	443,754	123,826	28%
Equipment	63,160	17,462	28%

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

Education Assistance Fund – 007

Equipment

Lapse period expenditures included modular furniture, network equipment, and warehouse pallet racking for facility projects executed at the end of the academic school year.

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.

Special Purposes Trust Fund – 359

Contractual Services

Lapse period expenditures included replacement of the HVAC unit in the IT area and repair to the cafeteria's salad bar, honorariums to participants in the IMSA Allies program, and end of year academic program graduation expenditures funded by grant dollars.

Equipment

Lapse period expenditures included modular furniture for facility projects executed at the end of the academic school year funded by grant dollars.

STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF ACCOUNTS RECEIVABLE
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

Schedule 10

DESCRIPTION OF ACCOUNTS RECEIVABLE	2015	2014
Student Fees-Other	\$ -	\$ 80
Student Fees	-	148
Building Rental	-	-
Private Organization Program Registration Fees	22,230	20,400
Miscellaneous	105,000	-
 Total Accounts Receivable	 \$ 127,230	 \$ 20,628

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
ACADEMY FUNCTIONS AND PLANNING PROGRAM
FOR THE YEAR ENDED JUNE 30, 2015
(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 (retired June 30, 2015)
- Branson Lawrence, Jr. – Principal (retired May 31, 2015)
- Mary Spreitzer – Vice President for Human Resources and Chief Operating Officer
- Michelle Kolar – Executive Director 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 such as test scores and grades. For this reason, students with the highest test scores may not emerge as the

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF OPERATIONS
ACADEMY FUNCTIONS AND PLANNING PROGRAM
FOR THE YEAR ENDED JUNE 30, 2015
(Not examined)**

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.
- Prescribe and select free schoolbooks provided by funding from the General Assembly.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF OPERATIONS
ACADEMY FUNCTIONS AND PLANNING PROGRAM
FOR THE YEAR ENDED JUNE 30, 2015
(Not examined)**

- 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 of 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 March 18, 2015 IMSA's President Dr. José M. Torres presented to the Board of Trustees IMSA's six to seven year overall impact goal: "By 2022 IMSA is a Recognized Global Leader and Catalyst in Equity and Excellence".

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

1. Increase STEM Persistence
2. Strengthen Identity as Learning Laboratory
3. Develop STEM Educator Proficiencies
4. Develop IMSA's Capacity to Lead in Social Entrepreneurship
5. Demonstrate Fiscal Stewardship & Increase Collaboration
6. Broaden Engagement, Presence & Awareness of IMSA

These six priorities will frame the priorities and work of the Academy's President and senior administrators in fiscal year 2016.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF OPERATIONS
AVERAGE NUMBER OF EMPLOYEES
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014
(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>2015</u>	<u>2014</u>
Administration	8	8
Faculty	59	59
Support leadership	73	76
Instructional program assistants	7	6
Residential life	34	33
Security	9	10
Maintenance/custodians	21	21
Secretaries	40	38
Other*	58	62
	<u>309</u>	<u>313</u>
<u>Funded by non-appropriated funds</u>		
Support leadership	3	0
Administrative Support	1	0
Other*	4	5
	<u>8</u>	<u>5</u>
Grand Total	<u>317</u>	<u>318</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
EMERGENCY PURCHASES
FOR THE YEAR ENDED JUNE 30, 2015
(Not examined)**

Following is a list of emergency purchase awards approved by the Illinois Higher Education Procurement State Purchasing Officer during fiscal year 2015:

College Entrance Exam Board, DBA The College Board – Actual Cost \$53,363.00

On April 13, 2015 the Academy was notified of a last minute change in the vendor for the administration of AP Examinations to IMSA seniors. A new contract had to be processed prior to exam date of May 4, 2015.

Semper Fi Yard Service, Inc. – Actual Cost \$99,651.35

Completion of exterior renovation work on the Academy's residential buildings destroyed the grading and grass around the area of the residence halls. Repairs to grading and grass had to be completed prior to student move in date of August 12, 2014.

**STATE OF ILLINOIS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY
ANALYSIS OF OPERATIONS
SERVICE EFFORTS AND ACCOMPLISHMENTS
FOR THE YEAR ENDED JUNE 30, 2015
(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. In 2015, IMSA students completed over 58,100 hours of service learning at organizations like the American Cancer Society, Habitat for Humanity, Special Olympics, ALS Association, and at so many more worthy organizations.

- 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. SIR is 1 of only 18 of these research programs in the U.S., and has been operating at IMSA for 27 years.
- An IMSA sophomore was one of only 15 Global Finalists selected from thousands of entrants to the 2014 Google Science Fair and subsequently, in September of 2015, won the Pioneer Award at the Fair from Virgin Galactic for his study of quasar lensing. Two IMSA students were Illinois' Regional Finalists in the 2014 Siemens Competition in Math, Science & Technology. An IMSA student placed third in the Guts round of the Harvard-MIT Math Tournament and five students had their original research recognized at the 2015 American Academy of Science (AAS) Annual Meeting, earning prestigious honors for their impressive work.
- In the workforce, over 5600 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 2014-2015, all 54 faculty members had advanced degrees, with 45% holding doctorate degrees; and 29% certified by the National Board of Professional Teaching Standards (NBPTS), 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 one field office, located in southwestern Illinois, the Metro East region, which offers inquiry-based, hands-on programs to Illinois teachers and students. Since 1997, IMSA has served almost 100,000 students in its student outreach programs and more than 20,000 educators in its educator programs.