

GOLDEN APPLE SCHOLARS OF ILLINOIS PROGRAM

AGREED-UPON PROCEDURES

For the Year Ended June 30, 2023

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

GOLDEN APPLE SCHOLARS OF ILLINOIS PROGRAM

AGREED-UPON PROCEDURES
Year Ending June 30, 2023

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AGREED-UPON PROCEDURES Year Ending June 30, 2023

Summary

The Illinois Student Assistance Commission administers the Golden Apple Scholars of Illinois Program which is managed by the Golden Apple Foundation for Excellence in Teaching (Foundation). The agreed-upon procedures report and accompanying schedule of revenues and expenditures is included herein related to this program.

Summary of Findings

The accountants identified exceptions related to the Golden Apple Scholars of Illinois Program. The exceptions are described within the agreed-upon procedures report. The exceptions apply only to the Golden Apple Scholars of Illinois Program and are directed to Foundation management.

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Frank J. Mautino
Auditor General
State of Illinois, and

Mr. Darryl Arrington, Audit Committee Chair and
Mr. Eric Zarnikow, Executive Director
Illinois Student Assistance Commission, and

Ms. Nancy Golder Northrip, Chair of the Board of Directors and
Ms. Alicia Winckler, Chief Executive Officer
Golden Apple Foundation

As Special Assistant Accountants for the Auditor General, we have performed each of the procedures enumerated below, which were agreed to by the management of the Illinois Student Assistance Commission (Commission), management of the Golden Apple Scholars of Illinois Program (Program), and the Office of the Auditor General, on the Program's compliance with the Higher Education Student Assistance Act (110 ILCS 947/52) during the year ended June 30, 2023. The Commission and the Program's management are responsible for its compliance with those requirements. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed, and our findings are as follows:

1. We confirmed that the Foundation is registered with the Illinois Office of the Attorney General.
2. We obtained evidence that the Commission and the Foundation Boards met during the period July 1, 2022 through June 30, 2023 (FY2023). We observed that signed minutes were prepared for the following Foundation Board meetings: November 15, 2022 and April 10, 2023. We observed that signed minutes were prepared for the following Foundation Executive Board meetings: January 31, 2023, February 21, 2023, and June 5, 2023. We observed that signed minutes were prepared for the following Commission Board meetings: September 22, 2022, December 8, 2022, April 13, 2023, and June 22, 2023. We read the aforementioned meeting minutes.
3. We obtained a listing of participants in the program as of June 30, 2023, provided to us by the Foundation from the Foundation's "FileMaker" database, which is maintained by the Foundation's VP of Strategic Research and Evaluation, and we extracted and summarized the following data:
 - a. 750 participants received scholarship funding during Fiscal Year 2023.
 - b. 806 participants were in school as of June 30, 2023.
 - c. 826 participants have completed school and are currently fulfilling their teaching requirement as of June 30, 2023.
 - d. 63 participants have not fulfilled their teaching requirement and are repaying their scholarship as of June 30, 2023.
 - e. \$77,669 was collected by the Foundation during Fiscal Year 2023 on repayments of scholarships.

4. We obtained and read 23 *Illinois Administrative Code Part 2764 Golden Apple Scholars of Illinois Program (Code)* outlining applicant eligibility and statutory limits on scholarship awards. We obtained the total amount of scholarships paid directly by the Commission (see Schedule A “Scholarship-ISAC”), and we obtained a detailed listing of students awarded these scholarships. This information was provided by the Commission’s Director of the Department of Program and Product Services in the Program Services and Compliance Division. From this listing we haphazardly selected 25 students who received a scholarship award. For each student selected, we obtained the student’s file from the Foundation and performed the following:
 - a. Inspected the student’s application and other documents pertaining to eligibility and observed the applicant’s eligibility was supported by copies of the following, which were maintained in the file: social security card and personal information (state identification, driver’s license, or passport). No exceptions were noted.
 - b. Inspected the student’s “Program Agreement and Promissory Note” and observed the “Program Agreement and Promissory Note” was complete and signed. No exceptions were noted.
 - c. Compared the total amount of the scholarship awarded to the student to the maximum allowable scholarship as outlined in the Code. No exceptions were noted.
 - d. Compared all semester/quarter hours for scholarships awarded to the student and determined the semester/quarter hours awarded did not exceed 8 semesters or 12 quarters of scholarship assistance. No exceptions were noted.
 - e. Inspected the student’s file and observed that the student’s status as a United States citizen or eligible noncitizen was supported by copies of one of the following, which were maintained in the file: birth certificate, passport, or Deferred Action for Childhood Arrivals (DACA) documents. No exceptions were noted.
5. We obtained a listing of participants in the Program as of June 30, 2023, provided to us by the Foundation from the Foundation’s “FileMaker” database, which is maintained by the Foundation’s VP of Strategic Research and Evaluation. This listing contains all students receiving scholarship assistance and indicates the county in which the student resides. The Code requires that at least 30% of students receiving scholarship assistance reside in counties having a population of fewer than 500,000. We recalculated the percentage of students receiving scholarship assistance who reside in such counties. We calculated that 45% of students reside in such counties.
6. The VP of Strategic Research and Evaluation of the Foundation provided policies and procedures for monitoring the continuing eligibility of prior scholarship recipients towards the fulfillment of their teaching obligation, which we read. We obtained a listing of all scholarship recipients who have graduated from college, which includes recipients who have fulfilled their teaching requirement and recipients who have not fulfilled their teaching requirement. This listing came from the Foundation’s “FileMaker” database. From this listing:
 - a. We haphazardly selected 25 recipients who have fulfilled their teaching obligation. For the selected recipients we inspected:
 - i. Signed mentoring site visit notes, which indicated that the recipient began teaching within the requisite years by policy following completion of the postsecondary education degree or certificate program for which the scholarship was awarded. No exceptions were noted.
 - ii. Verification of employment forms for teaching scholars which supported the scholarship recipients’ fulfillment of their five-year teaching obligation. No exceptions were noted.
 - b. We haphazardly selected 25 prior scholarship recipients who have not fulfilled their teaching requirement. For the selected recipients we inspected, we obtained scholarship repayment history information from the Foundation’s “FileMaker” database. We observed that interest at a rate of 5% per annum was charged to recipients sampled for loans made subsequent to Fiscal Year 2010. All 25 of the recipients were charged the correct interest.

7. We obtained and read the policies and procedures for obligating and spending program funds received from the Vice President of Finance. We obtained the Schedule of Program Revenues and Expenditures for the year ended June 30, 2023 (see Schedule A). We obtained the Foundation's detailed general ledger supporting non-payroll expenditures and payroll expenditures listed on Schedule A. From the detailed general ledger, we haphazardly selected a sample of 25 non-payroll expenditures and 25 payroll expenditures.
 - a. We inspected the invoice or other support for the 25 non-payroll expenditures paid by the Foundation and observed:
 - i. The expenditure was directly related to the Program as evidenced by the description on the invoice's approval form and the activity description within the invoice. No exceptions were noted.
 - ii. The invoice or other support contained required supervisor approval as outlined in the policies and procedures. No exceptions were noted.
 - iii. The associated checks to determine if two signatures were included, as required in the policies and procedures. No exceptions were noted.
 - iv. Persons with signature authority did not approve their own expenditures. No exceptions were noted.
 - b. For the selected payroll expenditures, we:
 - i. Recalculated gross pay from pay rate authorizations in the employee's personnel file and time sheets which contained the hours worked. We agreed gross pay to the payroll register. No exceptions were noted for 23 items. Variances were noted for two items, in the amounts of \$3 and \$26.
8. We obtained the Schedule of Revenues and Expenditures for the year ended June 30, 2023 (Schedule A):
 - a. We agreed "Appropriations from the State" and Commission scholarship expenditures ("Scholarships – ISAC") from Schedule A to the Commission's general ledger. No exceptions were noted when agreeing "Scholarships – ISAC". However, the "Appropriations from the State", as shown in Schedule A, exceed the Foundation's general ledger by \$25,830.
 - b. We agreed "Private Funding" revenue and all other expenditures from the Schedule of Revenues and Expenditures to the Foundation's general ledger. No exceptions were noted.
 - c. We compared the Schedule of Revenues and Expenditures to the budget presented with the application for the grant at the beginning of the fiscal year and computed the amount by which budgeted expenditures were over (under) actual expenditures. No exceptions were noted.

We were engaged by the Office of the Auditor General to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. For the purposes of this report, we were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the Higher Education Student Assistance Act (110 ILCS 947/52) during the year ended June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Commission, management of the Program, and the Office of the Auditor General and is not intended to be, and should not be, used by anyone other than the specified parties.

SIGNED ORIGINAL ON FILE

Crowe LLP

Oak Brook, Illinois
February 23, 2024

**Schedule A
Golden Apple Scholars of Illinois Program
Schedule of Revenue and Expenditures
for the Year Ending June 30, 2023**

REVENUES

Appropriations from the State	\$	7,235,798
Other Revenue from the State		25,830
Private Funding		2,165,336
Other Contract Revenue		<u>671,500</u>
Total Program Revenues	\$	<u><u>10,098,464</u></u>

EXPENDITURES

Personnel Services (Salaries and Benefits)		
Program Staff Salaries and Benefits	\$	2,431,860
Total Personnel Services (Salaries and Benefits)	\$	2,431,860
 Summer Institute (SI)		
Instructors	13,127	
Supplies	8,246	
Room & Board	321,403	
Transportation	5,605	
Background Checks	26,397	
Contracted Services	138,336	
SI Stipends	1,660,266	
Travel	20,185	
Meetings	281	
Insurance	1,246	
Total Summer Institute		2,195,092
 Induction		
Scholars Induction	6,968	
Travel and Lodging	41	
Total Induction		7,009
 Academic and Social Emotional Support		
Hardship Funds Support	6,335	
Campus Visits	12	
Contracted Services	17,735	
Meeting	6,429	
Supplies	1,193	
Lodging	11,885	
Professional Development	918	
Total Academic and Social Emotional Support		44,507
 Recruitment and Selection Expenses		
Recruitment Resource	1,465	
Recruitment Travel	5,796	
Recruitment Conference and Membership	1,005	
Recruitment Contract Services - Technology	21,779	
Recruitment Marketing and Communication	77,245	
Scholar Selection - Travel	14	

Schedule A
Golden Apple Scholars of Illinois Program
Schedule of Revenue and Expenditures
for the Year Ending June 30, 2023

Total Recruitment and Selection Expenses		\$	107,304
Curriculum, Research and Analytics			
Contracted Services	\$	7,098	
General Expenses		12	
Technology		54,444	
Travel		56	
Total Curriculum, Research and Analytics			61,610
Accelerator			
Legal Fees for Contract Development		1,871	
Accelerator Induction		5,148	
Staff Development - Mentors Training		42,517	
Recruitment Communications		33,622	
Staff Travel and Conferences		19,149	
Accelerator Stipends		163,101	
Training and Education		321,487	
Accelerators Contracted Services - Technology		29,757	
Supplies		352	
Total Accelerator			617,004
Crystal Ball			
Contracted Services		46,308	
Crystal Ball		3,413	
Travel and Lodging		81	
Total Crystal Ball			49,802
Placement and Alumni Relations			
Placement Travel		7,461	
Placement Contracted Services - Technology		2,242	
Placement Resources		5,582	
Placement Events		248	
Alumni Events		180	
Total Placement and Alumni Relations			15,713
Mentoring and Advising			
Golden Apple Teaching Scholars: Travel		48,358	
Golden Apple Teaching Scholars: Meetings		2,564	
Golden Apple Teaching Scholars: Contracted - Mentors		836,380	
Golden Apple Teaching Scholars: Contracted - Technology		3,235	
Staff Travel and Conferences		2,037	
Total Mentoring and Advising			892,574
Indirect Cost			
Indirect Cost		174,225	
Total Indirect Cost			174,225
Scholarships Paid			
Scholarships - ISAC		2,860,139	
Total Scholarships Paid			<u>2,860,139</u>
Total Expenditures			<u>9,456,839</u>
Revenues in Excess of Expenditures		\$	<u>641,625</u>