

STATE OF ILLINOIS

**ILLINOIS MATHEMATICS AND SCIENCE ACADEMY**

COMPLIANCE EXAMINATION

For the Year Ended June 30, 2008

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
COMPLIANCE EXAMINATION  
For the Year Ended June 30, 2008

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ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
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**AGENCY OFFICIALS**

President	Dr. Glenn McGee
Vice President of Business and Finance	Mr. Patrick Furlong
Controller	Ms. Kimberly Corrao

**BOARD OF TRUSTEES**

Chairman	Dr. Luis Nuñez
Vice Chairman	Mr. Steven Isoye
Ex-Officio Member	Dr. Christopher Koch
Ex-Officio Member	Ms. Judy Erwin
Ex-Officio Member	Mr. Geoffrey S. Obrzut
Ex-Officio Member	Dr. James Rydland
Trustee	Ms. Carol Bernstein
Trustee	Dr. Victoria Chou
Trustee	Mr. Samuel E. Dyson
Trustee	Ms. Shelia MB Griffin
Trustee	Mr. John H. McEachern, Jr.
Trustee	Ms. Jacklyn Naughton
Trustee	Dr. Paula Olszewski-Kubilius
Trustee	Dr. Chris Quigg
Trustee	Mr. Erin Roche
Trustee	Dr. Marsha Rosner

The Academy is located at:

1500 W. Sullivan Rd.  
Aurora, IL 60506-1000



ILLINOIS MATHEMATICS AND SCIENCE ACADEMY®

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

Glenn W. "Max" McGee, Ph.D.  
President

Honorable William G. Holland  
Auditor General  
Iles Park Plaza  
740 E. Ash  
Springfield, IL 62703-3154

May 28, 2009

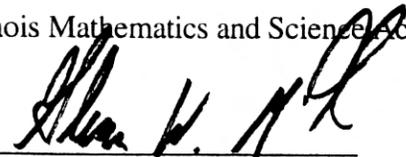
Dear Mr. Holland:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Illinois Mathematics and Science Academy. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Illinois Mathematics and Science Academy's compliance with the following assertions during the one-year period ended June 30, 2008. Based on this evaluation, we assert that during the year ended June 30, 2008, the Illinois Mathematics and Science Academy has materially complied with the assertions below.

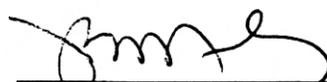
- A. The Illinois Mathematics and Science Academy has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Illinois Mathematics and Science Academy has obligated, expended,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

Yours very truly,

Illinois Mathematics and Science Academy

  
Dr. Glenn W. McGee, President

2

  
Patrick Furlong, Chief Financial Officer

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
COMPLIANCE EXAMINATION  
For the Year Ended June 30, 2008

**COMPLIANCE REPORT**

**SUMMARY**

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

**ACCOUNTANTS' REPORT**

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

**SUMMARY OF FINDINGS**

<u>Number of</u>	<u>Current Report</u>	<u>Prior Report</u>
Findings	2	2
Repeated findings	1	2
Prior recommendations implemented or not repeated	1	3

Details of findings are presented in a separately tabbed report section.

**SCHEDULE OF FINDINGS**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (STATE COMPLIANCE)			
08-1	8	Property control weaknesses	Noncompliance and Significant Deficiency
08-2	11	Inadequate controls over personal services	Noncompliance and Significant Deficiency

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
COMPLIANCE EXAMINATION  
For the Year Ended June 30, 2008

**SCHEDULE OF FINDINGS - Continued**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
PRIOR FINDINGS NOT REPEATED			
A	13	Inadequate control over signature authority, procurement and contract documentation	

**EXIT CONFERENCE**

The findings and recommendations appearing in this report were discussed with Academy personnel at an exit conference on May 20, 2009. Attending were:

Illinois Mathematics and Science Academy

Mr. Patrick Furlong, Vice President for Business and Finance  
Ms. Kimberly Corrao, Controller

Office of the Auditor General

Ms. Alison Schertz, Audit Manager  
Mr. Jose G. Roa, Audit Supervisor

Responses to the recommendations were provided by Kimberly Corrao, Controller, in correspondence dated May 28, 2009.

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OFFICE OF THE AUDITOR GENERAL  
WILLIAM G. HOLLAND

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

Honorable William G. Holland  
Auditor General  
State of Illinois

And

Board of Trustees  
Illinois Mathematics and Science Academy  
Aurora, Illinois

**Compliance**

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, 2008. 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.

We conducted our examination 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 requirements listed in the first paragraph of this report during the year ended June 30, 2008. However, the results of our procedures disclosed instances of noncompliance, 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 findings 08-1 and 08-2.

### **Internal Control**

The 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 in order to determine our examination procedures 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *significant deficiency* is a control

deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the requirements listed in the first paragraph of this report such that there is more than a remote likelihood that noncompliance with a requirement that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as items 08-1 and 08-2 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings to be material weaknesses.

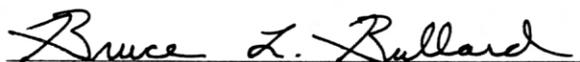
As required by the Audit Guide, immaterial findings excluded from this report have been reported in a separate letter.

The State of Illinois, 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 State of Illinois, Illinois Mathematics and Science Academy's responses and, accordingly, we express no opinion on them.

#### **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 as listed in the table of contents as Supplementary Information for State Compliance Purposes 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 2007 and 2008 Supplementary Information for State Compliance Purposes, except for Service Efforts and Accomplishments on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

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



Bruce L. Bullard, CPA

Director of Financial and Compliance Audits

May 28, 2009

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**SCHEDULE OF FINDINGS**  
For the Year Ended June 30, 2008

Current Findings

08-1. **FINDING** (Property control weaknesses)

The Illinois Mathematics and Science Academy (Academy) did not maintain adequate controls over the recording and reporting of capital assets. During our testing, we noted the following:

- Eight of 50 (16%) equipment items tested, totaling \$11,980, were located at a different location than was recorded on the property records.
- Six of 25 (24%) obsolete/surplus equipment items tested, totaling \$3,075, were listed on the property listing under an incorrect department code.
- For one of 25 (4%) equipment vouchers tested, totaling \$26,068, equipment items were recorded on the property listing at a zero value instead of fair value cost and capitalized. The voucher was for a capital lease of 100 laptops.

The Statewide Accounting Management System (SAMS) (Procedures 29.10.10) requires an agency to maintain current property information at a summary level, which includes the location of the asset, identifying tag number, and cost or other value of the asset. In addition, SAMS (Procedure 03.30.30) requires all assets acquired through capital leases be capitalized regardless of capitalization threshold.

- For one of 13 (8%) equipment deletions tested, the State identification tag number was assigned to multiple equipment items. The State identification tag number was assigned to 17 chairs, totaling \$7,113.
- One of 50 (2%) equipment items tested, totaling \$500 did not contain a proper State identification tag.

The Illinois Administrative Code (44 Ill. Adm. Code 5010.210) states that agencies are responsible for marking each piece of State-owned equipment in their possession with a unique identification number.

- Two of 50 (4%) equipment items tested, totaling \$1,405, could not be located. These missing items included a safety cabinet and a fax machine.

The State Property Control Act (30 ILCS 605/4) requires agencies to be accountable for the supervision, control and inventory of all property under its jurisdiction.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**SCHEDULE OF FINDINGS**  
For the Year Ended June 30, 2008

Current Findings – continued

Academy personnel stated the inability to locate property items or locating items at different locations was due to Academy staff moving property without properly notifying the receiving clerk. In addition, Academy personnel stated that some items in the obsolete/surplus storage area were not obsolete/surplus and were being kept there for storage. Academy personnel stated not recording capital lease equipment at fair value was an oversight. Academy personnel further stated that their practice was to group equipment purchases of the same item on the property listing as one entry and therefore, not individually tag all like equipment items. Additionally, equipment items without State identification tags was due to tags not remaining affixed to property after being applied.

- For one of 25 (4%) equipment vouchers tested, totaling \$24,773, the Academy did not file a new furniture affidavit prior to purchasing new furniture equipment.

The State Property Control Act (30 ILCS 605/7a) requires agencies desiring to purchase new furniture to first check with the administrator if any of the surplus furniture under the administrator's control can be used in place of new furniture. If the agency finds that it is unable to use the surplus property, the agency must file an affidavit with the administrator prior to purchasing new furniture. The affidavit must contain the type of new furniture to be purchased, the quantity of each type of new furniture, the cost per type, the total cost per category and the reason for obtaining the new furniture as opposed to obtaining the item from surplus.

Academy stated not filing a new furniture affidavit was due to oversight.

- The Annual Real Property Utilization Report was not filed timely. The report was filed on December 17, 2008, 48 days after the October 30th deadline.

The State Property Control Act (30 ILCS 605/7.1(b)) states that all responsible officers shall submit an Annual Real Property Utilization Report to the Administrator, or annual update of such report, on forms required by the Administrator, by October 30 of each year.

The Academy stated that untimely filing of property reports was due to lack of personnel.

Failure to exercise adequate control over property, maintain accurate property control records, and properly identify equipment items with State identification tags increases the potential for fraud and possible loss or theft of State property. Property control objectives include preservation of assets to minimize the burden placed on State government to replace lost, stolen, or damaged property. Failure of Academy personnel to adequately control and monitor all property under its jurisdiction is noncompliance with the State

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**SCHEDULE OF FINDINGS**  
For the Year Ended June 30, 2008

Current Findings – continued

Property Control Act. In addition, compliance with the State Property Control Act is important so the Academy does not make purchases of new furniture when comparable items may be available through State Surplus. Failure to submit timely Annual Real Property Utilization Reports is non-compliance with the State Property Control Act and could lead to delays or an inaccuracy in the State's reporting of real property. (Finding Code No. 08-1, 07-2, 06-4)

**RECOMMENDATION**

We recommend the Academy exercise adequate control over property and maintain accurate property control records according to the State Property Control Act, SAMS, and the Illinois Administrative Code.

**ACADEMY RESPONSE**

The safeguarding and accuracy of Academy property is of critical importance to the Academy. It recognizes the importance of exercising control over its property and will review and revise its process for tagging, tracking and inventorying property within the Academy's control to ensure compliance with state requirements.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**SCHEDULE OF FINDINGS**  
For the Year Ended June 30, 2008

Current Findings – continued

08-2. **FINDING** (Inadequate controls over personal services)

The Illinois Mathematics and Science Academy (Academy) did not have adequate controls over personal services. During our testing, we noted the following:

- For two of 35 employees (6%) tested, the employee application was missing from their personnel files. The Academy recreated one of the missing applications but was unable to locate or reproduce the other missing application due to employee resignation.
- For 32 of 35 (91%) employees tested, we noted 357 discrepancies when comparing employee time cards to attendance controller sheets. In addition, weekly time records for 18 of 35 (51%) employees tested could not be located by Academy personnel.
- Four of 35 (11%) employees' absences did not have supporting absence/leave authorization requests or other supporting documents.
- Due to numerous discrepancies between attendance controller sheets and employee time sheets we were unable to determine whether accrued compensated absence balance was computed correctly for 34 of 35 (97%) employees tested.

The State Records Act (5 ILCS 160/8) requires the head of each agency ensure records are prepared and maintained which contain documentation of the agency's essential transactions. The State Officials and Employees Ethics Act (Act) (5 ILCS 430/5-5(c)) requires each State agency to develop a written policy that includes work time requirements and documentation of time worked. Additionally, the Act requires State employees to periodically submit timesheets documenting the time spent each day on official State business to the nearest quarter hour. The Statewide Accounting Management System (SAMS) (Procedure 27.20.80) requires agencies to report compensated absence information to the Comptroller's Office annually in order to provide appropriate disclosure in the State of Illinois's financial statements. The Fiscal Control and Internal Auditing Act (Act) (30 ILCS 10/3001) requires all State agencies to establish and maintain a system of internal fiscal and administrative controls, which includes control over personal services. The Act would require the Academy to maintain a system to accurately calculate and report accumulated leave balances for each employee.

Academy personnel stated missing applications and absence/leave authorizations were due to oversight. In addition, Academy personnel stated that there is not currently a process to cross check submitted time sheets to the attendance controller sheets maintained by human resources.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**SCHEDULE OF FINDINGS**  
For the Year Ended June 30, 2008

Current Findings – continued

- For ten of 35 employees (29%) tested, the Academy did not perform annual performance appraisals per agency policy. Two evaluations (6%) were not performed at all during the examination period. Seven evaluations (20%) were performed 9 to 168 days late. One evaluation's (3%) timeliness could not be determined due to the evaluation not being dated.

The Academy's policy regarding evaluation of support staff personnel requires each employee to complete a written self-evaluation and a written evaluation done by their supervisor once each year. In addition all other employees of the Academy must have an evaluation performed by their respective supervisor annually.

Academy personnel stated performance evaluations were not completed per agency policy due to oversight.

Failure to maintain complete attendance records and reconcile accrued leave balances to payroll expenditures increases the risk that the Academy could pay for services not rendered by its employees. Further, failure to maintain accurate accumulated leave records for all employees could lead to miscalculations in accrued leave time in future years. Failure to perform annual performance appraisals limits the Academy to adequately make decisions regarding salary adjustments, promotion, demotion, discharge, layoff, recall, and reinstatement. (Finding Code No. 08-2)

**RECOMMENDATION**

We recommend the Academy strengthen controls over personal services to ensure accurate timekeeping records and personnel files are maintained, leave absences are documented in accordance with agency policy, and annual evaluations are completed timely.

**ACADEMY RESPONSE**

The Academy agrees with auditor findings and will reinforce and monitor compliance with its internal policies and develop new procedures to strengthen controls over personal services. The Academy is in the process of implementing a computerized Human Resource Management System which will provide HR staff and managers with better tools for managing and strengthening controls over personal services records.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**SCHEDULE OF FINDINGS**  
For the Year Ended June 30, 2008

Prior Year Findings Not Repeated

- A     **FINDING** (Inadequate control over signature authority, procurement and contract documentation)

During the prior examination, the Illinois Mathematics and Science Academy (Academy) did not maintain adequate control over its contractual services.

During the current examination, the Academy strengthened its control over contractual services. However, we did note instances of noncompliance which are reported in the Immaterial Finding Letter as finding IM08-6. (Finding Code No. 07-1, 06-1)

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COMPLIANCE EXAMINATION  
For the Year Ended June 30, 2008

**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 Expenditures of Federal Awards
  - Notes to the Schedule of Expenditures of Federal Awards
  - Schedule of Appropriations, Expenditures and Lapsed Balances
  - Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
  - Comparative Schedule of Receipts, Disbursements and Fund Balance (Cash Basis) – Locally-Held Funds
  - Schedule of Changes in State Property
  - Comparative Schedule of Cash Receipts
  - Reconciliation Schedule 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:
  - Agency Functions and Planning Program
  - Average Number of Employees
  - Service Efforts and Accomplishments (Not examined)

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General, except for information on the Service Efforts and Accomplishments on which they did not perform any procedures. However, the accountants do not express an opinion on the supplementary information.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended June 30, 2008

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Expenditures
<b><u>U. S. Department of Education</u></b>		
Fund for the Improvement of Education		
21st Century Information Fluency Program - 2006	84.215	\$ 61,593
Pass Through Program From:		
Illinois State Board of Education		
U. S. Department of Education / Office of Elementary and Secondary Education		
Reading First State Grants	84.357	15,906
<i>Total U.S. Department of Education</i>		<u>\$ 77,499</u>
<b><u>U. S. Department of Agriculture</u></b>		
Pass Through Program From:		
Illinois State Board of Education		
School Breakfast Program	10.553	\$ 8,733
National School Lunch Program	10.555	23,755
<i>Total U.S. Department of Agriculture</i>		<u>\$ 32,488</u>
<b><u>U. S. Department of Labor</u></b>		
Pass Through Program From:		
Illinois Department of Commerce and Economic Opportunity		
Incentive Grants	17.267	\$ 16,113
<i>Total U.S. Department of Labor</i>		<u>\$ 16,113</u>
<b>Total Expenditures of Federal Awards</b>		<u><u>\$ 126,100</u></u>

The accompanying notes are an integral part of this statement.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended June 30, 2008

**Note 1 – Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the Illinois Mathematics and Science Academy for the year ended June 30, 2008 and is presented on the full accrual basis of accounting.

**Note 2 – Description of Grant Programs**

The following is a brief description of the grant programs included in the Schedule of Expenditures of Federal Awards:

**A. U.S. Department of Education**

- Fund for the Improvement of Education (CFDA #84.215)  
The purpose of this program is to conduct nationally significant programs to improve the quality of education, assist all students to meet challenging State content standards, and contribute to the achievement of elementary and secondary students.
  
- Reading First State Grants (CFDA # 84.357)  
The purpose of this program is to provide assistance to states and districts in establishing reading programs for students in kindergarten through third grade that are based on scientifically based reading research. In addition, this program provides assistance to states and districts in preparing teachers to identify specific reading barriers facing their students.

**B. U.S. Department of Agriculture**

- School Breakfast Program (CFDA #10.553)  
National School Lunch Program (CFDA #10.555)  
The purpose of these programs is to provide nutritious, nonprofit breakfast and lunch service for school children, through cash grants and food donations and to encourage the domestic consumption of nutritious, agricultural commodities.

**C. U.S. Department of Labor**

- Incentive Grants (CFDA #17.267)  
The purpose of this program is to carry out innovative programs consistent with the purposes of the Workforce Investment Systems, Adult Education and Family Literacy Act, and the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For The Year Ended June 30, 2008

P.A. 95-0348 FISCAL YEAR 08	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
			Expenditures July 1 to August 31	Expenditures August 31		
<u>General Revenue Fund - 001</u>						
Personal Services	\$ 10,974,200	\$ 10,297,838	\$ 675,886	\$ 10,973,724	\$	476
State Contributions to Social Security, for Medicare	179,800	149,165	10,371	159,536		20,264
Contractual Services	4,187,800	2,998,759	1,108,467	4,107,226		80,574
Travel	132,000	104,697	27,121	131,818		182
Commodities	331,600	279,185	50,900	330,085		1,515
Equipment	745,200	605,087	138,362	743,449		1,751
Electronic Data Processing	203,200	198,811	3,935	202,746		454
Telecommunications	413,100	203,687	209,003	412,690		410
Operation of Automotive Equipment	36,000	34,969	1,031	36,000		-
Awards and Grants	450,000	435,782	14,218	450,000		-
Total General Revenue Fund	<u>\$ 17,652,900</u>	<u>\$ 15,307,980</u>	<u>\$ 2,239,294</u>	<u>\$ 17,547,274</u>	<u>\$</u>	<u>\$ 105,626</u>
<u>Income Fund - 768</u>						
Personal Services	\$ 1,659,000	\$ 1,386,363	\$ 41,135	\$ 1,427,498	\$	231,502
State Contributions to Social Security, for Medicare	27,400	25,773	1,448	27,221		179
Contractual Services	920,100	138,882	18,993	157,875		762,225
Travel	126,700	24,015	4,634	28,649		98,051
Commodities	143,200	30,330	8,586	38,916		104,284
Equipment	65,000	589	1,100	1,689		63,311
Telecommunications	80,000	1,595	16,869	18,464		61,536
Operation of Automotive Equipment	1,000	-	1,000	1,000		-
Refunds	27,600	4,843	825	5,668		21,932
Total Income Fund	<u>\$ 3,050,000</u>	<u>\$ 1,612,390</u>	<u>\$ 94,590</u>	<u>\$ 1,706,980</u>	<u>\$</u>	<u>\$ 1,343,020</u>
<b>TOTAL - APPROPRIATED FUNDS</b>	<u>\$ 20,702,900</u>	<u>\$ 16,920,370</u>	<u>\$ 2,333,884</u>	<u>\$ 19,254,254</u>	<u>\$</u>	<u>\$ 1,448,646</u>

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

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For The Year Ended June 30, 2008

	Appropriations (Net of Transfers)	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
		Expenditures Through June 30	Expenditures July 1 to August 31		
<b>NON-APPROPRIATED FUNDS</b>					
<u>Special Purposes Trust Fund - 359</u>					
Personal Services	\$ 1,008,878	\$ 137,852	\$ 1,146,730		
State Contributions to State University Retirement System	101,853	12,922	114,775		
State Contributions to Social Security, for Medicare	15,419	2,337	17,756		
Employer Contributions for Group Insurance	45,212	-	45,212		
Contractual Services	1,068,185	279,188	1,347,373		
Travel	41,797	18,815	60,612		
Commodities	68,105	24,588	92,693		
Printing	9,680	3,305	12,985		
Equipment	33,425	5,082	38,507		
Electronic Data Processing	-	-	-		
Telecommunications	7,681	918	8,599		
Awards and Grants	-	-	-		
Permanent Improvements	-	6,500	6,500		
Refunds	61,629	-	61,629		
Total Special Purposes Trust Fund	\$ 2,461,864	\$ 491,507	\$ 2,953,371		
<b>GRAND TOTAL - ALL FUNDS</b>	<u>\$ 19,382,234</u>	<u>\$ 2,825,391</u>	<u>\$ 22,207,625</u>		

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

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES  
AND LAPSED BALANCES**  
For the Years Ended June 30,

APPROPRIATED FUNDS

	<u>2008</u>	<u>2007</u>
<b>General Revenue Fund - 001</b>	P.A. 95-0348	P.A. 94-0798
<u>Appropriations (Net of Transfers)</u>	<u>\$ 17,652,900</u>	<u>\$ 17,652,900</u>
<u>Expenditures</u>		
Personal Services	\$ 10,973,724	\$ 10,962,148
State Contributions to Social Security, for Medicare	159,536	159,358
Contractual Services	4,107,226	4,188,710
Travel	131,818	95,470
Commodities	330,085	310,521
Equipment	743,449	648,202
Electronic Data Processing	202,746	259,177
Telecommunications	412,690	266,928
Operation of Automotive Equipment	36,000	38,400
Awards and Grants	450,000	450,000
Total Expenditures	<u>\$ 17,547,274</u>	<u>\$ 17,378,914</u>
Lapsed Balances	<u>\$ 105,626</u>	<u>\$ 273,986</u>
<b>Income Fund - 768</b>		
<u>Appropriations (Net of Transfers)</u>	<u>\$ 3,050,000</u>	<u>\$ 3,050,000</u>
<u>Expenditures</u>		
Personal Services	\$ 1,427,498	\$ 964,211
State Contributions to Social Security, for Medicare	27,221	20,522
Contractual Services	157,875	121,160
Travel	28,649	10,444
Commodities	38,916	31,127
Equipment	1,689	3,707
Telecommunications	18,464	8,599
Operation of Automotive Equipment	1,000	506
Refunds	5,668	2,380
Total Expenditures	<u>\$ 1,706,980</u>	<u>\$ 1,162,656</u>
Lapsed Balances	<u>\$ 1,343,020</u>	<u>\$ 1,887,344</u>
<b>GRAND TOTAL, ALL APPROPRIATED FUNDS</b>		
<u>Appropriations, net of transfers</u>	<u>\$ 20,702,900</u>	<u>\$ 20,702,900</u>
<u>Total Expenditures</u>	<u>19,254,254</u>	<u>18,541,570</u>
<u>Lapsed Balances</u>	<u>\$ 1,448,646</u>	<u>\$ 2,161,330</u>

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES  
AND LAPSED BALANCES**  
For the Years Ended June 30,

NON-APPROPRIATED FUNDS

**Special Purposes Trust Fund - 359**

	<u>2008</u>	<u>2007</u>
<u>Expenditures</u>		
Personal Services	\$ 1,146,730	\$ 1,204,324
State Contributions to State University Retirement System	114,775	117,067
State Contributions to Social Security, for Medicare	17,756	19,869
Employer Contributions for Group Insurance	45,212	84,787
Contractual Services	1,347,373	1,263,428
Travel	60,612	54,888
Commodities	92,693	124,468
Printing	12,985	14,929
Equipment	38,507	53,709
Electronic Data Processing	-	-
Telecommunications	8,599	1,794
Awards and Grants	-	-
Permanent Improvements	6,500	-
Refunds	61,629	155,424
Total Expenditures	<u>\$ 2,953,371</u>	<u>\$ 3,094,687</u>
 <b><u>GRAND TOTAL, ALL FUNDS</u></b>		
Total Expenditures	<u><u>\$ 22,207,625</u></u>	<u><u>\$ 21,636,257</u></u>

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,

<u>Fund Name/Fund Number</u>	<u>2008</u>	<u>2007</u>
OPERATING FUND - 1223		
Beginning balance of cash and investments	\$ 1,679,602	\$ 1,236,905
Total funds received during the fiscal year	1,870,988	2,886,147
Total funds disbursed during the fiscal year	<u>1,428,783</u>	<u>2,443,450</u>
Ending balance of cash and investment:	<u>\$ 2,121,807</u>	<u>\$ 1,679,602</u>
STUDENT ACTIVITY FUND - 1366		
Beginning balance of cash and investments	\$ 52,487	\$ 76,807
Total funds received during the fiscal year	331,628	355,359
Total funds disbursed during the fiscal year	<u>322,408</u>	<u>379,679</u>
Ending balance of cash and investment:	<u>\$ 61,707</u>	<u>\$ 52,487</u>

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**SCHEDULE OF CHANGES IN STATE PROPERTY**

For the Year Ended June 30, 2008

	<u>Balance</u> <u>July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Net Transfers</u>	<u>Balance</u> <u>June 30, 2008</u>
Land and Land Improvements	\$ 200,646	-	-	-	\$ 200,646
Building and Building Improvements	48,498,187	44,943	-	-	48,543,130
Equipment	<u>9,012,188</u>	<u>955,986</u>	<u>(44,150)</u>	<u>-</u>	<u>9,924,024</u>
Totals	<u>\$ 57,711,021</u>	<u>\$ 1,000,929</u>	<u>\$ (44,150)</u>	<u>\$ -</u>	<u>\$ 58,667,800</u>

The property and equipment information was obtained from Academy records and has been reconciled to the "Agency Report of State Property" (Form C-15) submitted to the State Comptroller.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**COMPARATIVE SCHEDULE OF CASH RECEIPTS**  
For the Years Ended June 30,

	<u>2008</u>	<u>2007</u>
<b>GENERAL REVENUE FUND - 001</b>		
Third party reimbursements	\$ 1,719	\$ 3,517
Indirect cost reimbursement	-	19,841
Prior year refunds	455	12,090
Total 001 Fund Receipts	<u>\$ 2,174</u>	<u>\$ 35,448</u>
 <b>SPECIAL PURPOSES TRUST FUND - 359</b>		
Private grant funds	\$ 53,649	\$ -
Local Illinois government grant funds	12,500	25,000
Other Illinois State agency grant funds	2,474,738	2,075,463
Federal grant funds	121,658	319,080
Private donations	454,108	527,906
Total 359 Fund Receipts	<u>\$ 3,116,653</u>	<u>\$ 2,947,449</u>
 <b>INCOME FUND - 768</b>		
Student activity fees	\$ 1,633,256	\$ 1,151,191
Conference fees	154,607	113,398
Miscellaneous fees	104,657	81,479
Workshop materials fees	917	1,367
Total 768 Fund Receipts	<u>\$ 1,893,437</u>	<u>\$ 1,347,435</u>
 <b>TOTAL RECEIPTS</b>	<u><u>\$ 5,012,264</u></u>	<u><u>\$ 4,330,332</u></u>

**RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS  
REMITTED TO THE STATE COMPTROLLER**

	<u>2008</u>	<u>2007</u>
Receipts per Academy Records	\$ 5,012,264	\$ 4,330,332
Add: Deposits in transit, beginning of year	711,643	176,785
Less: Deposits in transit, end of year	(508,315)	(711,643)
Receipts per Comptroller Records	<u><u>\$ 5,215,592</u></u>	<u><u>\$ 3,795,474</u></u>

Note: 2007 figures have been restated to match Agency records

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Year Ended June 30, 2008

A comparative schedule of significant variations in expenditures of 20% and \$10,000 for the fiscal years ended June 30, 2008 and June 30, 2007 are shown below:

	<u>FISCAL YEAR</u> <u>ENDED JUNE 30</u>		<u>INCREASE</u> <u>(DECREASE)</u>	
	<u>2008</u>	<u>2007</u>	<u>AMOUNT</u>	<u>%</u>
<u>General Revenue Fund – 001</u>				
Travel	\$131,818	\$95,470	\$36,348	38%
Electronic Data Processing	\$202,746	\$259,177	(\$56,431)	(22%)
Telecommunications	\$412,690	\$266,928	\$145,762	55%
 <u>Income Fund - 768</u>				
Personal Services	\$1,427,498	\$964,211	\$463,287	48%
Contractual Services	\$157,875	\$121,160	\$36,715	30%
Travel	\$28,649	\$10,444	\$18,205	174%
Telecommunications	\$18,464	\$8,599	\$9,865	115%
 <u>Special Purposes Trust Fund - 359</u>				
<u>Employer Contributions for Group</u>				
Insurance	\$45,212	\$84,787	(\$39,575)	(47%)
Commodities	\$92,693	\$124,468	(\$31,775)	(26%)
Equipment	\$38,507	\$53,709	(\$15,202)	(28%)
Telecommunications	\$8,559	\$1,794	\$6,765	377%
Refunds	\$61,629	\$155,424	(\$93,795)	(60%)

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

**General Revenue Fund – 001**

Travel

The increase in travel expenditures was due to expansion of the Academy's outreach activities. The Academy's second legislative charge is "to stimulate further excellence for all Illinois schools in mathematics and science." This includes promotion of the Academy's professional development opportunities for Illinois teachers of mathematics and technology and the development of partnerships with Illinois schools and universities to expand programming throughout the State of Illinois. Travel also increased due to an increase in the number of national and international conferences and competitions attended by students.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Year Ended June 30, 2008

**General Revenue Fund – 001 (cont.)**

Electronic Data Processing

The decrease in electronic data processing expenditures was due to the Academy's upgrade of the network server system in FY07. These expenditures were not repeated in FY08.

Telecommunications

The increase in telecommunications expenditures was due to the Academy's upgrade of the campus telephone network to deliver all voice communications over the IP network in FY08.

**Income Fund – 768**

Personal Services

The increase in personal services expenditures was due to the expansion of the Academy's external program offerings such as Kid's Institute, Problem Based Learning and Excellence 2000. In addition, more Illinois Virtual High School (IVHS) staff salaries were paid from the Income Fund in FY08.

Contractual Services

The increase in contractual services expenditures was due to the Academy's administration of IVHS program. More contractual services for this program were funded from the Income Fund in FY08.

Travel

The increase in travel expenditures was due to growth in the Academy's external program offerings such as Kid's Institute, Problem Based Learning and Excellence 2000.

Telecommunications

The increase in telecommunications expenditures was due to the Academy's upgrade of the campus telephone network to deliver all voice communications over the IP network in FY08.

**Special Purposes Trust Fund – 359**

Employer Contributions for Group Insurance

The decrease in employer contributions for group insurance was due to a decrease in personal services expenditures funded from the Special Purposes Trust Fund. Fewer full-time, benefit eligible staff were paid from this fund in FY08 due to changes in the grants and awards received by the Academy.

Commodities

The decrease in commodities expenditures was due to the Academy not receiving a contract with the Illinois State Board of Education under the Illinois Technology Immersion Pilot Program (TIPP) in FY08. The program resulted in an increase in commodities purchases in prior years.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For Year Ended June 30, 2008

**Special Purposes Trust Fund – 359 (cont.)**

Equipment

The decrease in equipment expenditures was due to the Academy not receiving a contract with the Illinois State Board of Education under the Illinois Technology Immersion Pilot Program (TIPP) in FY08. The program resulted in an increase in equipment purchases in prior years.

Telecommunications

The increase in telecommunications expenditures was due to the IVHS program funding more of the program's telecommunication expenditures from its grant money in FY08. In prior years these expenditures were funded from the program's Income Fund money.

Refunds

Special Purpose Trust receipts are from private and government grants and contracts. At the end of the grant period unused funds are returned to the grantor. During FY08, the Academy had fewer grants end with unused funds.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Year Ended June 30, 2008

The Comparative Schedule of Cash Receipts documents the revenue generating activities for fiscal years 2007 and 2008.

Significant variations in receipts are considered to be those varying between years by more than 20% and amounting to \$20,000 or more.

**General Revenue Fund – 001**

Indirect Cost Reimbursements

The decrease was due to the Academy not receiving any grants in FY08 that included indirect cost reimbursements as it did in FY07.

**Special Purposes Trust Fund – 359**

Private Grant Funds

The increase was due to the Academy receiving two new grants from private sources in FY08 that were not received in FY07.

Other Illinois State Agency Grant Funds

The increase was due to the Academy receiving additional funding in FY08 from the Illinois State Board of Education for the operation of the Illinois Virtual High School.

Federal Grant Funds

The decrease was due to the end of a United States Department of Education grant in support of the Academy's 21<sup>st</sup> Century Information Fluency program.

**Income Fund – 768**

Student Activity Fees

The increase was due to the growth of the Illinois High School program. Student fee revenue from the Illinois Virtual High School program increased 73% over the prior year.

Conference Fees

The increase was due to the growth of the Academy's external program offerings for professional development to Illinois educators.

Miscellaneous Fees

The increase was due to more fees collected from the Academy's residential students, prospective student applicants, and more miscellaneous fees collected from the Academy's external programs.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Year Ended June 30, 2008

Our testing of lapse period expenditures for the fiscal year ended June 30, 2008 disclosed seven 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>General Revenue Fund – 001</u>			
Contractual Services	\$4,107,226	\$1,108,467	27%
Travel	\$131,818	\$27,121	21%
Telecommunications	\$412,690	\$209,003	51%
<u>Income Fund – 768</u>			
Telecommunications	\$18,464	\$16,869	91%
<u>Special Purposes Trust Fund – 359</u>			
Contractual Services	\$1,347,373	\$279,188	21%
Travel	\$60,612	\$18,815	31%
Commodities	\$92,693	\$24,588	27%

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

**General Revenue Fund – 001**

Contractual Services

Lapse period contractual service expenditures included residence hall and main building maintenance and repairs undertaken between the end of the school year and the beginning of the Academy's summer programs, natural gas, electricity, and water utilities, and cafeteria food services.

Travel

Lapse period travel expenditures were for staff travel in June.

Telecommunications

Lapse period telecommunications expenditures were for the infrastructure upgrades and equipment purchased for the new telephone system.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Year Ended June 30, 2008

**Income Fund – 768**

Telecommunications

Lapse period telecommunication expenditures were for the Academy's final communication charges invoices. These final invoices were paid from the Income Fund because insufficient telecommunications appropriation remained in the General Revenue Fund.

**Special Purposes Trust Fund – 359**

Contractual Services

Lapse period contractual services expenditures were for the operation expenses of the Illinois Virtual High School (IVHS) program for services received prior to June 30. Because the funding for the Special Purposes Trust Fund is derived from outside sources, the Academy has little control over the timing of when amounts are received and available for use.

Travel

Lapse period travel expenditures were for the lodging of IVHS teachers to attend professional development in June.

Commodities

Lapse period commodities expenditures were for the operation of the Academy's Kid's Institute and Excellence 2000 summer enrichment programs in June.

STATE OF ILLINOIS  
 ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**ANALYSIS OF ACCOUNTS RECEIVABLE**  
 For the Years Ended June 30,

	2008	2007
Student fees – late processing fee	\$ 300	\$ 202
Student fees – Excel orientation fee	20	-
Commissions due from laundry services	320	1,405
Transcript fees	-	17
Student damage charges	9,651	9,375
Student fees	16,405	6,712
Residential program application fees	1,553	-
Student textbook obligations	-	2,091
Reimbursements from vendors	159	-
Building rental	4,765	2,782
Personal phone calls	12	13
Private organization program registration fees	11,789	-
Student fees for IVHS	4,140	99,315
 Total Accounts Receivable	 \$ 49,114	 \$ 121,912

The Academy turns delinquent accounts over to a collection agency. Therefore, 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**  
For the Year Ended June 30, 2008

**Agency Functions**

The Illinois Mathematics and Science Academy (Academy) was established in 1985 by the State of Illinois under the Illinois Mathematics and Science Academy Law (105 ILCS 305). Under the Act, it is the policy of the State 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.

Further, it is the policy of the State to enlist the support of the educational, industrial, and scientific communities in a cooperative effort to provide excellence in science and mathematics education. As a result of this cooperative endeavor, the Academy was established to serve the people of Illinois as a preparatory institution and the school system of Illinois as a catalyst and laboratory for the advancement of teaching.

The Academy is a State Agency, funded by State appropriations, private contributions and endowments. Minimal fees for residential students may be charged. The primary role of the Academy is to offer a uniquely challenging education for students talented in the areas of mathematics and science.

The purpose of the mathematics program at the Academy is to help students develop and use mathematical tools for their own thinking, problem solving and development as informed citizens and leaders, and to help students appreciate the power, economy, elegance, and beauty of mathematical thought. The Academy provides experiences, in which students investigate and explore, think critically, solve problems and apply mathematical tools of thought in a variety of situations using multiple strategies, approaches and techniques.

The purpose of the science program is to provide a learning environment which addresses both breadth and depth of study. Breadth of study is necessary for students to make informed decisions about continued education in science. The depth of study will lead to a deep understanding of the nature and processes of science, its fundamental concepts and principles, and the contexts of science that inform ethical leadership.

The Academy delivers statewide professional development and enrichment programs to Illinois teachers and students. The Academy works with teachers in school districts to focus on professional development in mathematics, science and technology curriculum, instructional methods, standards alignment and measurement of results. The Academy delivers enrichment programs to stimulate interest, motivation and achievement of elementary, middle school and high school students in mathematics, science and technology. Programs are held on the Academy's Aurora campus, at locations throughout Illinois and online.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**ANALYSIS OF OPERATIONS**  
For the Year Ended June 30, 2008

**Agency Planning Program**

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.

Academy Trustees focus on strategic direction and policy, not day-to-day-operations. The Board selects and evaluates the Academy President who is the chief executive officer of the Academy and the chief administrative officer of the Board. The Academy President is responsible for all administrative functions, duties, and needs of the Board.

Beyond their responsibilities specified in the Act and in Academy Board Policies, Trustees advance and support the Academy in other ways, for example, as guest speakers for special events, members of the Strategic Planning Team, expert resources on particular issues, ambassadors for the Academy in their respective networks, and donors to the Academy Fund for Advancement.

For three days in early September 2006, a 29-person team met to create a new Academy strategic plan. Two-thirds of team members were Academy faculty and staff from all disciplines, and one-third was members of the Academy's extended community and beyond, such as alumni, students, parents, Trustees, Fund Board members, a State Superintendent of Schools and a national technology for learning expert. The planning team defined a number of common beliefs, a new mission, objectives, and strategies that will guide the Academy into the future. Action teams developed proposed action plans for each strategy. The Academy Board of Trustees approved the strategic plan in its May 2007 meeting and completed the plan in January 2008.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**ANALYSIS OF OPERATIONS**  
For the Year Ended June 30, 2008

**Agency Strategies**

The Academy has as its mission to be the world's leading teaching and learning laboratory for imagination and inquiry, and to ignite and nurture creative, ethical, scientific minds that advance the human condition through a system distinguished by profound questions, collaborative relationships, personalized experiential learning, global networking, generative use of technology and pioneering outreach.

The Academy has the following strategies:

- Develop the whole person.
- Require students to pursue personalized plans of study, based on integrated learning experiences and assessed on the basis of individual mastery.
- Design the Academy as a laboratory.
- Generate scholarship that discovers, integrates, applies and transfers knowledge produced by work.
- Identify teaching and learning needs, develop research-based products to meet those needs, and market them to establish the Academy brand.
- Diversify funding to provide reliable and flexible financing.
- Fully engage Academy constituents in lifelong mutually beneficial relationships.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**AVERAGE NUMBER OF EMPLOYEES**  
For the Years Ended June 30,

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>2008</u>	<u>2007</u>
Administration	10	9
Faculty	62	61
Support leadership	74	72
Instructional program assistants	3	3
Residential life	31	31
Security	9	9
Maintenance/custodians	18	19
Secretaries	36	33
	<hr/> 243 <hr/>	<hr/> 237 <hr/>
 <u>Funded by non-appropriated funds</u>	 <u>2007</u>	 <u>2007</u>
Support leadership	3	4
Secretaries	1	1
	<hr/> 4 <hr/>	<hr/> 5 <hr/>
 Grand Total	 <hr/> 247 <hr/>	 <hr/> 242 <hr/>

Total number of part-time employees providing instruction to non-IMSA students

<u>Program</u>	<u>2008</u>	<u>2007</u>
Illinois Virtual High School	73	69
Excellence 2000+	0	21
	<hr/> 73 <hr/>	<hr/> 90 <hr/>
 Grand Total	 <hr/> 73 <hr/>	 <hr/> 90 <hr/>

Note: The decrease in the number of Excellence 2000+ instructors in fiscal year 2008 was due to an increase in school districts paying teachers that participate in the program from their own district funds.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
For the Year Ended June 30, 2008  
(Not Examined)

The Illinois Mathematics and Science Academy (Academy) is internationally recognized and was founded by the State of Illinois to offer a uniquely challenging education for students talented in mathematics and science and advance education through research, groundbreaking ventures and strategic partnerships. The Academy's advanced residential college preparatory program enrolls academically talented Illinois students in grades 10-12. Through its statewide initiatives, the Academy also delivers professional development to educators and enrichment programs to students throughout Illinois and beyond.

- 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.
- Standardized test scores of Academy students are among the highest in the nation. The ACT mean composite score for the Academy's Class of 2008 was 30.3, while the national ACT mean for college bound seniors was 21.1. SAT mean results for the Academy's Class of 2008 were mathematics 704, critical reading 653, and writing 644. The national SAT mean results for college bound seniors were mathematics 515, critical reading 502, and writing 494. For the third year in a row, *Newsweek* named the Academy among the "Public Elites" in its list of 19 public high schools with the highest average ACT and SAT scores in the nation.
- Academy graduates are highly recruited by the nation's top colleges and universities. Both the *Wall Street Journal* and *Newsweek* magazine rank the Academy among the top college prep programs in the nation to place its graduates in Ivy League and highly selective colleges and universities. The Illinois universities with the largest Academy graduate enrollment for the class of 2008 include: University of Illinois at Urbana-Champaign, University of Illinois at Chicago, University of Chicago, Northwestern University, and Illinois Institute of Technology. Out-of-state universities with the largest Academy graduate enrollment for the class of 2008 include: Case Western Reserve University, Duke University, Massachusetts Institute of Technology, California Institute of Technology, and Washington University in St. Louis.
- Members of the Academy's faculty and staff are models of professional growth and achievement. They include presidential award winners, published authors, and a Nobel Laureate in physics. All faculty members have advanced degrees, with 55% holding doctorate degrees; and 29% certified by the National Board of Professional Teaching Standards (NBPTS), the highest standard for excellence in the teaching profession.

STATE OF ILLINOIS  
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY  
**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
For the Year Ended June 30, 2008  
(Not Examined)

- The Academy delivers statewide professional development programs to teachers and enrichment programs to students in Illinois and beyond. In the past decade, IMSA's statewide programs have served more than 45,000 students and 12,000 educators. For academic year 08, highlights of major outreach programs include:
  - IMSA Excellence 2000+ (E2K+) – An after-school enrichment program for Illinois late elementary and middle school students who are talented and interested in mathematics and science. Special emphasis is given to serving students who are historically underrepresented and underserved in mathematics and science. The program includes a teacher professional development component for participating middle schools. Modeled after the Mitchell Excellence 2000 enrichment program in Israel for junior high school students, E2K+ served more than 1,300 students and 135 teachers throughout Illinois in academic year 2007-08.
  - IMSA Kids Institute® (KI) – Hands-on enrichment programs are designed and delivered by Academy students to Illinois youth in grades 2-8. Weekend workshops, summer camps and a traveling science show for targeted Illinois schools are among the programs that get young students excited about learning math and science. The Kids Institute also distributed DVDs – *IMSA on Wheels*, a program that introduces hands-on science to elementary schools. The DVDs were sent free of charge to Illinois schools, libraries and educators. These programs and products served more than 6,000 students during academic year 2007-08.
  - IMSA Problem-Based Learning Network (PBLN) – The IMSA Problem-Based Learning Network serves teachers as they learn to use Problem-Based Learning (PBL), a powerful educational model that organizes curriculum and instruction around carefully crafted situations adapted from real-world issues. Learners gather and apply knowledge from multiple disciplines in their quest for solutions.
  - Expansion of Programs and Services – In an effort to expand its programs and services for Illinois teachers and students, the Academy is opening two IMSA Field Offices in 2008-2009, one in Chicago and one in the Metro East area. The Field Offices will extend IMSA's current professional development and student enrichment programs and in addition serve as central hubs for math and science resources.