

REPORT DIGEST

IMSA FUND FOR THE ADVANCEMENT OF EDUCATION

**FINANCIAL AND
COMPLIANCE AUDIT**
For the Two Years Ended:
June 30, 1997

Summary of Findings:

Total this audit	1
Total last audit	3
Repeated from last audit	0

Release Date:



State of Illinois
Office of the Auditor General

WILLIAM G. HOLLAND
AUDITOR GENERAL

Iles Park Plaza
740 E. Ash Street
Springfield, IL 62703
(217) 782-6046

SYNOPSIS

- ◆ In two instances, out of twenty-five tested, the IMSA Fund did not follow its own procedure which requires that check requests be approved by two IMSA officials.

{Expenditures and Activity Measures are summarized on the reverse page.}

**IMSA FUND FOR THE ADVANCEMENT OF EDUCATION
FINANCIAL AND COMPLIANCE AUDIT
For the Two Years Ended June 30, 1997**

SELECTED FINANCIAL INFORMATION	FY 1997	FY 1996
REVENUES		
Contributions.....	\$1,002,345	\$576,281
Registration fees.....	68,107	52,762
Investment income.....	65,672	61,285
Net gains on investments.....	950	2,223
Special event revenue.....	57,780	-
Less costs of special event direct benefits to donor.....	(60,615)	-
Other.....	346	3,602
Total Revenues.....	<u>\$1,134,585</u>	<u>\$696,153</u>
EXPENSES		
Program service.....	\$701,459	\$626,445
Fund raising.....	29,016	72,094
Management and general.....	<u>58,378</u>	<u>57,092</u>
Total Expenses.....	<u>\$788,853</u>	<u>\$755,631</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES.....	<u>\$345,732</u>	<u>\$(59,478)</u>
BALANCE SHEET		
<u>Assets</u>		
Cash and cash equivalents.....	\$1,722,544	\$1,245,261
Investments.....	-	29,385
Accounts Receivable.....	14,832	10,874
Prepaid expenses.....	79,366	157,115
Inventory.....	<u>345</u>	<u>2,358</u>
Total Assets.....	<u>\$1,817,357</u>	<u>\$1,444,993</u>
<u>Liabilities and Fund Balances</u>		
<u>Liabilities</u>		
Accounts Payable.....	\$51,706	\$30,164
Deferred Revenue.....	28,900	23,810
Fund Balances.....	<u>1,736,751</u>	<u>1,391,019</u>
Total Liabilities and Fund Balances.....	<u>\$1,817,357</u>	<u>\$1,444,993</u>
AGENCY DIRECTOR(S)		
During Audit Period: Ted Parge		
Currently: Ted Parge		

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**PAYMENTS MADE WITHOUT NECESSARY
APPROVALS**

**Two check requests did not
have the required two
signatures needed for
approval**

The Fund did not follow its procedures for processing check requests which resulted in two checks out of 25 we tested being paid without the two necessary approval signatures.

IMSA Fund procedures require a check request be approved by the Director of the IMSA Fund and the Math and Science Academy's Vice President for Strategic Resources. The auditors identified two checks (for \$870 and \$101.64) which were written and paid although the check requests were not approved by both officials. (Finding 1, page 11)

We recommended the Fund ensure compliance with existing controls and obtain proper approval for check requests.

The Fund officials agreed with our recommendation and noted they believed the instances were isolated.

The Fund's response was provided by Mr. Ted Parge, the Director of the IMSA Fund for Advancement of Education, in a letter dated February 16, 1998.

AUDITORS' OPINION

Our auditors stated the June 30, 1997 financial statements of the IMSA Fund are fairly presented.

WILLIAM G. HOLLAND, Auditor General

WGH:JAW:pp

SPECIAL ASSISTANT AUDITORS

Miller Cooper & Co., Ltd. were our special assistant auditors for this audit.

