



STATE OF ILLINOIS
**OFFICE OF THE
AUDITOR GENERAL**

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

WESTERN ILLINOIS UNIVERSITY

**SINGLE AUDIT AND
STATE COMPLIANCE EXAMINATION
For the One Year Ended: June 30, 2011**

Release Date: March 27, 2012

Summary of Findings this Audit Cycle:

- **Compliance and Single Audit** 5
- **Financial Audit (previously reported 2-8-12)** 2
- TOTAL findings:** 7

Summary of findings from previous audit cycle: 6

Repeated from last audit: 3

INTRODUCTION

The Financial Audit for the year ended June 30, 2011 was previously released on February 21, 2012. That audit contained two findings. This report addresses Federal and State compliance findings pertaining to the Single Audit and State Compliance Examination. In total, this report contains 7 findings, two of which were also reported in the Financial Audit.

SYNOPSIS

- The University had not established adequate internal controls over contracts and leases to ensure they contained all necessary provisions, were properly executed prior to performance, and were properly filed.

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

WESTERN ILLINOIS UNIVERSITY
COMPLIANCE EXAMINATION AND SINGLE AUDIT
For The Year Ended June 30, 2011

COMPARATIVE SCHEDULE OF INCOME FUND REVENUES AND EXPENDITURES (Amounts in Thousands)	FY 2011	FY 2010
INCOME FUND REVENUES		
Registration fees.....	\$ 66,769	\$ 64,416
Other student charges.....	1,070	869
Extension.....	6,089	4,690
Tuition and fees waived, faculty and staff.....	(3,810)	(3,919)
Tuition and fees waived, students.....	(3,841)	(3,727)
Other.....	863	700
Total Revenues.....	\$ 67,140	\$ 63,029
INCOME FUND EXPENDITURES		
Personal services.....	\$ 47,807	\$ 43,743
Contractual services.....	6,040	6,817
Travel.....	666	868
Commodities.....	1,228	1,277
Library books and equipment.....	2,015	2,186
Operation of automotive equipment.....	50	156
Telecommunications.....	221	303
Awards, grants, and matching funds.....	1,683	1,042
FICA/Medicare.....	604	599
Permanent improvements.....	166	238
Employment security.....	11	21
Total Expenditures.....	\$ 60,491	\$ 57,250
SUPPLEMENTAL INFORMATION (unaudited)		
	FY 2011	FY 2010
Employment Statistics		
Faculty and Administrative.....	1,138	1,160
Civil Service.....	823	846
Student Employees.....	275	289
Total Employees.....	2,236	2,295
Enrollment Statistics		
Fall term enrollment - undergraduate.....	9,977	10,077
Fall term enrollment - graduate.....	1,677	1,762
Fall term enrollment - extension.....	931	840
Total.....	12,585	12,679
Cost Per Student (Unaudited)		
Cost Per Full-Time Equivalent Student.....	\$ 10,453	\$ 10,440

UNIVERSITY PRESIDENT
During Examination Period: Dr. Alvin Goldfarb Currently: Dr. Jack Thomas

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**NONCOMPLIANCE WITH REQUIRED
CONTRACTING PROCEDURES**

The University had not established adequate internal controls over contracts and leases to ensure they contained all necessary provisions, were properly executed prior to performance, and were properly filed. We noted:

Agreements were signed after the term began

- One lease disclosure forms was completed 153 days after the lease began,
- Two leases and one contract were executed 4-162 days after the leases or contract began,
- One large contract was not approved by all three required top administrators, and
- Twenty large contracts were filed with the State Comptroller 1 to 496 days prior to full management approval. (Finding 4, pages 25-27)

Contracts filed with the State Comptroller before approval

We recommended the University establish appropriate procedures to ensure all contracts, leases, and related disclosures are properly completed, approved, and executed prior to the start of the services or lease terms.

University agrees with auditors

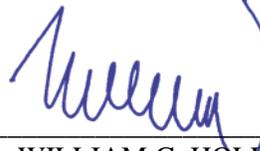
University officials accepted the finding and stated corrective action will be taken.

OTHER FINDINGS

The remaining findings are reportedly being given attention by the University. We will review the University's progress towards the implementation of our recommendations in our next audit.

AUDITORS' OPINION

The auditors conducted a compliance examination and Single audit of the University for the year ended June 30, 2011. A financial audit covering the year ended June 30, 2011 was issued separately.



WILLIAM G. HOLLAND
• Auditor General

WGH:lkw:rt

AUDITORS ASSIGNED: Our special assistant auditors for this examination were E. C. Ortiz & Co. LLP.