



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS JOINING FORCES FOUNDATION

Financial Audit
For the Two Years Ended June 30, 2024

Release Date: October 23, 2025

FINDINGS THIS AUDIT: 2				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	2	2	2018	1		
Category 2:	0	0	0	2016	2		
Category 3:	0	0	0				
TOTAL	0	2	2				
FINDINGS LAST AUDIT: 4							

INTRODUCTION

This digest covers the financial statement audit of the Illinois Joining Forces Foundation (Foundation) for the two years ended June 30, 2024. A digest covering the Foundation's Compliance Examination Report for the two years ended June 30, 2024, will be released under a separate cover.

SYNOPSIS

- (24-1) The Illinois Joining Forces Foundation (Foundation) had weaknesses in its financial statements and related note disclosures for Fiscal Year 2023 and Fiscal Year 2024.
- (24-2) The Foundation had weaknesses in its internal control structure.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

Category 3: Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

ILLINOIS JOINING FORCES FOUNDATION
FINANCIAL AUDIT
For the Two Years Ended June 30, 2024

STATEMENT OF ACTIVITIES	FY 2024	FY 2023
REVENUES AND OTHER SUPPORT		
Contributions and grants.....	\$ 1,724,523	\$ 1,063,974
Fundraising, less direct expenses.....	194,219	16,068
Interest and dividends.....	11,223	9
Other revenue.....	-	53,831
Net assets released from restrictions.....	-	-
Total revenues and other support.....	<u>1,929,965</u>	<u>1,133,882</u>
EXPENSES		
Program Expenses.....	644,574	539,541
Supporting Services.....	411,684	97,407
Total expenses.....	<u>1,056,258</u>	<u>636,948</u>
Increase in Net Assets.....	873,707	496,934
Net Assets, July 1.....	<u>642,504</u>	<u>145,570</u>
Net Assets, June 30.....	<u>\$ 1,516,211</u>	<u>\$ 642,504</u>
STATEMENT OF FINANCIAL POSITION	June 30, 2024	June 30, 2023
ASSETS		
Cash and cash equivalents.....	\$ 957,942	\$ 448,340
Grants receivable.....	220,447	136,862
Contribution receivable (with donor restriction).....	710,000	300,000
Prepaid expenses.....	11,337	508
Property and equipment, less accumulated depreciation.....	3,135	4,711
Total assets.....	<u>\$ 1,902,861</u>	<u>\$ 890,421</u>
LIABILITIES		
Accounts payable.....	\$ 6,245	\$ 58,769
Program advance.....	40,000	-
Accrued expenses.....	190,405	39,148
Long-term debt.....	150,000	150,000
Total liabilities.....	<u>386,650</u>	<u>247,917</u>
NET ASSETS		
Total net assets.....	<u>1,516,211</u>	<u>642,504</u>
Total liabilities and net assets.....	<u>\$ 1,902,861</u>	<u>\$ 890,421</u>
FOUNDATION EXECUTIVE DIRECTOR		
During Audit Period: Brenda Osuch		
Currently: Megan Everett		

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

WEAKNESSES IN FINANCIAL STATEMENTS AND NOTES

The Illinois Joining Forces Foundation (Foundation) had weaknesses in its financial statements and related note disclosures for Fiscal Year 2023 and Fiscal Year 2024.

Some of the more significant issues we noted during our testing are as follows:

Related party transactions not disclosed

- The Foundation did not disclose its material related party transactions. In Fiscal Years 2023 and 2024, we noted the Foundation received donations of \$307,500 and \$360,000, respectively, from donor companies that were affiliated with Foundation Board members.

Current assets overstated

- The Foundation classified all of its receivable amounts as current assets even though some portions will not be collected within the ordinary course of business within a year. As a result, current assets were overstated by \$300,000 and noncurrent assets were understated by \$300,000.
- The Foundation classified a certificate of deposit (CD), valued at \$157,372 as of June 30, 2024, as part of its cash and cash equivalents on the statement of financial position. However, the CD did not meet the criteria to be considered a cash and cash equivalent, and should have been classified as an investment. (Finding 1, pages 19-23). **This finding has been reported since 2018.**

We recommended the Foundation utilize professional tools, such as checklists, to improve the completeness and quality of its financial statements and related note disclosures.

Foundation agreed

Foundation management agreed with our recommendations.

INTERNAL CONTROL STRUCTURE WEAKNESSES

The Foundation had weaknesses in its internal control structure. Some of the more significant issues we noted during our testing are as follows:

Unable to determine check deposit timeliness

- For 4 of 25 (16%) receipts tested, totaling \$112,500, the Foundation was unable to provide documentation to demonstrate the dates when the Foundation received the receipt checks. As such, we were unable to determine whether the receipts were deposited timely into the Foundation's checking account.

Bank signature card not updated

- We noted one individual who departed from the Foundation prior to the examination period was still listed as an authorized signer on the Foundation's bank account from July 1, 2022 through June 16, 2023, when the Foundation closed this bank account.

Bank balance exceeded FDIC

- The Foundation's bank account balances as of June 30, 2024, exceeded the amount of the federal deposit insurance coverage. Although the Foundation obtained extended coverage of up to \$3.75 million for one of its accounts, this additional coverage did not extend to its other two bank accounts which had a combined coverage of \$250,000. (Finding 2, pages 24-26). **This finding has been reported since 2016.**

We recommended the Foundation strengthen its controls over retention and maintenance of supporting documentation related to financial and fiscal operations. Additionally, we recommended the Foundation timely update its bank signature cards to ensure the removal of individuals who no longer require access. Finally, we recommended the Foundation ensure that its bank balances in excess of federal deposit insurance coverage maximums are adequately secured.

Foundation agreed

Foundation management agreed with our recommendations.

AUDITOR'S OPINION

The auditors qualified their opinion on the Foundation's financial statements due to the issues noted in Finding 2024-001. Except for this matter, the auditors stated the financial statements of the Foundation as of and for the years ended June 30, 2024, and June 30, 2023, are fairly stated in all material respects.

This financial audit was conducted by the Office of the Auditor General's staff.

SIGNED ORIGINAL ON FILE

COURTNEY DZIERWA
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

FJM:dmg