

REPORT DIGEST

ILLINOIS SUMMER SCHOOL FOR THE ARTS FINANCIAL AND COMPLIANCE AUDIT FOR THE TWO YEARS ENDED JUNE 30, 1995

SYNOPSIS

- The Illinois Summer School for the Arts (ISSA) did not select all of its teachers from the State of Illinois as required.
- The ISSA did not have adequate control over receipts.
- The ISSA has suffered from a significant decrease in funding that has raised substantial doubt about its ability to continue operating.

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

FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

FAILURE TO COMPLY WITH THE ILLINOIS SUMMER SCHOOL FOR THE ARTS ACT

The Illinois Summer School for the Arts (ISSA) did not select all of its teachers from throughout the State of Illinois as required by the Illinois Summer School for the Arts Act (Act) (105 ILCS 310/2(b)). We noted 2 of 19 (11%) teachers did not reside within the State of Illinois. (Finding 2, page 13)

ISSA's management accepted our recommendation to comply with the Act and select all of its teachers from throughout the State of Illinois.

INADEQUATE CONTROL OVER RECEIPTS

The ISSA did not have adequate control over receipts, and was in noncompliance with the State Officers' and Employees' Money Disposition Act (Act) (30 ILCS 230/2(a)).

We noted that receipts totalling \$1,700 were not deposited in a timely manner, and we could not determine if receipts totalling \$9,150 were deposited timely because the receipt date was not documented in agency records. (Finding 4, page 15)

ISSA's management agreed with our recommendation to comply with the State Officers' and Employees' Money Disposition Act and deposit receipts timely and record the date of receipt.

SUBSEQUENT EVENT

On August 21, 1995, the members of the ISSA's Task Force met with the ISSA's Legal Counsel, the Executive Director of the Illinois Arts Council (IAC), and a representative from the Illinois State Board of Education. At that time, the Executive Director of the IAC notified the Task Force that the IAC was not going to be able to fund the ISSA for the 1996 summer session, due to the constraints on its (IAC) budget. Therefore, the Task Force recommended that there be no 1996 summer session and the Board of Trustees consider other possibilities.

As of the close of our audit fieldwork, the ISSA will not receive funding from the IAC for the 1996 summer session of the ISSA. This raises substantial doubt about the ISSA's ability to continue operating.

AUDITORS' OPINION

Our auditors state that the June 30, 1995 and 1994 financial statements of the Illinois Summer School for the Arts Grant Fund are fairly presented. The financial statements do not include any adjustments that might result from the outcome of the uncertainty of the ISSA's ability to continue as a going concern.

WILLIAM G. HOLLAND, Auditor General

WGH:KKS:pp

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	4	0
Repeated audit findings	0	0
Prior recommendations implemented or not repeated	0	1

AUDITORS ASSIGNED

This audit was performed by the Auditor General's staff.

ILLINOIS SUMMER SCHOOL FOR THE ARTS
FINANCIAL AND COMPLIANCE AUDIT
For The Two Years Ended June 30, 1995

FINANCIAL ACTIVITY	FY 1995	FY 1994	FY 1993
●Total Receipts	\$111,570	\$137,683	\$143,787
State Grant	\$75,000	\$100,000	\$100,000
Tuition	19,550	26,675	34,541
Private Donation	14,950	7,577	5,250
Miscellaneous	2,070	3,431	3,996
●Total Disbursements	\$119,500	\$133,257	\$169,998

SELECTED ACTIVITY MEASURES	FY 1995	FY 1994	FY 1993
●Total Individuals Benefitting from the Project	100	100	104

AGENCY DIRECTOR(S)
During Audit Period: John T. Langfeld (resigned August 14, 1994) Scott Walters (resigned September 22, 1995) Currently: Vacant