

**REPORT DIGEST**

**NORTHEASTERN ILLINOIS UNIVERSITY FOUNDATION**

**FINANCIAL AUDIT  
FOR THE YEAR ENDED JUNE 30, 1993**

**COMPLIANCE AUDIT  
FOR THE TWO YEARS ENDED JUNE 30, 1993**

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

## **FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS**

### **UNSUPPORTED DISBURSEMENTS**

The Foundation did not always maintain support for expenditures. Of the 100 disbursements tested, four were not supported by invoices or cash receipts.

On occasion, the Foundation makes disbursements based upon a signed Requisition for Expenditure and later requests support for the disbursement. These expenditures were not supported because the Foundation did not follow-up on open items.

If expenditures are not supported by invoices or cash receipts, it is difficult to determine whether funds were used in accordance with donor restrictions.

We recommended the Foundation require support for expenditures before a disbursement is made. If prior support is not available, the Foundation should follow-up with the party requesting the expenditure after the check is issued to ensure appropriate documentation is received. (Finding 1, page 7)

Foundation officials agreed with the finding and stated, "The Foundation on rare occasions issues checks before supporting documentation is received. The findings were instances where clerical personnel felt that the fiscal agent signature was sufficient support. In the future, possible additional supporting documentation will be determined and will be requested from the fiscal agent. A new tickler file has been set up to ensure proper follow-up and will be reviewed constantly by staff."

### **FOUNDATION RESPONSE**

The Foundation response was provided by Mr. Donn Bichsel, Vice President for Development and Public Affairs.

### **AUDITORS' OPINION**

Our auditors state that the June 30, 1993 financial statements of Northeastern Illinois University Foundation are fairly presented.

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WILLIAM G. HOLLAND, Auditor General

WGH:BLB:jr

**SUMMARY OF AUDIT FINDINGS**

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Findings	1	3
Repeated Findings	0	1
Prior Recommendations Implemented or Not Repeated	3	1

**SPECIAL ASSISTANT AUDITORS**

Arthur Andersen & Co. were our special assistant auditors for this audit.

**NORTHEASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**FINANCIAL AND COMPLIANCE AUDIT**  
**For The Two Years Ended June 30, 1993**

<b>FINANCIAL OPERATIONS (ALL FUNDS)</b>	<b>FY 1993</b>	<b>FY 1992</b>
<b>REVENUES</b>		
Contributions	\$271,677	\$162,561
Dividends and Interest	28,480	36,395
Special Events - President's Recognition Dinner	<u>66,870</u>	<u>86,549</u>
<b>Total Revenues</b>	<b><u>\$367,027</u></b>	<b><u>\$285,505</u></b>
<b>EXPENDITURES</b>		
Academic departments	\$ 13,613	\$ 26,063
Cardiology 2000	24,464	0
Conference on Restructuring Teacher Education	0	8,000
Golden Eagle Scholarship Team	2,237	5,105
President's Recognition Dinner	26,701	36,631
Englewood School District	22,065	0
Faculty Research Grants	13,012	18,849
Center for Inner City Studies	8,450	3,786
Fund-raising expenses	37,724	18,553
President's discretionary account	7,170	10,816
Scholarships and fellowships	76,725	45,239
TEAM	8,942	0
Athletic Golf Outing	3,965	4,945
Coalition of Businesses and Universities	7,721	0
Corporate Wellness Day	0	7,347
Intercollegiate Athletics	19,689	24,799
Other	<u>23,770</u>	<u>19,423</u>
<b>Total Expenditures</b>	<b><u>\$296,248</u></b>	<b><u>\$229,556</u></b>
<b>SELECTED ACCOUNT BALANCES (ALL FUNDS)</b>	<b>AT JUNE 30, 1993</b>	<b>AT JUNE 30, 1992</b>
Total Assets	\$806,417	\$731,049
Total Liabilities	27,601	30,220
Fund Balances:		
Unrestricted		
- Board Designated	23,947	11,855
- Undesignated	155,541	166,844
Restricted	599,328	522,130

**FOUNDATION REPRESENTATIVE**

Vice President for Development and Public Affairs: Mr. Donn Bichsel