

**REPORT DIGEST**

**UNIVERSITY OF ILLINOIS ALUMNI ASSOCIATION  
FINANCIAL AND COMPLIANCE AUDIT  
FOR THE PERIOD ENDED JUNE 30, 1994**

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

## **INTRODUCTION**

The audit of the University of Illinois Alumni Association for the period ended June 30, 1994 is presented in two parts. The first part presents our report on the Association's financial statements, and the second part presents our report on compliance.

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

Our compliance report notes that the Association did not always follow its internal procedures in the areas of documenting expenditure transactions, performing personnel evaluations, and updating property inventories.

- The Association did not have certain payroll deduction cards on file; travel receipts were sometimes not attached; and, certain purchase orders were not filed. (Finding 1, page 10)
- The Association failed to perform or document all employee evaluations. (Finding 2, page 12)
- The Association did not tag all property items or list them on its inventory. (Finding 3, page 13)

Alumni Association officials accept our recommendations that the Association implement procedures to strengthen its internal controls.

We will review progress towards the implementation of our recommendations in our next compliance audit. The Director of Administrative and Business Affairs, Mr. Robert H. Heldman, provided the Alumni Association's responses.

## **AUDITORS' OPINION**

Our auditors stated the Alumni Association's June 30, 1994 financial statements are fairly presented.

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WILLIAM G. HOLLAND, Auditor General  
WGH:KMM:pp

## **SUMMARY OF AUDIT FINDINGS**

Number of This Audit  
Prior Audit

Audit findings 35

Repeated findings 13

Prior recommendations implemented  
or not repeated 43

## **SPECIAL ASSISTANT AUDITORS**

Arthur Andersen LLP were our special assistant auditors for the audits.

**UNIVERSITY OF ILLINOIS ALUMNI ASSOCIATION  
FINANCIAL AND COMPLIANCE AUDIT  
For The Period Ended June 30, 1994**

<b>FINANCIAL OPERATIONS (ALL FUNDS)</b>	<b>FY 1994</b>	<b>FY 1993</b>
<b>REVENUES</b>		
Annual Membership Fees	\$ 626,084	\$ 578,787
Life Membership Fees	421,468	435,847
Tours and Merchandise Sales	409,141	341,488
Interest and Dividends	310,141	335,776
Support from University	1,146,254	1,207,950
Other Revenues	<u>676,937</u>	<u>475,336</u>
<b>Total Revenues</b>	<b><u>\$3,590,025</u></b>	<b><u>\$3,195,184</u></b>
<b>EXPENDITURES</b>		
Office and Administration	\$ 947,567	\$ 993,369
Membership Services	1,926,115	1,906,614
Other Expenditures	<u>406,926</u>	<u>303,739</u>
<b>Total Expenditures</b>	<b><u>\$3,280,608</u></b>	<b><u>\$3,203,722</u></b>
<b>SELECTED ASSET BALANCES (ALL FUNDS)</b>	<b>AT JUNE 30, 1994</b>	<b>AT JUNE 30, 1993</b>
Cash and Investments	\$7,325,956	\$7,097,805
Plant and Equipment	256,959	281,665
Other Assets	<u>258,533</u>	<u>173,141</u>
<b>Total Assets</b>	<b><u>\$7,841,448</u></b>	<b><u>\$7,552,611</u></b>

**ASSOCIATION EXECUTIVE DIRECTOR**

During the Audit: Mr. Louis D. Liay  
Currently: Mr. Louis D. Liay