



ILLINOIS ARTS COUNCIL FOUNDATION
A Component Unit of the State of Illinois

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

Performed as Special Assistant Auditors
for the Auditor General, State of Illinois

ILLINOIS ARTS COUNCIL FOUNDATION
A Component Unit of the State of Illinois

COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

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ILLINOIS ARTS COUNCIL FOUNDATION
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COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2021

FOUNDATION OFFICIALS

Executive Director
Chief Fiscal Officer

Joshua Davis-Ruperto
Yazoo Hall

GOVERNING BOARD MEMBERS

Chair
Secretary
Member
Member
Member
Member
Member
Member
Member
Member
Member
Member
Member
Member
Member
Member
Member
Member

Rhoda Pierce
Nora Daley
Les Begay
Joan Clifford
Michael Conn
Richard Daniels
Gillian Flynn
Henry Godinez
Sarah Herda
Anne Kaplan
Jodie Kavensky
Valerie King
Shirley Madigan
Robert Maguire
Peggy Montes
Pemon Rami
Christine Steelman

FOUNDATION OFFICE

The Illinois Arts Council Foundation's primary administrative office is located at:

James R. Thompson Center
100 West Randolph Street
Suite 10-500
Chicago, IL 60601-3298



JB Pritzker
Governor

Rhoda A. Pierce
Chair

Joshua Davis-Ruperto
Executive Director

MANAGEMENT ASSERTION LETTER

May 5, 2022

Adelfia LLC
Certified Public Accountants
400 E. Randolph Street, Suite 700
Chicago, Illinois 60601

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Illinois Arts Council Foundation (Foundation). We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Foundation's compliance with the following specified requirements during the two-year period ended June 30, 2021. Based on this evaluation, we assert that during the years ended June 30, 2020, and June 30, 2021, the Foundation has materially complied with the specified requirements listed below.

- A. The Foundation has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Foundation has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The Foundation has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the Foundation are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law. Include this paragraph only if applicable during the examination period.
- E. Money or negotiable securities or similar assets handled by the Foundation on behalf of the State or held in trust by the Foundation have been properly and legally administered,

and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law. Include this paragraph only if applicable during the examination period.

Yours truly,

Illinois Arts Council Foundation

SIGNED ORIGINAL ON FILE

Joshua Davis
Executive Director

SIGNED ORIGINAL ON FILE

Yazoo Hall
Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Rhoda Pierce
Chair

ILLINOIS ARTS COUNCIL FOUNDATION

A Component Unit of the State of Illinois

STATE COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2021

COMPLIANCE REPORT

SUMMARY

The State compliance testing performed during this examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide*.

ACCOUNTANT’S REPORT

The Independent Accountant’s Report on State Compliance and on Internal Control Over Compliance does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current</u> <u>Report</u>	<u>Prior</u> <u>Report</u>
Findings	-	-
Repeated Findings	-	-
Prior Recommendations Implemented or Not Repeated	-	2

EXIT CONFERENCE

The Illinois Arts Council Foundation waived an exit conference in correspondences from Joshua Davis-Ruperto, Executive Director and Yazoo Hall, Chief Fiscal Officer, on March 25, 2022.



INDEPENDENT ACCOUNTANT'S REPORT
ON STATE COMPLIANCE, ON INTERNAL CONTROL OVER COMPLIANCE

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Governing Board
State of Illinois, Illinois Arts Council Foundation

Report on State Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the Illinois Arts Council Foundation (Foundation) with the specified requirements listed below, as more fully described in the *Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide)* as adopted by the Auditor General, during the two years ended June 30, 2021. Management of the Foundation is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Foundation's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. The Foundation has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Foundation has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The Foundation has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

- D. State revenues and receipts collected by the Foundation are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the Foundation on behalf of the State or held in trust by the Foundation have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Illinois State Auditing Act (Act), and the *Audit Guide*. Those standards, the Act, and the *Audit Guide* require that we plan and perform the examination to obtain reasonable assurance about whether the Foundation complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Foundation complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance with the specified requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Foundation's compliance with the specified requirements.

In our opinion, the Foundation complied with the specified requirements during the two years ended June 30, 2021, in all material respects.

The purpose of this report is solely to describe the scope of our testing and the results of that testing in accordance with the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Report on Internal Control Over Compliance

Management of the Foundation is responsible for establishing and maintaining effective internal control over compliance with the specified requirements (internal control). In planning and performing our examination, we considered the Foundation's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Foundation's compliance with the specified requirements and to test and report on the Foundation's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the specified requirements on a timely basis. A material weakness in internal control is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our examination we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

There were no immaterial findings that have been excluded from this report.

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing based on the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
May 5, 2022

ILLINOIS ARTS COUNCIL FOUNDATION
A Component Unit of the State of Illinois

DISCLOSURES ACCOMPANYING A STATE COMPLIANCE EXAMINATION REPORT
For the Two Years Ended June 30, 2021

DISCLOSURES REPORT

SUMMARY

A reading of the accompanying report components of the Illinois Arts Council Foundation (Foundation) was performed by Adelfia LLC.

ACCOUNTANT'S REPORT

The accountants did not conclude an omission or uncorrected material misstatement of the other information exists in the Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report.

EXIT CONFERENCE

The Illinois Arts Council Foundation waived an exit conference in correspondences from Joshua Davis-Ruperto, Executive Director and Yazoo Hall, Chief Fiscal Officer, on March 25, 2022.



INDEPENDENT ACCOUNTANT'S REPORT
ON DISCLOSURES ACCOMPANYING A
STATE COMPLIANCE EXAMINATION REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Governing Board
State of Illinois, Illinois Arts Council Foundation

Disclosures Accompanying a State Compliance Examination Report

Management of the Illinois Arts Council Foundation (Foundation) is responsible for the *Disclosures Accompanying a State Compliance Examination Report* (other information), which consists of the Fiscal Schedules and Analysis and Analysis of Operations report components as listed in the Table of Contents. The other information comprises disclosures which must be presented by management in accordance with *Report Components* memorandum published by the Auditor General of the State of Illinois, but does not include our *Independent Accountant's Report on State Compliance and on Internal Control over Compliance* found in the separate *State Compliance Examination Report* included within this document. Our opinion on the Foundation's State compliance and internal control over compliance does not cover this other information, and we do not express an opinion or any form of assurance thereon.

In connection with our examination of the Foundation, our responsibility is to read the other information and consider whether:

- 1) a material inconsistency exists between the other information and our knowledge and facts of the Foundation we obtained as part of the Foundation's State compliance examination;
- 2) the other information appears to have been omitted; or,
- 3) the other information appears to be materially misstated.

If, based on the work performed, we concluded an omission or uncorrected material misstatement of the other information exists, we are required to describe it in this report.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
May 5, 2022

ILLINOIS ARTS COUNCIL FOUNDATION
A Component Unit of the State of Illinois

**COMPARATIVE SCHEDULE OF RECEIPTS, DISBURSEMENTS,
AND FUND BALANCE (CASH BASIS) – LOCALLY HELD FUNDS**
For Fiscal Years 2021, 2020 and 2019

<u>Foundation Locally Held Funds</u>	FISCAL YEAR		
	2021	2020	2019
Beginning balance of cash and investments	\$ 90,175	\$ 87,266	\$ 86,489
Total funds received	1,509	2,924	802
Total funds disbursed	(10)	(15)	(25)
Ending balance of cash and investments	<u>\$ 91,674</u>	<u>\$ 90,175</u>	<u>\$ 87,266</u>

Note: These balances were obtained from the Foundation’s records and have been reconciled to the Foundation’s Report of Receipts and Disbursements for Locally Held Funds for each locally held fund submitted to the Office of Comptroller as of June 30, 2020, and June 30, 2021.

As further described in the *Independent Accountant’s Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

ILLINOIS ARTS COUNCIL FOUNDATION

A Component Unit of the State of Illinois

ANALYSIS OF OPERATIONS

For the Two Years Ended June 30, 2021

AGENCY FUNCTIONS AND PLANNING PROGRAM

The Illinois Arts Council Foundation (Foundation) was incorporated on May 8, 1967 as a not-for-profit corporation. The Foundation serves the Illinois Arts Council (Council) by augmenting limited State funds for the purpose of arts awareness.

The primary function of the Foundation is to distribute contributions received in the form of grants and contributions to increase the awareness of Council's programs and services through publications, public forums, promotional activities and events.

PLANNING PROGRAM

The Foundation utilizes the same formal planning program as the Council documented in their *Strategic Plan 2021-2026*. The Council and Foundation share board members. These board members meet periodically, to actively plan all aspects of the Foundation.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.

ILLINOIS ARTS COUNCIL FOUNDATION

A Component Unit of the State of Illinois

ANALYSIS OF OPERATIONS

For the Two Years Ended June 30, 2021

AVERAGE NUMBER OF EMPLOYEES

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Average Number of Employees	-	-	-

Note: All Foundation activity is performed by employees and board members of the Illinois Arts Council.

As further described in the *Independent Accountant's Report on Disclosures Accompanying a State Compliance Examination Report*, the accountants do not express an opinion or any form of assurance on this report component.