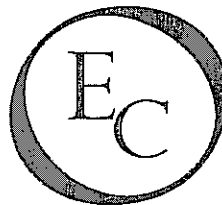


**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19**

**FINANCIAL AUDIT
(In Accordance with the Single Audit Act and OMB Circular A-133)
FOR THE YEAR ENDED JUNE 30, 2007**

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



E.C. ORTIZ & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19

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DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19

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DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19

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**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
OFFICIALS**

Regional Superintendent
(current and during the audit period)

Dr. Darlene Ruscitti

Assistant Regional Superintendent
(current and during the audit period)

Dr. Thomas Bookler

Office is located at:

421 North County Farm Road
Wheaton, Illinois 60187

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
COMPLIANCE REPORT SUMMARY**

The compliance audit testing performed in this audit was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

AUDITORS' REPORTS

The auditors' reports on compliance and on internal controls do not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	3	1
Repeated audit findings	—	1
Prior recommendations implemented or not repeated	1	2

Details of audit findings are presented in a separately tabbed report section.

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Prior Finding Code</u>
FINDINGS (<i>GOVERNMENT AUDITING STANDARDS</i>)			
07-1	12	Bank Reconciliations Not Completed Properly and Timely	N/A
07-2	14	Inadequate Monitoring of Collateral on Deposits	N/A
07-3	15	Controls Over Property Records and Transactions	N/A
FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)			
	17	None	
PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)			
21		Controls Over Compliance with Laws and Regulations	06-1
PRIOR FINDINGS NOT REPEATED (FEDERAL COMPLIANCE)			
		None	

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
JUNE 30, 2007**

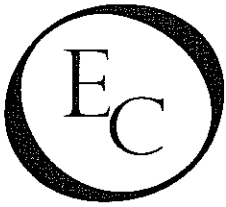
EXIT CONFERENCE

The DuPage County Regional Office of Education No. 19 opted not to have an exit conference during the financial audit for the year ended June 30, 2007. Responses to the recommendations were provided by Dr. Darlene Ruscitti in a letter dated March 12, 2008.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of the DuPage County Regional Office of Education No. 19 was performed by E. C. Ortiz & Co., LLP.

Based on their audit, the auditors expressed an unqualified opinion on the DuPage County Regional Office of Education No. 19's basic financial statements.



INDEPENDENT AUDITORS' REPORT

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the DuPage County Regional Office of Education No. 19, as of and for the year ended June 30, 2007, which collectively comprise the DuPage County Regional Office of Education No. 19's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the DuPage County Regional Office of Education No. 19's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the DuPage County Regional Office of Education No. 19, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 7, 2008 on our consideration of the DuPage County Regional Office of Education No. 19's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of

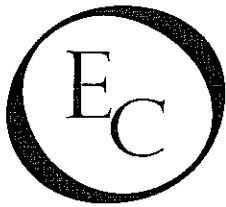
an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 22 through 27 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the DuPage County Regional Office of Education No. 19's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and Schedule of Disbursements to School District Treasurers and Others are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, Schedule of Disbursements to School District Treasurers and Others, and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

E. C. Ortiz & Co., LLP

Chicago, Illinois
July 7, 2008



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the DuPage County Regional Office of Education No. 19, as of and for the year ended June 30, 2007, which collectively comprise the DuPage County Regional Office of Education No. 19's basic financial statements and have issued our report thereon dated July 7, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the DuPage County Regional Office of Education No. 19's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements and not for the purpose of expressing an opinion on the effectiveness of the DuPage County Regional Office of Education No. 19's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the DuPage County Regional Office of Education No. 19's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not

be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting, 07-1, 07-2 and 07-3.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies, and accordingly, would not necessarily disclose all significant deficiencies that are also considered material weaknesses. However, we believe that none of the significant deficiencies described is a material weakness.

Compliance and Other Matters

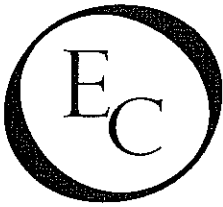
As part of obtaining reasonable assurance about whether the DuPage County Regional Office of Education No. 19's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance or other matters which we reported on the accompanying Schedule of Findings and Questioned Costs as items, 07-2 and 07-3.

The DuPage County Regional Office of Education No. 19's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the DuPage County Regional Office of Education No. 19's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, agency management, others within the organization, Illinois State Board of Education, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

E. C. Ortig & Co. LLP

Chicago, Illinois
July 7, 2008



**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

We have audited the compliance of the DuPage County Regional Office of Education No. 19 with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The DuPage County Regional Office of Education No. 19's major federal programs are identified in the Summary of the Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the DuPage County Regional Office of Education No. 19's management. Our responsibility is to express an opinion on the DuPage County Regional Office of Education No. 19's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the DuPage County Regional Office of Education No. 19's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the DuPage County Regional Office of Education No. 19's compliance with those requirements.

In our opinion, the DuPage County Regional Office of Education No. 19 complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

Internal Control Over Compliance

The management of the DuPage County Regional Office of Education No. 19 is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the DuPage County Regional Office of Education No. 19's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the DuPage County Regional Office of Education No. 19's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, agency management, others within the organization, Illinois State Board of Education, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

E. C. Ortiz & Co. LLP

Chicago, Illinois
July 7, 2008

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007**

Part I: Summary of the Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes ✓ No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? ✓ Yes None reported
- Noncompliance material to financial statements noted? Yes ✓ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes ✓ No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes ✓ None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)? Yes ✓ No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.010A	Title I - School Improvement and Accountability
84.010A	Standards Aligned Classroom
84.367A	Title II - Teacher Quality Leadership Grant
84.184E	Consistent Operational Readiness for Emergency

Dollar threshold used to distinguish between type A and type B Programs: \$300,000

Auditee qualified as low-risk auditee? ✓ Yes No

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007**

Part II: Findings Related to the Basic Financial Statements

FINDING NO. 07-1 - Bank Reconciliations Not Completed Properly and Timely

Criteria/Specific Requirement:

Sound internal controls require bank reconciliations to be performed accurately and promptly. Reconciling items should be investigated immediately and adjustments made to the general ledger. Bank reconciliations should also be reviewed and approved by a person independent of the preparer.

Condition:

The DuPage County Regional Office of Education No. 19 maintains cash and investment balances in 14 bank and investment accounts totaling \$2,944,005 as of June 30, 2007. During the fiscal year, deposits and checks clearing the bank were matched with general ledger entries each month. However, the ROE still had unreconciled differences, thus bank reconciliations for fiscal year 2007 were not completed timely for these bank and investment accounts. The June 30, 2007 bank reconciliations were completed on January 17, 2008.

Based on our review of bank reconciliations, we noted that they were not properly prepared which initially resulted in unreconciled differences totaling \$8,575 (net) in 13 out of 14 bank accounts (93%). The differences were determined to be interest income and realized gains or losses and were subsequently adjusted in the books. In addition, monthly bank reconciliation statements were not timely reviewed and did not have evidence of review or approval by ROE management.

Effect:

Failure to prepare bank reconciliations properly and on a timely basis may lead to loss or misuse of assets due to improper control and monitoring of bank accounts. Unreconciled and unresolved differences in the bank reconciliations also render the bank reconciliation process ineffective for identifying improper and unauthorized cash transactions and inaccuracies in the financial records. Failure to review bank reconciliations on a timely basis also renders the bank reconciliation process ineffective for monitoring timeliness and accuracy of reconciliations performed by staff.

Cause:

According to the management of the ROE, the exceptions noted were due to lack of staff who can handle the preparation of bank reconciliations.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007**

Part II: Findings Related to the Basic Financial Statements (Continued)

FINDING NO. 07-1 - Bank Reconciliations Not Completed Properly and Timely (Continued)

Recommendation:

The DuPage Regional Office of Education No. 19 should prepare monthly bank reconciliations accurately and on a timely basis. Unreconciled differences should be promptly investigated and bank reconciliations should be properly reviewed and approved by the Business Manager.

Management's Response:

The DuPage County Regional Office of Education No. 19 has increased the staff of the Finance Department effective October of 2007 by one full time individual. This position has responsibilities which include monthly bank reconciliations of each bank account, inventory control of the three sites of the regional office, and invoicing. This expansion has given the ROE the personnel needed to comply with the criteria noted in this finding.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007**

Part II: Findings Related to the Basic Financial Statements (Continued)

FINDING NO. 07-2 - Inadequate Monitoring of Collateral on Deposits

Criteria/Specific Requirements:

The Public Funds Deposit Act (30 ILCS 225/1) gives the authorization for deposits in excess of the federally insured limit to be covered by pledged collateral held by the financial institutions' trust departments in the Regional Office of Education No. 19's name. In addition, prudent business practice requires that all cash and investments held by financial institutions for the ROE be adequately covered by depository insurance or collateral.

Condition:

As of June 30, 2007, cash account balances of 13 accounts with one bank totaled \$382,283. The Federal Deposit Insurance Corporation (FDIC) covers up to a maximum of \$100,000. Additional collateral totaling \$154,506 was received as of June 30, 2007. The ROE had made formal arrangements with the bank to automatically provide additional collateral for balances exceeding the FDIC coverage. However, additional collateral was not obtained for the balance of \$127,777.

Effect:

Failure to secure full collateral on cash and investment balances may result in monetary losses to the ROE.

Cause:

According to the ROE management, the required additional collateral for the ROE's deposits was due to the bank inadvertently omitting one account when assigning collateral.

Recommendation:

The DuPage County Regional Office of Education No. 19 should monitor collateral held for its bank accounts. The ROE should also establish controls for confirming amounts pledged by the bank on a regular basis, especially when the cash balances exceed the FDIC level.

Management's Response:

The DuPage County Regional Office of Education No. 19 has met with a representative of the bank and reviewed in detail this finding. The ROE has put into place a process that will allow them to monitor collateral held for their bank accounts on a regular basis.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007**

Part II: Findings Related to the Basic Financial Statements (Continued)

FINDING NO. 07-3 - Controls Over Property Records and Transactions

Criteria/Specific Requirement:

The Regional Office of Education (ROE) Accounting Manual requires each ROE to maintain detailed fixed asset records for both accounting purposes as well as insurance purposes for fixed assets costing \$500 and above. Generally accepted accounting principles require that an inventory of all fixed assets be maintained and property records be updated to reflect all existing items as of year-end.

In addition, the DuPage County Regional Office of Education No. 19 policies and procedures on inventory and depreciation of property and equipment states that fixed assets costing \$500 and above should be properly tagged and property records should be updated for proper computation of depreciation.

Condition:

In our detailed testing of FY 2007 equipment purchases and detailed property listing, we noted the following:

- 43 office equipment items totaling \$37,502 were not recorded in the detailed property listing.
- 31 of the 43 (72%) unrecorded equipment items were issued directly to users before being properly tagged. The equipment items were purchased using the Physical Education Program funds and had a total purchase price of \$24,506.
- Two laptops totaling \$3,036 were recorded in the detailed property listing with the same tag number.

The DuPage County Regional Office of Education No. 19 subsequently revised the financial statements to include the adjustments necessary to properly record the equipment purchases. In addition, the equipment items were subsequently tagged.

Effect:

Failure to update property records with correct details results in inaccurate and incomplete property records. Incomplete fixed asset listings do not provide for an adequate basis for physical control and losses may occur without being detected. Failure to maintain accurate property records could also result in misstatements in the financial records that may not be detected on a timely basis.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007**

Part II: Findings Related to the Basic Financial Statements (Continued)

FINDING NO. 07-3 - Controls Over Property Records and Transactions (Continued)

Cause:

According to the ROE management, failure to tag the equipment items and update the property records is due to lack of staff. Incorrect tag numbers and recording of expense was due to oversight.

Recommendation:

The DuPage County Regional Office of Education No. 19 should update its property records on a timely basis with accurate and complete information. The fixed asset listing should also be checked for accuracy and completeness through an annual physical inventory.

A regular reconciliation of the general ledger and the detailed property listing should also be performed for timely identification and correction of errors in the property records. Prior to the issuance to users, all equipment should be properly tagged for proper identification and tracking.

Management's Response:

The DuPage County Regional Office of Education No. 19 has increased the staff of the Finance Department effective October of 2007 by one full time individual. This position has responsibilities which include monthly bank reconciliations of each bank account, inventory control of the three sites of the regional office, and invoicing. This expansion has given the ROE the personnel needed to comply with the criteria noted in this finding.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007**

Part III: Federal Award Findings

INSTANCES OF NONCOMPLIANCE:

None

SIGNIFICANT DEFICIENCIES:

None

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
JUNE 30, 2007**

FINDING NO. 07-1 - Bank Reconciliations Not Completed Properly and Timely

Condition:

The DuPage County Regional Office of Education No. 19 maintains cash and investment balances in 14 bank and investment accounts totaling \$2,944,005 as of June 30, 2007. During the fiscal year, deposits and checks clearing the bank were matched with general ledger entries each month. However, the ROE still had unreconciled differences, thus bank reconciliations for fiscal year 2007 were not completed timely for these bank and investment accounts. The June 30, 2007 bank reconciliations were completed on January 17, 2008.

Based on our review of bank reconciliations, we noted that they were not properly prepared which initially resulted in unreconciled differences totaling \$8,575 (net) in 13 out of 14 bank accounts (93%). The differences were determined to be interest income and realized gains or losses and were subsequently adjusted in the books. In addition, monthly bank reconciliation statements were not timely reviewed and did not have evidence of review or approval by ROE management.

Plan:

The DuPage County Regional Office of Education No. 19 has increased the staff of the Finance Department effective October of 2007 by one full time individual. This position has responsibilities which include monthly bank reconciliations of each bank account, inventory control of the three sites of the regional office, and invoicing. This expansion has given the ROE the personnel needed to comply with the criteria noted in this finding.

Anticipated Date of Completion:

This has already been addressed as indicated in the "Plan" above.

Name of Contact Person:

Mr. James E. Bauer, Business Manager of the DuPage Regional Office of Education

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
JUNE 30, 2007**

FINDING NO. 07-2 - Inadequate Monitoring of Collateral on Deposits

Condition:

As of June 30, 2007, cash account balances of 13 accounts with one bank totaled \$382,283. The Federal Deposit Insurance Corporation (FDIC) covers up to a maximum of \$100,000. Additional collateral totaling \$154,506 was received as of June 30, 2007. The ROE had made formal arrangements with the bank to automatically provide additional collateral for balances exceeding the FDIC coverage. However, additional collateral was not obtained for the balance of \$127,777.

Plan:

The DuPage County Regional Office of Education No. 19 has met with a representative of the bank and reviewed in detail this finding. The ROE has put into place a process that will allow them to monitor collateral held for their bank accounts on a regular basis.

Anticipated Date of Completion:

Completed.

Name of Contact Person:

Mr. James E. Bauer, Business Manager of the DuPage Regional Office of Education

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
JUNE 30, 2007**

FINDING NO. 07-3 - Controls Over Property Records and Transactions

Condition:

In our detailed testing of FY 2007 equipment purchases and detailed property listing, we noted the following:

- 43 office equipment items totaling \$37,502 were not recorded in the detailed property listing.
- 31 of the 43 (72%) unrecorded equipment items were issued directly to users before being properly tagged. The equipment items were purchased using the Physical Education Program funds and had a total purchase price of \$24,506.
- Two laptops totaling \$3,036 were recorded in the detailed property listing with the same tag number.

The DuPage County Regional Office of Education No. 19 subsequently revised the financial statements to include the adjustments necessary to properly record the equipment purchases. In addition, the equipment items were subsequently tagged.

Plan:

The DuPage County Regional Office of Education No. 19 has increased the staff of the Finance Department effective October of 2007 by one full time individual. This position has responsibilities which include monthly bank reconciliations of each bank account, inventory control of the three sites of the regional office, and invoicing. This expansion has given the ROE the personnel needed to comply with the criteria noted in this finding.

Anticipated Date of Completion:

This has already been addressed as indicated in the "Plan" above.

Name of Contact Person:

Mr. James E. Bauer, Business Manager of the DuPage Regional Office of Education

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
JUNE 30, 2007**

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
06-1	Controls Over Compliance with Laws and Regulations	
	A. Public Act 95-496 repealed the requirements of 105 ILCS 5/3-14.11.	Resolved
	B. The Regional Superintendent did not present to the county board meetings a report of all his acts and the list of all schools visited with the dates of visitation in compliance with the Illinois School Code 105 ILCS 5/3-5.	Resolved
	C. Public Act 95-496 repealed the requirements of 105 ILCS 5/3-14.5.	Resolved

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2007**

The DuPage County Regional Office of Education No. 19 (ROE No. 19) provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the year ended June 30, 2007 with comparative information for the year ended June 30, 2006. Readers are encouraged to consider the information in conjunction with the ROE No. 19's financial statements that follow.

2007 Financial Highlights

- Within the Governmental Funds, the General Fund revenues increased by \$362,251 (70%) from \$520,461 in FY 2006 to \$882,712 in FY 2007. General Fund expenditures increased by \$358,912 (69%) from \$520,461 in FY 2006 to \$879,373 in FY 2007.
- Within the Governmental Funds, the Special Revenue Fund revenues increased by \$104,622 (3%) from \$4,050,329 in FY 2006 to \$4,154,951 in FY 2007. The Special Revenue Fund expenditures increased by \$209,280 (5%) from \$3,934,856 in FY 2006 to \$4,144,136 in FY 2007.
- The Enterprise Fund revenues increased by \$453,850 (52%) from \$873,291 in FY 2006 to \$1,327,141 in FY 2007. The Enterprise Fund expenditures increased by \$470,842 (67%) from \$706,708 in FY 2006 to \$1,177,550 in FY 2007.

Using This Report

This report consists of a series of financial statements and other information, as follows:

- *Management's Discussion and Analysis* introduces financial statements and provides an analytical overview of the ROE No. 19's financial activities.
- The *Government-wide financial statements* consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of the ROE No. 19 as a whole and present an overall view of the Office's finances.
- *Fund financial statements* report the ROE No. 19's operations in more detail than the government-wide statements by providing information about the most significant funds.
- *Notes to the financial statements* provide additional information that is needed for a full understanding of the data provided in the basic financial statements.
- *Required supplementary information* further explains and supports the financial statements and supplementary information provides detailed information about the non-major funds.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2007**

Reporting the DuPage County Regional Office as a Whole

It is important to note, that many grants are a cooperative effort of the ROE No. 19 and the Grundy/Kendall Regional Office of Education No. 24. Therefore, these figures may reflect grants that are intended to serve DuPage County only and grants that serve DuPage, Grundy, and Kendall Counties.

The Statement of Net Assets and the Statement of Activities

Government-wide Financial Statements

The Government-wide statements report information about the ROE No. 19 as a whole. The Statement of Net Assets includes all of the assets and liabilities. All of the current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid using Generally Accepted Accounting Principles and GASB 34.

The Government-wide statements report the Office's net assets and how they have changed. Net assets - the difference between assets and liabilities - are one way to measure the Office's financial health or position.

- Over time, increases or decreases in the net assets can be an indicator of whether financial position is improving or deteriorating, respectively.
- To assess the Regional Office's overall health, additional non-financial factors, such as new laws, rules, regulations, and actions by officials at the state level need to be considered.

Fund Financial Statements

The fund financial statements provide detailed information about the ROE No. 19's funds. Funds are accounting devices that allow the tracking of specific sources of funding and spending on particular programs. Some funds are required by state law. The ROE No. 19 established other funds to control and manage money for particular purposes.

The Office has three kinds of funds:

- (1) Governmental funds account for those funds through which most governmental functions of the Office are financed. These focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at the year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer resources that can be spent in the near future to finance the Office's programs. The governmental

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2007**

funds required financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

- (2) Proprietary funds account for resources from fees charged directly to those entities or individuals that use its services. Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by government-wide financial statements. The proprietary funds required financial statements include a Statement of Net Assets, Statement of Revenues, Expenses and Changes in Fund Net Assets and a Statement of Cash Flows.
- (3) Fiduciary funds are used to account for assets held by the ROE No. 19 in a trust capacity or as an agent for individuals and private or governmental organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The fiduciary funds required financial statements include a Statement of Fiduciary Net Assets.

Government-Wide Financial Analysis

As noted earlier, net assets may serve when examined over time as one indicator of the financial position of the Regional Office. The net assets at the end of FY 2007 and FY 2006 totaled \$2,937,458 and \$2,784,421, respectively. The analysis that follows provides a summary of the Office's net assets as of June 30.

CONDENSED STATEMENT OF NET ASSETS

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
ASSETS						
Current assets	\$ 1,866,966	\$ 1,626,430	\$ 1,214,871	\$ 982,485	\$ 3,081,867	\$ 2,608,915
Capital assets, net of depreciation	324,881	335,589	12,753	8,247	337,634	343,836
TOTAL ASSETS	2,191,877	1,962,019	1,227,624	990,732	3,419,501	2,952,751
Current liabilities	369,876	142,416	112,167	25,914	482,043	168,330
TOTAL LIABILITIES	369,876	142,416	112,167	25,914	482,043	168,330
NET ASSETS						
Invested in capital assets, net of related debt	324,881	335,589	12,753	8,247	337,634	343,836
Restricted for teacher professional development	1,231,837	1,244,449	-	-	1,231,837	1,244,449
Unrestricted	265,283	239,565	1,102,704	956,571	1,367,987	1,196,136
TOTAL NET ASSETS	\$ 1,822,001	\$ 1,819,603	\$ 1,115,457	\$964,818	\$ 2,937,458	\$ 2,784,421

The ROE No. 19's net assets increased by \$153,037 (5%) from FY 2006. The increase occurred primarily in the Enterprise Funds due to excess of revenues over expenses for

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2007**

workshops conducted by the ROE. In addition, net assets related to the Teacher Institute Fund are considered restricted for teacher professional development.

CHANGES IN NET ASSETS

The following analysis shows the changes in net assets for the years ended June 30, 2006 and 2007.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revenues:						
Program revenues:						
Charges for services	\$ 410,135	\$ 351,150	\$ 1,223,168	\$ 844,459	\$ 1,633,303	\$ 1,195,609
Operating grants and contributions	4,284,837	3,695,046	-	-	4,284,837	3,695,046
General revenues:						
State sources and miscellaneous	17,639	258,148	-	-	17,639	258,148
Investment income	8,355	4,133	103,973	28,832	112,328	32,965
On-behalf payments	316,697	262,313	-	-	316,697	262,313
Total revenues	5,037,663	4,570,790	1,327,141	873,291	6,364,804	5,444,081
Expenses:						
Salaries	1,877,662	1,702,553	91,321	6,135	1,968,983	1,708,688
Benefits	360,294	373,320	11,491	6,665	371,785	379,985
Purchased services	1,500,399	1,355,789	1,024,977	638,754	2,525,376	1,994,543
Supplies and materials	224,762	170,500	45,712	26,507	270,474	197,007
Capital outlay	11,301	24,612	404	5,322	11,705	29,934
Depreciation	123,898	102,960	3,645	2,015	127,543	104,975
Payments to other governmental units	619,204	504,334	-	-	619,204	504,334
Miscellaneous	-	-	-	21,310	-	21,310
On-behalf payments	316,697	262,313	-	-	316,697	262,313
Total expenses	5,034,217	4,496,381	1,177,550	706,708	6,211,767	5,203,089
Income before operating transfers	3,446	74,409	149,591	166,583	153,037	240,992
Operating transfers	(1,048)	(51,403)	1,048	51,403	-	-
Change in net assets	2,398	23,006	150,639	217,986	153,037	240,992
Net assets, beginning	1,819,603	1,796,597	964,818	746,832	2,784,421	2,543,429
Net assets, ending	<u>\$ 1,822,001</u>	<u>\$ 1,819,603</u>	<u>\$1,115,457</u>	<u>\$ 964,818</u>	<u>\$ 2,937,458</u>	<u>\$ 2,784,421</u>

Governmental Activities

Revenues for governmental activities were \$5,037,663 and expenses were \$5,034,217. Some grants increased while others decreased or were not funded in FY 2007. The Regional Safe Schools and General State Aid decreased by \$90,435 due to the decrease in the number of students in the programs. System of Support (RESPRO) increased by \$220,267 due to having more schools on the academic watch list and the need to provide services to these schools. Revenues for new programs that were funded in FY 2007 amounted to \$316,406,

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2007**

which include the Physical Education Program, Consistent Operational Readiness for Emergency, NBPTS, SEL and Preschool for All. Statewide Reading Leadership grant was closed out contributing to the decrease in revenue by \$151,719. Expenses were proportionally increased or decreased to meet the funding level. The Regional Office of Education No. 19 is able to place funds in reserve for the upcoming fiscal year and remains in a fiscally healthy position.

Business-Type Activities

Revenues for business-type activities were \$1,327,141 and expenditures were \$1,177,550. The net increase in revenues and expenditures is attributed to increase in workshops and background investigations conducted in FY 2007, as well as the increase in investment income.

Financial Analysis of the ROE No. 19 Funds

As previously noted, the ROE No. 19 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency's Governmental Funds reported combined fund balances were \$1,497,120.

Governmental Fund Highlights

- State funding of Regional Offices of Education was held to 53% of the FY 2003 level for the third straight year.
- The dollar return on investments (certificate of deposit, short-term investments and interest earned on a float), remained minimal because of continuing low interest rates.
- In terms of funding level, county support for the ROE No. 19 was slightly reduced.
- The Regional Safe Schools Program was able to maintain services due to a small increase in the grant and in the foundation level of General State Aid.

Proprietary Fund Highlights

Total proprietary fund net assets increased by \$150,639 (16%). The increase in the proprietary fund revenues and expenses is due mainly to increase in workshops and criminal background investigations.

Budgetary Highlights

The Regional Office of Education No. 19 annually adopts budgets for several funds. The Regional Superintendent annually prepares an Office Operations Budget and submits it to the County Board for their approval. The Office Operations Budget covers a fiscal year which runs from December 1 to November 30. All grant budgets are prepared by the Regional

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2007**

Office of Education No. 19 and submitted to the granting agency for approval. Amendments must be submitted under guidelines established by the granting agency.

Capital Assets

ROE No. 19's capital assets include office equipment, computers, audio-visual equipment, and building improvements. The ROE No. 19 maintains an inventory of capital assets which have been accumulated over time. For FY 2007, total additions amounted to \$121,341 and total retirements amounted to \$0. Depreciation expense for FY 2007 was \$127,543.

Economic Factors and Next Year's Budget

At the time these financial statements were prepared and audited, the DuPage County Regional Office of Education No. 19 was aware of several existing circumstances that could affect its financial condition in the future:

- The state aid foundation level for FY 2007 has increased to \$5,334 per student.
- County funds have decreased 3.7% for FY 2007 versus an increase of 6.5% for FY 2006.
- The Region is experiencing a decline in student growth of .46% over the last year.
- The Regional Office of Education continues to experience double-digit health care costs, increased costs for employees, and escalating fuel prices.

Contacting the Regional Office's Financial Management

This financial report is designed to provide the ROE No 19's citizens, taxpayers, clients, and other constituents with a general overview of its finances and to demonstrate the accountability for the money it receives. If the reader has questions concerning this report or needs additional financial information, please contact the Regional Superintendent of Schools, DuPage County Regional Office of Education No. 19 at 421 North County Farm Road, Wheaton IL 60187.

BASIC FINANCIAL STATEMENTS

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 STATEMENT OF NET ASSETS
 JUNE 30, 2007

EXHIBIT A

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 1,248,731	\$ 1,448,812	\$ 2,697,543
Due from (to) other funds	312,165	(312,165)	-
Due from other governmental units	306,100	78,224	384,324
Total current assets	<u>1,866,996</u>	<u>1,214,871</u>	<u>3,081,867</u>
Noncurrent assets			
Capital assets, net	<u>324,881</u>	<u>12,753</u>	<u>337,634</u>
TOTAL ASSETS	<u>2,191,877</u>	<u>1,227,624</u>	<u>3,419,501</u>
LIABILITIES			
Accounts payable and accrued expenses	325,904	112,167	438,071
Due to other governmental units	<u>43,972</u>	<u>-</u>	<u>43,972</u>
TOTAL LIABILITIES	<u>369,876</u>	<u>112,167</u>	<u>482,043</u>
NET ASSETS			
Invested in capital assets, net of related debt	324,881	12,753	337,634
Restricted for teacher professional development	1,231,837	-	1,231,837
Unrestricted	<u>265,283</u>	<u>1,102,704</u>	<u>1,367,987</u>
TOTAL NET ASSETS	<u>\$ 1,822,001</u>	<u>\$ 1,115,457</u>	<u>\$ 2,937,458</u>

The notes to the financial statements are an integral part of this statement.

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 JUNE 30, 2007

EXHIBIT C

	General	Institute Fund	Education Fund	Nonmajor Special Revenue Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 11,435	\$ 934,280	\$ 121,280	\$ 181,736	\$ 1,248,731
Due from other funds	-	312,165	-	-	312,165
Due from other governmental units	6,835	-	299,265	-	306,100
Total assets	18,270	1,246,445	420,545	181,736	1,866,996
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued expenses	2,782	14,608	306,991	1,523	325,904
Due to other governmental units	-	-	43,972	-	43,972
Total liabilities	2,782	14,608	350,963	1,523	369,876
FUND BALANCES					
Unreserved, reported in:					
General fund	15,488	-	-	-	15,488
Special revenue funds	-	1,231,837	69,582	180,213	1,481,632
Total fund balances	15,488	1,231,837	69,582	180,213	1,497,120
TOTAL LIABILITIES AND FUND BALANCES	\$ 18,270	\$ 1,246,445	\$ 420,545	\$ 181,736	\$ 1,866,996

The notes to the financial statements are an integral part of this statement.

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
GOVERNMENTAL FUNDS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
JUNE 30, 2007

EXHIBIT D

Total fund balances - governmental funds	\$ 1,497,120
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	<u>324,881</u>
Net assets of governmental activities	<u>\$ 1,822,001</u>

The notes to the financial statements are an integral part of this statement.

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 GOVERNMENTAL FUNDS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2007

EXHIBIT E

	General	Institute Fund	Education Fund	Nonmajor Special Revenue Funds	Total Governmental Funds
REVENUES					
Federal sources	\$ -	\$ -	\$ 1,091,132	\$ -	\$ 1,091,132
State sources	548,376	-	2,641,329	4,000	3,193,705
Local sources:					
Licenses and permits	-	269,439	-	7,788	277,227
Intergovernmental	-	-	44,136	8,810	52,946
Miscellaneous	17,639	75,428	4,534	-	97,601
Investment income	-	8,355	-	-	8,355
On-behalf payments	316,697	-	-	-	316,697
Total revenues	882,712	353,222	3,781,131	20,598	5,037,663
EXPENDITURES					
Current:					
Instructional services:					
Salaries	323,036	-	1,554,626	-	1,877,662
Benefits	65,490	5,437	289,253	114	360,294
Purchased services	140,349	291,711	1,050,269	18,070	1,500,399
Supplies and materials	33,801	5,201	185,409	351	224,762
Capital expenditures	-	63,485	61,006	-	124,491
Payments to other governments	-	-	619,204	-	619,204
On-behalf payments	316,697	-	-	-	316,697
Total expenditures	879,373	365,834	3,759,767	18,535	5,023,509
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,339	(12,612)	21,364	2,063	14,154
OTHER FINANCING USES					
Transfer out	-	-	(1,048)	-	(1,048)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING USES OVER EXPENDITURES	3,339	(12,612)	20,316	2,063	13,106
FUND BALANCES, BEGINNING OF YEAR	12,149	1,244,449	49,266	178,150	1,484,014
FUND BALANCES, END OF YEAR	\$ 15,488	\$ 1,231,837	\$ 69,582	\$ 180,213	\$ 1,497,120

The notes to the financial statements are an integral part of this statement.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
GOVERNMENTAL FUNDS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2007**

EXHIBIT F

Net change in fund balances \$ 13,106

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 113,190	
Depreciation expense	(123,898)	(10,708)

Change in net assets of governmental activities \$ 2,398

The notes to the financial statements are an integral part of this statement.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2007**

EXHIBIT G

	<u>Business Type Activities - Enterprise Funds</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 1,448,812
Due from other governmental units	<u>78,224</u>
Total current assets	<u>1,527,036</u>
Noncurrent assets	
Capital assets, net	<u>12,753</u>
Total assets	<u>1,539,789</u>
LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable and accrued expenses	112,167
Due to other funds	<u>312,165</u>
Total liabilities	<u>424,332</u>
NET ASSETS	
Invested in capital assets, net of related debt	12,753
Unrestricted	<u>1,102,704</u>
Total net assets	<u>\$ 1,115,457</u>

The notes to the financial statements are an integral part of this statement.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2007**

EXHIBIT H

	Business Type Activities - Enterprise Funds
OPERATING REVENUES	
Charges for services	\$ 1,223,168
OPERATING EXPENSES	
Salaries	91,321
Benefits	11,491
Purchased services	1,024,977
Supplies and materials	45,712
Capital expenditures	404
Depreciation	3,645
Total expenses	<u>1,177,550</u>
OPERATING INCOME	45,618
NONOPERATING REVENUES	
Investment income	<u>103,973</u>
INCOME BEFORE OPERATING TRANSFER	149,591
OPERATING TRANSFER	
Transfer in	<u>1,048</u>
CHANGE IN NET ASSETS	150,639
NET ASSETS, BEGINNING OF YEAR	<u>964,818</u>
NET ASSETS, END OF YEAR	<u><u>\$ 1,115,457</u></u>

The notes to the financial statements are an integral part of this statement.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2007**

EXHIBIT I

	Business Type Activities - Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts for workshops and services	\$ 1,171,003
Payments to suppliers	(907,620)
Payments to employees	(102,812)
Net cash provided by operating activities	<u>160,571</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITY:	
Purchase of equipment	(8,151)
Net cash used by capital financing activity	<u>(8,151)</u>
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITY:	
Transfer from other funds	1,048
Net cash provided by non capital financing activity	<u>1,048</u>
CASH FLOWS FROM INVESTING ACTIVITY:	
Investment income	103,973
Net cash provided by investing activity	<u>103,973</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	257,441
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,191,371</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,448,812</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 45,618
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	3,645
Effects of changes in assets and liabilities:	
Due from (to) other funds	77,220
Due from other governmental units	(52,165)
Accounts payable	86,253
Net cash provided by operating activities	<u>\$ 160,571</u>

The notes to the financial statements are an integral part of this statement.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2007**

EXHIBIT J

ASSETS	
Cash and cash equivalents (overdraft)	\$ (31,518)
Due from other governmental units	<u>58,675</u>
Total assets	<u><u>27,157</u></u>
LIABILITIES	
Distributives payable	2,450
Due to other governmental units	<u>24,707</u>
Total liabilities	<u><u>\$ 27,157</u></u>

The notes to the financial statements are an integral part of this statement.

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The DuPage County Regional Office of Education No. 19 is an entity that is a result of an Educational Service Region becoming a Regional Office of Education as of August 7, 1995. The DuPage County Regional Office of Education No. 19 operates under the School Code (105 ILCS 5/3 and 5/3A). DuPage County Regional Office of Education No. 19 encompasses DuPage County, Illinois. A Regional Superintendent of Schools serves as Chief Administrative Officer and is elected pursuant to 105 ILCS 5/3 and 5/3A of the School Code.

The accounting policies conform to generally accepted accounting principles which are appropriate to local government units of this type.

A. Reporting Entity

For financial reporting purposes, DuPage County Regional Office of Education No. 19 includes all funds, agencies, boards, commissions, and authorities that are controlled by or dependent on the Superintendent with the exception of the Audio Visual Institute of DuPage County (AVID) which is required to be audited and presented in a separate financial statement.

The Regional Superintendent of schools is the chief administrative officer of the region and is elected to the position for a four year term by popular vote. The Regional Superintendent is responsible for the supervision and oversight control of school districts in DuPage County. The superintendent's responsibilities for administering the school educational service region programs include, but are not limited to, providing directions to teachers and school officials on science, art and teaching methods; implementing the State Board of Education's Policy Programs; encouraging camaraderie among teachers' institute; making public notice of unfilled teaching positions within the region; and ensuring of the safety, health and welfare of the students in the region by periodically inspecting the school buildings and ensuring that the bus drivers have valid driving licenses and are properly trained to operate the school buses.

The DuPage County Regional Office of Education No. 19 has developed criteria to determine whether outside agencies with activities which benefit the citizens of DuPage County Regional Office of Education No. 19, including school districts which serve pupils in the Region, should be included within its financial reporting entity. The criteria include but are not limited to, whether DuPage County Regional Office of Education No. 19 exercises oversight responsibility, (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability of fiscal matters), scope of public service, and special financing relationships.

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The school districts have been determined not to be part of the reporting entity after applying the manifestation of oversight, scope of public service, and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the DuPage County Regional Office of Education No. 19 does not control the assets, operations or management of the school districts.

In addition, DuPage County Regional Office of Education No. 19 is not aware of any entity which would exercise such oversight as to result in it being considered a component unit of that entity.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. The statements distinguish between those activities of the ROE that are governmental in nature and those that are considered business-type activities. *Governmental activities* normally are supported by operating grants and contributions, charges for services and intergovernmental revenues. *Business-type activities* normally are supported by amounts assessed or received from local sources for the ROE programs.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Items not properly included among program revenues are reported instead as *general revenues*. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. New Accounting Pronouncement

Effective July 1, 2006, the DuPage County Regional Office of Education No. 19 adopted GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which establishes uniform financial reporting standards for other postemployment benefits (OPEB) plans and supersedes the interim guidance included in Statement No. 26, *Financial Reporting for Postemployment Healthcare Plans Administered by Defined Benefit Pension Plans*.

There was no significant impact on the DuPage County Regional Office of Education No. 19's financial statements as a result of adopting the above statements.

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D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements of DuPage County Regional Office of Education No. 19 are prepared in accordance with generally accepted accounting principles (GAAP). The DuPage County Regional Office of Education No. 19 applies all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental and fiduciary fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The DuPage County Regional Office of Education No. 19 considers revenues as available if they are collected within 60 days after year end. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance.

The revenues susceptible to accrual are fees, interest income and intergovernmental revenue. All other governmental fund type revenues are recognized when received.

DuPage County Regional Office of Education No. 19 records on-behalf payments made by the State to the Teachers' Retirement System as revenues and expenditures.

E. Fund Accounting

The accounts of the DuPage County Regional Office of Education No. 19 are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenue, and expenditures. The DuPage County Regional Office of Education No. 19 maintains individual funds as required by the State of Illinois. The resources are allocated to and accounted for in individual funds

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based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the basic financial statements. The following summarizes the fund types used:

Government Fund Types

Governmental Funds are those through which most governmental functions are financed. The acquisition, use and balances of the expendable financial resources and the related current liabilities are accounted for through governmental funds. The governmental funds include the following:

General Fund - Accounts for all the financial resources except those required to be accounted for in another fund. The general fund is reported as a major governmental fund in the financial statements. The following are included in the general fund:

General - Accounts for the general operating fund. It has been used to record transactions in connection with general administration activities.

ROE/ISC Operations - Accounts for grant monies received for, and payment of expenditures for, assisting schools in all areas of school improvement.

Special Revenue Funds - Accounts for the proceeds of specific revenue sources (other than expendable trusts) that are legally restricted to expenditures for specified purposes. The DuPage County Regional Office of Education No. 19 reported the following special revenue funds as major governmental funds:

Institute - Accounts for fees collected for the registration and renewal of teaching certificates. These fees are used to defray administrative expenses incidental to teachers' institutes, workshops, or meetings of a professional nature that are designed to promote the professional growth of teachers or for the purpose of defraying the expense of any general or special meeting of teachers or school personnel, which has been approved by DuPage County Regional Office of Education No. 19. All funds generated remain restricted until expended only on the aforementioned activities.

Education - Accounts for grants from the following sources:

Early Childhood Parenting Program - Accounts for grant monies received for, and payment of, expenses for developing and operating programs for parents of young children.

Truants' Alternative Program - Accounts for grant monies received for, and payment of, expenditures of providing support services and evaluating

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compliance with recommendations to DuPage County truants and their parents.

McKinney Education for Homeless - Accounts for grant monies received for, and payment of, expenditures associated with a Federal program designed to provide counseling and educational support to homeless children and their families. The programs are funded by a Federal Stewart B. McKinney Education for Homeless Children and Youth Grant administered through the Illinois State Board of Education.

Regional Safe Schools and General State Aid - Accounts for grant monies received for, and payment of, expenditures of the Regional Safe Schools program and for the administration of monies from the General State Aid.

Mathematics and Science Partnerships - Accounts for monies received for, and payment of expenditures for Illinois Math and Science Programs.

Workforce Investment Act - Accounts for monies received for, and payment of expenditures for Workforce Investment Act programs.

Partnership in Character Education - Accounts for monies received for, and payment of expenditures for Partnership for Character Education programs.

Truants Minors in Need of Supervision (TMINS) - Previously known as Juvenile Detention Alternative Initiative program which accounts for monies received for, and payment of expenditures for one of the Alternative Learning Opportunities Programs (ALOP) that provides alternative learning environment and includes individualized instruction, small class and counseling sessions.

Standards Aligned Classroom - Accounts for grant monies received for, and payment of, expenditures incurred for the Standards Aligned Classroom program.

System of Support (RESPRO) - Accounts for grant monies received for, and payment of, expenditures incurred for the Title I - School Improvement and Accountability and Title II - Teacher Quality Leadership Grants to help schools meet No Child Left Behind initiative.

Title IV - Safe & Drug Free Schools - Formula - Accounts for federal monies received for, and payment of, expenditures incurred in the reform of elementary and secondary education.

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Title II - Teacher Quality - Accounts for federal grant monies received for, and payment of, expenditures incurred for improvement of instruction in the classroom.

Title V - Innovative Programs - Formula - Accounts for funds received for, and payment of, expenditures of Title V - Innovative Programs. The purpose of these programs is to provide a continuing source of innovation and educational improvement.

Learning Technology Centers - Accounts for the contract money received and the expenditures in providing a coordinated, statewide support infrastructure which assists school districts in planning for, implementing, assessing results and educating school staff in the use of technology and telecommunications in curricular, instructional and administrative functions.

Physical Education Program - Accounts for the federal grant monies received for, and payment of, expenditures incurred to initiate, expand, and improve physical education programs for K-12 students in order to help them make progress toward meeting state standards for physical education.

Consistent Operational Readiness for Emergency - Accounts for the federal grant monies received for, and payment of, expenditures incurred to improve crisis management and emergency response activities in the county.

National Board Professional Preparation and Teacher Support System - Accounts for the contract money received and the expenditures incurred in providing trainings and professional development for teachers to earn their national board certification.

Social Emotional Learning Standards Professional Development Program (SEL-PDP) - Accounts for the contract money received and the expenditures incurred in providing targeted school districts trainings and technical assistance to incorporate social-emotional learning standards into daily instructions.

Preschool for All - Accounts for the contract money received and the expenditures incurred in providing comprehensive monitoring and technical assistance services to Preschool for All programs.

Nonmajor Special Revenue Funds - All other special revenue funds not classified under Education Fund are grouped under this fund for financial statement presentation.

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General Education Development (GED) - Accounts for the revenues and expenditures associated with the processing of applications for the high school level Test of General Educational Development and the issuance of diplomas upon successful completion of the examination. Statutes require excess funds accumulated for periods exceeding three years to be transferred into the Institute Fund.

Bus - Accounts for revenue from the issuance of school bus driver permits and to sponsor instructional training courses for school bus drivers.

Supervisory - Accounts for an annual appropriation of State common school funds for the expenses incurred in providing supervisory services.

Area I - Accounts for the revenue received and the expenditures incurred for Area I program.

Suburban Council of Reading Consultants - Accounts for the revenue received and the expenditures incurred for reading consultants references.

Regional Summit - Accounts for funds received for, and payment of, expenditures incurred for the annual feasibility studies being used as a tool to investigate the advantages and/or disadvantages of reorganization options for the school districts involved in the study.

Proprietary Funds - Accounts for resources from fees charged directly to those entities or individuals that use its services.

Local Services - Accounts for the revenues and expenses associated with workshops conducted by the DuPage County Regional Office of Education No. 19. In addition, this fund accounts for the revenues and expenses of the Gifted Planning Activities and the Math on Mondays contract.

Teacher Inservice for DuPage Educators (TIDE) - Accounts for the revenues and expenditures incurred for graduate courses offered to DuPage educators and administrators.

Criminal Background Investigation - Accounts for the assessment received from the school districts to pay for the processing of fingerprinting the substitute teachers and expenditures incurred providing this service to the school districts.

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Fiduciary Fund Type

Fiduciary Funds are used to account for assets held in a trustee capacity or as an agent for individuals or private or governmental organizations. The Fiduciary Funds include the following:

The Agency Fund consists of the following:

Distributive - Accounts for funds received from ISBE and disbursed as a result of the Superintendent's responsibility to receive and distribute to treasurers of school districts and other agencies, monies due to them from general state aid, state categorical grants, and various other sources.

DuPage Career Education Center (DCEC) - DCEC is a cooperative of school districts, providing support services for career education programs for kindergarten through the eighth grade. DCEC provides staff-in-service, a community resource files, an audio-visual collection and a library of professional materials for teacher's classroom use, and coordinates the DuPage County Business Education Partnership Program. The program is funded through the Illinois State Board of Education, Division of Adult Vocational and Technical Education.

Consortium for Educational Change (CEC) - CEC is a consortium composed of approximately 60 school districts in suburban Chicago and downstate Illinois. Its mission is to improve student achievement by working with member districts and schools in becoming collaborative, high performing organizations.

F. Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

Non-exchange transactions, in which the ROE receives value without directly giving value in return, include grants and donations. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the ROE must provide local resources to be used for specific purpose, and expenditure requirements, in which the resources are provided to the ROE on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

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G. Cash and Cash Equivalents

For presentation in the financial statements, investments with an original maturity of three months or less at the time they are purchased by the ROE are considered to be cash equivalents. Investments with an original maturity of more than three months are reported as investments.

H. Capital Assets

Capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements.

Capital assets are recorded at cost at time of acquisition or fair value at the date of donation. The ROE capitalizes items costing \$500 or more. Depreciation is calculated on a straight-line basis over the estimated useful lives (five to twenty years) of the respective assets.

I. Deferred Revenues

The ROE reports unearned deferred revenue in the governmental fund Balance Sheet. Deferred and unearned revenue arises when potential revenue does not meet both the measurable and available criteria for recognition in the current period.

J. Net Assets

Net assets present the difference between assets and liabilities in the Statement of Net Assets. Net assets of the ROE are classified as follows:

Invested in Capital Assets - represents the ROE's total investment in capital assets. There is no outstanding debt related to these assets at this time.

Restricted Net Assets - represent resources in which the ROE is legally obligated to spend in accordance with restrictions imposed by enabling legislation.

Unrestricted Net Assets - represent resources used for transactions relating to the general operations of the ROE and may be used at the discretion of management to meet expenses for any purpose.

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K. Management Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

L. Budgetary Data

DuPage County Regional Office of Education No. 19 did not formally adopt a budget for the year ended June 30, 2007 and is not legally required to do so. The Illinois State Board of Education requires budgets for certain State and Federal programs. These budgets were used to prepare Budgetary Comparison Schedules for the following programs:

General Fund:

- ROE/ISC Operations

Special Revenue Funds:

- Education Fund:
 - Early Childhood Parenting Program
 - Truants' Alternative Program
 - Regional Safe Schools and General State Aid
 - Learning Technology Centers
 - Physical Education Program
 - Consistent Operational Readiness for Emergency
 - Social Emotional Learning Standards Professional Development Program

M. Interest Revenue

ISBE funds received by DuPage County Regional Office of Education No. 19 for the Distributive Fund accrue interest for the period of time between the receipt of funds and clearance of checks to recipients. Interests are distributed semi-annually to recipients.

NOTE 2 - CASH AND INVESTMENTS

Deposits

The DuPage County Regional Office of Education No. 19 utilizes several different bank accounts for its various activities. The book balance of such accounts is \$301,051 at June 30,

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2007, while the bank balance was \$639,041. The difference between the above amounts primarily represents checks that have been issued but have not yet cleared the bank as of June 30, 2007.

Custodial credit risk for deposits exists when, in the event of the failure of a depository financial institution, the ROE's deposits may not be recovered. The ROE does not have a formal investment policy that addresses custodial credit risk. Originally, GASB Statement No. 3 discussed three categories of custodial credit risk as follows:

Category 1 includes deposits covered by depository insurance or collateral held by the DuPage County Regional Office of Education No. 19 in its name.

Category 2 includes deposits covered by collateral held by the financial institutions in a pledged safekeeping account in the name of the DuPage County Regional Office of Education No. 19.

Category 3 includes deposits which are uncollateralized or the collateral is held by the financial institution trust department but not in the name of the DuPage County Regional Office of Education No. 19.

The ROE's deposits are covered by the Federal Deposit Insurance Corporation (FDIC) and by collateral held by the financial institution in the ROE's name. Although deposit balances classified under the traditional risk categories of 1 and 2 have been determined under GASB Statement No. 40 to be exposed to only minimal risk, and, based on this conclusion, the GASB chose to limit disclosure of custodial credit risk to deposits that meet the definition of "Category 3", the ROE has decided to include categories 1 and 2 in the discussion. The following table reflects the ROE's level of risk as of June 30, 2007:

	<u>Bank Balance</u>
Category 1	\$ 254,506
Category 2	-
Category 3	127,777
Exempt	<u>256,758</u>
Total	<u>\$ 639,041</u>

The exempt funds are those deposited into the Illinois Funds.

Investments

The ROE's established investment policy follows the State of Illinois Public Funds Investment Act which authorizes the ROE to purchase certain obligations of the U.S. Treasury, federal agencies and instrumentalities; certificates of deposit and time deposits

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covered by Federal depository insurance; commercial paper of U.S. corporations with assets exceeding \$500,000,000, if such paper is rated at the highest classification established by at least two standard rating services; money market funds and the Illinois Funds.

The ROE has pooled its investments. Investments are stated at fair value. Net income from investments of pooled funds is allocated and credited to the original sources of the funds. As of June 30, 2007, the ROE's investments are repurchase agreements which are secured by US agency obligations and money market funds amounting to \$1,256,226 and \$1,108,748, respectively.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The ROE's policy for reducing its exposure to the risk is to structure the ROE's portfolio so that securities mature to meet the ROE's cash requirements for ongoing operations. As of June 30, 2007, all the investments have investment maturities of less than one year.

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ROE's policy for managing its exposure to the risk is to limit investments to those allowable by the Illinois Public Funds Investment Act. As of June 30, 2007, the ROE's investment in the State investment pool (Illinois Funds) was rated AAAM by Standard & Poor's. The investment in U.S. Agency Obligations was rated AAA by Standard & Poor's. The investment in money market funds consists of investments in US Treasury notes.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The ROE's policy for mitigating the risk is to diversify the investment portfolio so that the failure of any one issue will not place an undue financial burden on the ROE. As of June 30, 2007, the ROE's investment at the Federal Home Loan Bank which is 52% of total investment and totaling \$1,256,226 is subject to concentration of credit risk.

Custodial Credit Risk for investments is the risk that, in the event of a failure of the counterparty, the ROE will not be able to recover the value of the investments that are in the possession of an outside party. Originally, GASB Statement No. 3 discussed three categories of custodial credit risk as follows:

Category 1 includes investments that are insured or collateralized with securities held by the DuPage County Regional Office of Education No. 19 in its name.

Category 2 includes investments collateralized with securities held by the financial institution in the name of DuPage County Regional Office of Education No. 19.

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Category 3 includes uninsured and uncollateralized investments or the collateral is held by the financial institution trust department but not in the name of DuPage County Regional Office of Education No. 19.

Although investments classified under the traditional risk categories of 1 and 2 have been determined under GASB Statement No. 40 to be exposed to only minimal risk, and, based on this conclusion, the GASB chose to limit disclosure of custodial credit risk to investments that meet the definition of "Category 3", the ROE has decided to include categories 1 and 2 in the discussion. The ROE does not have a policy for custodial credit risk that further limits custodial arrangements from what is required by the State of Illinois Public Funds Investment Act. The following table reflects the ROE's level of risk as of June 30, 2007:

	Carrying Amount	Bank Balance	Category		
			1	2	3
US Agency Obligations	\$1,256,226	\$1,196,216	\$1,196,216	\$ -	\$ -
Money market funds	1,108,748	1,108,748	1,108,748	-	-
Total	\$2,364,974	\$2,304,964	\$2,304,964	\$ -	\$ -

NOTE 3 - CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2007 is as follows:

	Balance June 30, 2006	Additions	Retirements	Balance June 30, 2007
GOVERNMENTAL FUNDS				
Furniture and equipment	\$ 691,527	\$ 48,983	\$ -	\$ 740,510
Building improvement	40,300	64,207	-	104,507
Total	731,827	113,190	-	845,017
Less: accumulated depreciation	396,238	123,898	-	520,136
Capital assets, net	\$ 335,589	(\$ 10,708)	\$ -	\$ 324,881
PROPRIETARY FUNDS				
Equipment	\$ 12,277	\$ 8,151	\$ -	\$ 20,428
Less: accumulated depreciation	4,030	3,645	-	7,675
Capital assets, net	\$ 8,247	\$ 4,506	\$ -	\$ 12,753

NOTE 4 - RETIREMENT FUND COMMITMENTS

Employees of DuPage County Regional Office of Education No. 19 are paid by, and considered employees of, county government. As such, related retirement obligations associated with these employees are the responsibilities of county government.

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NOTE 5 - RETIREMENT PLANS

Teachers' Retirement System of the State of Illinois

The DuPage County Regional Office of Education No. 19 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The State of Illinois maintains primary responsibility for the funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the system's administration.

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2007, was 9.4 percent of creditable earnings. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. In addition, virtually all employers and members pay a contribution to the Teachers' Health Insurance Security (THIS) Fund, a separate fund in the State Treasury that is not a part of this retirement plan. The employer THIS Fund contribution was 0.60 percent during the year ended June 30, 2007, and the member THIS Fund health insurance contribution was 0.80 percent.

The State of Illinois makes contributions directly to TRS on behalf of the DuPage County Regional Office of Education No. 19's TRS-covered employees.

- **On-behalf Contributions.** The State of Illinois makes employer pension contributions on behalf of the DuPage County Regional Office of Education No. 19. For the year ended June 30, 2007, State of Illinois contributions were based on 9.78 percent of creditable earnings, and the DuPage County Regional Office of Education No. 19, recognized revenue and expenditures of \$130,722 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2006 and June 30, 2005, the State of Illinois contribution rates as percentages of creditable earnings were 7.06 percent (\$76,783) and 11.76 percent (\$93,328), respectively. The state contributions to TRS for the years ended June 30, 2007 and June 30, 2006 were based on dollar amounts specified by the statute and were not actuarially determined. The state contributions for the year ended June 30, 2005 were based on an actuarial formula.

The DuPage County Regional Office of Education No. 19 makes other types of employer contributions directly to TRS.

- **2.2 Formula Contributions.** Employers contribute 0.58 percent of creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year

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ended June 30, 2007 were \$7,752. Contributions for the years ended June 30, 2006, and June 30, 2005, were \$6,309 and \$4,603, respectively.

- **Federal and Trust Fund Contributions.** When TRS members are paid from federal and trust funds administered by the DuPage County Regional Office of Education No. 19, there is a statutory requirement for the DuPage County Regional Office of Education No. 19 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective in the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and trust funds will be the same as the state contribution rate to TRS. For the year ended June 30, 2007, the employer pension contribution was 9.78 percent of salaries paid from federal and trust funds. For the year ended June 30, 2006, the employer contribution was 7.06 percent of salaries paid from federal and trust funds. For the year ended June 30, 2005, the employer pension contribution was 10.5 percent of salaries paid from those funds. For the year ended June 30, 2007, salaries totaling \$187,051 were paid from federal and trust funds that required employer contributions of \$18,294. For the years ended June 30, 2006 and June 30, 2005, required DuPage County Regional Office of Education No. 19 contributions were \$15,117 and \$18,889, respectively.
- **Early Retirement Option.** The DuPage County Regional Office of Education No. 19 is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member and under which ERO program the member retires. Under Public Act 94-0004, a "Pipeline ERO" program is provided for members to retire under the same terms as the ERO program that expired June 30, 2005, provided they meet certain conditions and retire on or before July 1, 2007. If members do not meet these conditions, they can retire under the "Modified ERO" program which requires higher member and employer contributions to TRS. Also, under Modified ERO, Public Act 94-0004 eliminates the waiver of member and employer ERO contributions that had been in effect for members with 34 years of service (unless the member qualifies for the Pipeline ERO). Under the ERO program that expired on June 30, 2005 and the Pipeline ERO, the maximum employer contribution is 100 percent of the member's highest salary used in the final average salary calculation. Under the Modified ERO, the maximum employer contribution is 117.5 percent. Both the 100 percent and 117.5 percent maximums apply when the member is age 55 at retirement. For the years ended June 30, 2007, 2006 and 2005, the DuPage County Regional Office of Education No. 19 paid \$0 to TRS for employer contributions under the Pipeline ERO and Modified ERO programs.
- **Salary Increases Over 6 Percent and Excess Sick Leave.** Public Act 94-0004 added two new employer contributions to TRS.
 - If an employer grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the employer makes a contribution to TRS.

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The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent. For the years ended June 30, 2007 and June 30, 2006, the DuPage County Regional Office of Education No. 19 did not have any payments to TRS for employer contributions due on salary increases in excess of 6 percent.

- If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary used to calculate final average salary, and the TRS total normal cost rate (17.60 percent of salary during the year ended June 30, 2007). For the years ended June 30, 2007 and June 30, 2006, the DuPage County Regional Office of Education No. 19 did not have employer contributions granted for sick leave days in excess of the normal annual allotment.

TRS financial information, an explanation of TRS' benefits, and descriptions of member, employer and state funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2006. The report for the year ended June 30, 2007, is expected to be available in late 2007. The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, P.O. Box 19253, 2815 West Washington Street, Springfield, IL 62794-9253. The most current report is also available on the TRS web site at trs.illinois.gov.

NOTE 6 - DEFICIT FUND BALANCES

The following funds have deficit fund balances as of June 30, 2007:

Educational Fund:	
McKinney Education for Homeless Children	\$ 3,008
Truants Minors in Need of Supervision (TMINS)	72,609
Learning Technology Centers	2,556
Physical Education Program	8,719
Nonmajor Special Revenue Fund:	
Supervisory	565
Nonmajor Proprietary Fund:	
Criminal Background Investigation	27,551
Total Deficit Fund Balances	\$ 115,008

Deficit fund balances are expected to correct themselves through payments from the State, receipts from local sources and interest income in the next fiscal year.

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 7 - ON-BEHALF SALARIES AND PENSION PLAN CONTRIBUTIONS

The salaries of the Regional Superintendent and the Assistant Superintendent are paid by the State of Illinois. The Regional Office personnel are paid by the DuPage County, Illinois, in accordance with statutes. Employees of programs funded by federal and state grants are paid through the Payroll Fund or by the County of DuPage and then reimbursed by the grants.

A breakdown of the on-behalf payments for the Regional Superintendent and his first assistant are as follows:

Regional Superintendent Salary	\$ 88,540
Regional Superintendent Fringe Benefits (includes State paid insurance)	5,361
Assistant Regional Superintendent Salary	79,685
Assistant Regional Superintendent Fringe Benefits (includes State paid insurance)	12,389
TRS Pension Contributions	<u>130,722</u>
Total	<u>\$ 316,697</u>

Salary and benefit data for the Regional Superintendent and the Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education.

NOTE 8 - RELATED PARTY TRANSACTIONS

Fixed assets used solely by the Regional Office are purchased by the DuPage County. Ownership of some fixed assets remains with the County of DuPage and, accordingly, the cost of these assets is not included in any fund or in the Capital Assets in the financial statements. Other expenditures of the Regional Office are paid by the DuPage County.

NOTE 9 - INTERFUND TRANSACTIONS

(a) Due From (To) Other Funds

The following is a summary of amounts due from (to) other funds as of June 30, 2007:

Fund	Due From Other Funds	Due To Other Funds
Institute Fund	\$ 312,165	\$ —
Proprietary Fund - Teacher Inservice for DuPage Educators	—	262,741
Proprietary Fund - Criminal Background Investigation	—	49,424

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

(b) Transfers From (To) Other Funds

The composition of interfund transfers for the year ended June 30, 2007 is as follows:

	Transfer-out	Transfer-in
Education Fund - Mathematics and Science Partnerships	(\$ 1,048)	\$ -
Proprietary Fund - Local Services	-	1,048

NOTE 10 - DUE FROM/TO OTHER GOVERNMENTAL UNITS

The DuPage County Regional Office of Education No. 19's Special Revenue Funds, Proprietary Funds and Fiduciary Funds have funds due from/to the following government agencies:

DUE FROM OTHER GOVERNMENTAL UNITS

Will County ROE - Professional Development Alliance	\$ 187,720
County of DuPage	69,715
Illinois Violence Prevention Authority	37,500
Iroquois-Kankakee Counties ROE No. 32	4,330
Local School Districts	85,059
Total	\$ 384,324

DUE TO OTHER GOVERNMENTAL UNITS

Local School Districts	\$ 43,972
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NOTE 11 - RENTAL OF OFFICE SPACE

The DuPage County Regional Office of Education No. 19 leases office spaces for its Lombard and Addison operations. The lease agreements commenced in 2003 and 2005 and will expire in 2008 and 2010, respectively. The agreements provide for a renewal option to extend the leases for an additional five years and annual increases in future minimum rental payments not to exceed 5%. Also, the agreements generally require the DuPage County Regional Office of Education No. 19 to pay executory costs. Rental expense for the year ended June 30, 2007 was \$167,513.

The following is a schedule by year of future minimum rentals payments required under the operating lease agreement:

Years Ending June 30	Amount
2008	\$ 181,413
2009	181,413
2010	181,413
Total	\$ 544,239

SUPPLEMENTARY INFORMATION

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
GENERAL FUND
COMBINING SCHEDULE OF ACCOUNTS
JUNE 30, 2007**

SCHEDULE 1

	<u>General</u>	<u>ROE/ISC Operations</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents (overdraft)	\$ (481)	\$ 11,916	\$ 11,435
Due from other governmental units	6,835	-	6,835
	<u>6,354</u>	<u>11,916</u>	<u>18,270</u>
Total assets	<u>6,354</u>	<u>11,916</u>	<u>18,270</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued expenses	<u>2,782</u>	-	<u>2,782</u>
FUND BALANCES			
Unreserved	<u>3,572</u>	<u>11,916</u>	<u>15,488</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,354</u>	<u>\$ 11,916</u>	<u>\$ 18,270</u>

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
GENERAL FUND ACCOUNTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2007**

SCHEDULE 2

	<u>General</u>	<u>ROE/ISC Operations</u>	<u>Total</u>
REVENUES			
State sources	\$ 239,438	\$ 308,938	\$ 548,376
Local sources:			
Miscellaneous	17,639	-	17,639
On-behalf payments	316,697	-	316,697
	<u>573,774</u>	<u>308,938</u>	<u>882,712</u>
Total revenues			
EXPENDITURES			
Salaries	78,634	244,402	323,036
Benefits	14,180	51,310	65,490
Purchased services	139,570	779	140,349
Supplies and materials	21,354	12,447	33,801
On-behalf payments	316,697	-	316,697
	<u>570,435</u>	<u>308,938</u>	<u>879,373</u>
Total expenditures			
EXCESS OF REVENUES OVER EXPENDITURES	3,339	-	3,339
FUND BALANCES, BEGINNING OF YEAR	<u>233</u>	<u>11,916</u>	<u>12,149</u>
FUND BALANCES, END OF YEAR	<u>\$ 3,572</u>	<u>\$ 11,916</u>	<u>\$ 15,488</u>

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
GENERAL FUND ACCOUNTS
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2007**

SCHEDULE 3

	ROE/ISC Operations		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
State sources	\$ 308,938	\$ 308,938	\$ -
EXPENDITURES			
Salaries	244,402	244,402	-
Benefits	51,310	51,310	-
Purchased services	779	779	-
Supplies and materials	12,447	12,447	-
Total expenditures	308,938	308,938	-
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE, BEGINNING OF YEAR		<u>11,916</u>	
FUND BALANCE, END OF YEAR		<u>\$ 11,916</u>	

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 COMBINING SCHEDULE OF ACCOUNTS
 JUNE 30, 2007

SCHEDULE 4

	Early Childhood Parenting Program	Truants' Alternative Program	McKinney Education for Homeless	Regional Safe Schools and General State Aid	Mathematics and Science Partnerships
\$ 818 \$	65 \$	(3,008) \$	211,059 \$	-	-
-	-	-	-	-	-
818	65	(3,008)	211,059	-	-

ASSETS

Cash and cash equivalents (overdrafts)
 Due from other governmental units

Total assets

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts payable and accrued expenses
 Due to other governmental units
 Total liabilities

FUND BALANCES

Unreserved

TOTAL LIABILITIES AND FUND BALANCES

243	-	-	14,270	-	-
-	-	-	43,972	-	-
243	-	-	58,242	-	-
575	65	(3,008)	152,817	-	-
\$ 818 \$	65 \$	(3,008) \$	211,059 \$	-	-

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 COMBINING SCHEDULE OF ACCOUNTS
 JUNE 30, 2007

SCHEDULE 4
 (CONTINUED)

	Workforce Investment Act	Partnership in Character Education	Truants Minors in Need of Supervision (TMINS)	Standards Aligned Classroom	System of Support (RESPRO)
ASSETS					
Cash and cash equivalents (overdrafts)	\$ (55,592)	\$ 4,354	\$ (72,609)	\$ 17,306	\$ (67,904)
Due from other governmental units	69,715	-	-	-	187,720
Total assets	14,123	4,354	(72,609)	17,306	119,816
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued expenses	14,123	3,664	-	17,306	119,536
Due to other governmental units	-	-	-	-	-
Total liabilities	14,123	3,664	-	17,306	119,536
FUND BALANCES					
Unreserved	-	690	(72,609)	-	280
TOTAL LIABILITIES AND FUND BALANCES	\$ 14,123	\$ 4,354	\$ (72,609)	\$ 17,306	\$ 119,816

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 COMBINING SCHEDULE OF ACCOUNTS
 JUNE 30, 2007

SCHEDULE 4
 (CONTINUED)

	Title IV - Safe & Drug Free Schools - Formula	Title II - Teacher Quality	Title V - Innovative Programs - Formula	Learning Technology Centers	Physical Education Program
ASSETS					
Cash and cash equivalents (overdrafts)	\$ -	\$ -	\$ -	\$ (1,927)	\$ (8,719)
Due from other governmental units	-	-	-	-	-
Total assets	-	-	-	(1,927)	(8,719)
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued expenses	-	-	-	629	-
Due to other governmental units	-	-	-	-	-
Total liabilities	-	-	-	629	-
FUND BALANCES					
Unreserved	-	-	-	(2,556)	(8,719)
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ -	\$ -	\$ (1,927)	\$ (8,719)

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 COMBINING SCHEDULE OF ACCOUNTS
 JUNE 30, 2007

SCHEDULE 4
 (CONTINUED)

	Consistent Operational Readiness for Emergency	National Board Professional Preparation and Teacher Support System	Social Emotional Learning Standards Professional Development Program	Preschool for All	Total
ASSETS					
Cash and cash equivalents (overdrafts)	\$ 73,730	\$ (3,630)	\$ 21,670	\$ 5,667	\$ 121,280
Due from other governmental units	-	4,330	37,500	-	299,265
Total assets	73,730	700	59,170	5,667	420,545
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued expenses	73,730	263	57,560	5,667	306,991
Due to other governmental units	-	-	-	-	43,972
Total liabilities	73,730	263	57,560	5,667	350,963
FUND BALANCES					
Unreserved	-	437	1,610	-	69,582
TOTAL LIABILITIES AND FUND BALANCES	\$ 73,730	\$ 700	\$ 59,170	\$ 5,667	\$ 420,545

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
EDUCATION FUND ACCOUNTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2007**

SCHEDULE 5

	Early Childhood Parenting Program	Truants' Alternative Program	McKinney Education for Homeless	Regional Safe Schools and General State Aid	Mathematics and Science Partnerships
REVENUES					
Federal sources	-	-	-	-	-
State sources	115,894	138,148	58,410	2,074,713	-
Local sources:					
Intergovernmental	-	-	-	-	-
Miscellaneous	-	-	-	2,581	-
Total revenues	115,894	138,148	58,410	2,077,294	-
EXPENDITURES					
Salaries	79,261	105,906	-	888,800	-
Benefits	21,623	25,373	-	140,966	-
Purchased services	13,514	6,804	60,598	349,767	-
Supplies and materials	921	-	820	86,978	-
Capital expenditures	-	-	-	24,604	-
Payments to other governments	-	-	-	595,242	-
Total expenditures	115,319	138,083	61,418	2,086,357	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	575	65	(3,008)	(9,063)	-
OTHER FINANCING USES					
Transfer out	-	-	-	-	(1,048)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING USES OVER EXPENDITURES	575	65	(3,008)	(9,063)	(1,048)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	161,880	1,048
FUND BALANCES (DEFICIT), END OF YEAR	\$ 575	\$ 65	\$ (3,008)	\$ 152,817	\$ -

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND ACCOUNTS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 5
 (CONTINUED)

	Workforce Investment Act	Partnership in Character Education	Truants Minors in Need of Supervision (TMINS)		Standards Aligned Classroom	System of Support (RESPRO)
REVENUES						
Federal sources	\$ 126,538	\$ 67,013	\$ -	\$ -	\$ 30,168	\$ 609,958
State sources	-	-	65,000	-	-	31,900
Local sources:						
Intergovernmental	-	24,968	-	-	-	-
Miscellaneous	-	-	-	-	-	1,953
Total revenues	126,538	91,981	65,000	65,000	30,168	643,811
EXPENDITURES						
Salaries	65,245	60,182	49,707	-	-	214,937
Benefits	13,492	10,583	11,362	-	-	38,891
Purchased services	17,404	38,666	3,189	30,082	30,082	257,215
Supplies and materials	12,209	59	754	1,051	1,051	60,470
Capital expenditures	1,962	-	-	-	-	4,009
Payments to other governments	-	-	-	-	-	23,962
Total expenditures	110,312	109,490	65,012	31,133	31,133	599,484
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	16,226	(17,509)	(12)	(965)	(965)	44,327
OTHER FINANCING USES						
Transfer out	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING USES OVER EXPENDITURES	16,226	(17,509)	(12)	(965)	(965)	44,327
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	(16,226)	18,199	(72,597)	965	965	(44,047)
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ 690	\$ (72,609)	\$ -	\$ -	\$ 280

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND ACCOUNTS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 5
 (CONTINUED)

	Title IV - Safe & Drug Free Schools - Formula	Title II - Teacher Quality	Title V - Innovative Programs - Formula	Learning Technology Centers	Physical Education Program
REVENUES					
Federal sources	\$ 277	\$ 596	\$ 243	\$ -	\$ 64,033
State sources	-	-	-	116,365	-
Local sources:					
Intergovernmental	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	277	596	243	116,365	64,033
EXPENDITURES					
Salaries	-	-	-	74,247	-
Benefits	-	-	-	21,955	-
Purchased services	277	596	243	22,763	26,616
Supplies and materials	-	-	-	-	18,467
Capital expenditures	-	-	-	-	27,669
Payments to other governments	-	-	-	-	-
Total expenditures	277	596	243	118,965	72,752
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	(2,600)	(8,719)
OTHER FINANCING USES					
Transfer out	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING USES OVER EXPENDITURES	-	-	-	(2,600)	(8,719)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	44	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ -	\$ -	(2,556)	\$ (8,719)

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND ACCOUNTS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 5
 (CONTINUED)

	Consistent Operational Readiness for Emergency	National Board Professional Preparation and Teacher Support System	Social Emotional Learning Standards Professional Development Program	Preschool for All	Total
REVENUES					
Federal sources	\$ 133,896	\$ -	\$ -	\$ -	\$ 1,091,132
State sources	-	-	62,500	36,809	2,641,329
Local sources:					
Intergovernmental	-	19,168	-	-	44,136
Miscellaneous	-	-	-	-	4,534
Total revenues	133,896	19,168	62,500	36,809	3,781,131
EXPENDITURES					
Salaries	16,341	-	-	-	1,554,626
Benefits	5,008	-	-	-	289,253
Purchased services	108,940	18,676	60,890	34,029	1,050,269
Supplies and materials	3,607	55	-	18	185,409
Capital expenditures	-	-	-	2,762	61,006
Payments to other governments	-	-	-	-	619,204
Total expenditures	133,896	18,731	60,890	36,809	3,759,767
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	437	1,610	-	21,364
OTHER FINANCING USES					
Transfer out	-	-	-	-	(1,048)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING USES OVER EXPENDITURES	-	437	1,610	-	20,316
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	-	49,266
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ 437	\$ 1,610	\$ -	\$ 69,582

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 BUDGETARY COMPARISON SCHEDULES
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 6

	Early Childhood Parenting Program		Truants' Alternative Program		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
REVENUES					
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	109,346	115,894	6,548	138,148	-
Local sources:					
Miscellaneous	-	-	-	-	-
Total revenues	109,346	115,894	6,548	138,148	-
EXPENDITURES					
Salaries	71,083	79,261	(8,178)	99,170	(6,736)
Benefits	23,065	21,623	1,442	24,074	(1,299)
Purchased services	13,878	13,514	364	14,904	8,100
Supplies and materials	1,320	921	399	-	-
Capital expenditures	-	-	-	-	-
Payments to other governments	-	-	-	-	-
Total expenditures	109,346	115,319	(5,973)	138,083	65
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ 575	\$ 575	\$ 65	\$ 65
FUND BALANCES, BEGINNING OF YEAR	-	-	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ 575	\$ -	\$ 65	\$ 65

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 BUDGETARY COMPARISON SCHEDULES
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 6
 (CONTINUED)

	Regional Safe Schools and General State Aid *		Learning Technology Centers		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
REVENUES					
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	1,340,698	2,074,713	141,365	116,365	(25,000)
Local sources:					
Miscellaneous	-	2,581	-	-	-
Total revenues	<u>1,340,698</u>	<u>2,077,294</u>	<u>141,365</u>	<u>116,365</u>	<u>(25,000)</u>
EXPENDITURES					
Salaries	805,000	888,800	75,606	74,247	1,359
Benefits	129,005	140,966	23,630	21,955	1,675
Purchased services	296,298	349,767	36,826	22,763	14,063
Supplies and materials	85,580	86,978	-	-	-
Capital expenditures	24,815	24,604	5,303	-	5,303
Payments to other governments	-	595,242	-	-	-
Total expenditures	<u>1,340,698</u>	<u>2,086,357</u>	<u>141,365</u>	<u>118,965</u>	<u>22,400</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>(9,063)</u>	<u>\$ (9,063)</u>	<u>\$ (2,600)</u>	<u>\$ (2,600)</u>
FUND BALANCES, BEGINNING OF YEAR		<u>161,880</u>		<u>44</u>	
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 152,817</u>		<u>\$ (2,556)</u>	

* includes \$595,242 General State Aid Grant for which there is no budgeted expenditure.

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 BUDGETARY COMPARISON SCHEDULES
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 6
 (CONTINUED)

	Physical Education Program			Consistent Operational Readiness for Emergency		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Federal sources	\$ 131,951	\$ 64,033	\$ (67,918)	\$ 499,627	\$ 133,896	\$ (365,731)
State sources	-	-	-	-	-	-
Local sources:						
Miscellaneous	14,661	-	(14,661)	-	-	-
Total revenues	146,612	64,033	(82,579)	499,627	133,896	(365,731)
EXPENDITURES						
Salaries	-	-	-	142,500	16,341	126,159
Benefits	-	-	-	25,208	5,008	20,200
Purchased services	75,239	26,616	48,623	143,765	108,940	34,825
Supplies and materials	43,473	18,467	25,006	41,954	3,607	38,347
Capital expenditures	27,900	27,669	231	146,200	-	146,200
Payments to other governments	-	-	-	-	-	-
Total expenditures	146,612	72,752	73,860	499,627	133,896	365,731
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	(8,719)	\$ (8,719)	\$ -	-	\$ -
FUND BALANCES, BEGINNING OF YEAR	-	-	-	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	(8,719)	\$ -	\$ -	-	\$ -

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 BUDGETARY COMPARISON SCHEDULES
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 6
 (CONTINUED)

	Social Emotional Learning Standards Professional Development Program		Total		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
REVENUES					
Federal sources	\$ -	\$ -	\$ 631,578	\$ 197,929	\$ (433,649)
State sources	50,000	62,500	1,779,557	2,507,620	728,063
Local sources:					
Miscellaneous	-	-	14,661	2,581	(12,080)
Total revenues	50,000	62,500	2,425,796	2,708,130	282,334
EXPENDITURES					
Salaries	33,600	-	1,226,959	1,164,555	62,404
Benefits	-	-	224,982	214,925	10,057
Purchased services	10,828	60,890	591,738	589,294	2,444
Supplies and materials	2,021	-	174,348	109,973	64,375
Capital expenditures	3,551	-	207,769	52,273	155,496
Payments to other governments	-	-	-	595,242	(595,242)
Total expenditures	50,000	60,890	2,425,796	2,726,262	(300,466)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	1,610	\$ -	(18,132)	\$ (18,132)
FUND BALANCES, BEGINNING OF YEAR				161,924	
FUND BALANCES (DEFICIT), END OF YEAR		\$ 1,610		\$ 143,792	

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007

	General Education Development	Bus	Supervisory	Area I	Suburban Council of Reading Consultants	Regional Summit	Total
ASSETS							
Cash and cash equivalents (overdraft)	\$ 22,061	\$ 154,786	\$ (248)	\$ 1,492	\$ 1,645	\$ 2,000	\$ 181,736
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable and accrued expenses	-	1,206	317	-	-	-	1,523
FUND BALANCES							
Unreserved	22,061	153,580	(565)	1,492	1,645	2,000	180,213
TOTAL LIABILITIES AND FUND BALANCES	\$ 22,061	\$ 154,786	\$ (248)	\$ 1,492	\$ 1,645	\$ 2,000	\$ 181,736

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 NONMAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2007

	General Education Development	Bus	Supervisory	Area I	Suburban Council of Reading Consultants	Regional Summit	Total
REVENUES							
State sources	\$ -	\$ 3,000	\$ 1,000	\$ -	\$ -	\$ -	\$ 4,000
Local sources							
Licenses and permits	2,881	4,907	-	-	-	-	7,788
Intergovernmental	-	-	-	1,750	3,060	4,000	8,810
Total revenues	2,881	7,907	1,000	1,750	3,060	4,000	20,598
EXPENDITURES							
Benefits	-	-	-	-	114	-	114
Purchased services	-	7,949	1,320	3,272	3,529	2,000	18,070
Supplies and materials	351	-	-	-	-	-	351
Total expenditures	351	7,949	1,320	3,272	3,643	2,000	18,535
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,530	(42)	(320)	(1,522)	(583)	2,000	2,063
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	19,531	153,622	(245)	3,014	2,228	-	178,150
FUND BALANCES (DEFICIT), END OF YEAR	\$ 22,061	\$ 153,580	\$ (565)	\$ 1,492	\$ 1,645	\$ 2,000	\$ 180,213

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2007

SCHEDULE 9

	<u>Business Type Activities - Enterprise Funds</u>			<u>Total</u>
	<u>Local Services</u>	<u>Teacher Inservice for DuPage Educators</u>	<u>Criminal Background Investigation</u>	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 1,021,149	\$ 427,663	\$ -	\$ 1,448,812
Due from other governmental units	62,507	-	15,717	78,224
Total current assets	<u>1,083,656</u>	<u>427,663</u>	<u>15,717</u>	<u>1,527,036</u>
Noncurrent assets				
Capital assets, net	<u>6,597</u>	<u>-</u>	<u>6,156</u>	<u>12,753</u>
Total assets	<u>1,090,253</u>	<u>427,663</u>	<u>21,873</u>	<u>1,539,789</u>
LIABILITIES				
Accounts payable and accrued expenses	52,547	59,620	-	112,167
Due to other funds	<u>-</u>	<u>262,741</u>	<u>49,424</u>	<u>312,165</u>
Total liabilities	<u>52,547</u>	<u>322,361</u>	<u>49,424</u>	<u>424,332</u>
NET ASSETS				
Invested in capital assets, net of related debt	6,597	-	6,156	12,753
Unrestricted	<u>1,031,109</u>	<u>105,302</u>	<u>(33,707)</u>	<u>1,102,704</u>
Total net assets	<u>\$ 1,037,706</u>	<u>\$ 105,302</u>	<u>\$ (27,551)</u>	<u>\$ 1,115,457</u>

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19

SCHEDULE 10

NONMAJOR PROPRIETARY FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2007

	Business Type Activities - Enterprise Funds			Total
	Local Services	Teacher Inservice for DuPage Educators	Criminal Background Investigation	
OPERATING REVENUES				
Charges for services	\$ 543,015	\$ 636,015	\$ 44,138	\$ 1,223,168
OPERATING EXPENSES				
Salaries	91,321	-	-	91,321
Benefits	10,952	539	-	11,491
Purchased services	408,035	574,442	42,500	1,024,977
Supplies and materials	33,318	12,394	-	45,712
Capital expenditures	404	-	-	404
Depreciation	2,128	-	1,517	3,645
Total expenses	546,158	587,375	44,017	1,177,550
OPERATING INCOME (LOSS)	(3,143)	48,640	121	45,618
NONOPERATING REVENUES				
Investment income	103,973	-	-	103,973
INCOME BEFORE OPERATING TRANSFER	100,830	48,640	121	149,591
OPERATING TRANSFER				
Transfer in	1,048	-	-	1,048
CHANGE IN NET ASSETS	101,878	48,640	121	150,639
NET ASSETS, BEGINNING OF YEAR	935,828	56,662	(27,672)	964,818
NET ASSETS, END OF YEAR	\$ 1,037,706	\$ 105,302	\$ (27,551)	\$ 1,115,457

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 11

	<u>Business Type Activities - Enterprise Funds</u>			<u>Total</u>
	<u>Local Services</u>	<u>Teacher Inservice for DuPage Educators</u>	<u>Criminal Background Investigation</u>	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts for workshops and services	\$ 492,488	\$ 636,015	\$ 42,500	\$ 1,171,003
Payments to suppliers	(311,990)	(553,130)	(42,500)	(907,620)
Payments to employees	(102,273)	(539)	-	(102,812)
Net cash provided by operating activities	<u>78,225</u>	<u>82,346</u>	<u>-</u>	<u>160,571</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITY:				
Purchase of equipment	(8,151)	-	-	(8,151)
Net cash used in capital financing activity	<u>(8,151)</u>	<u>-</u>	<u>-</u>	<u>(8,151)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITY:				
Transfer from other funds	1,048	-	-	1,048
Net cash provided by non-capital financing activity	<u>1,048</u>	<u>-</u>	<u>-</u>	<u>1,048</u>
CASH FLOWS FROM INVESTING ACTIVITY:				
Investment income	103,973	-	-	103,973
Net cash provided by investing activity	<u>103,973</u>	<u>-</u>	<u>-</u>	<u>103,973</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>175,095</u>	<u>82,346</u>	<u>-</u>	<u>257,441</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>846,054</u>	<u>345,317</u>	<u>-</u>	<u>1,191,371</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,021,149</u>	<u>\$ 427,663</u>	<u>\$ -</u>	<u>\$ 1,448,812</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (3,143)	\$ 48,640	\$ 121	\$ 45,618
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	2,128	-	1,517	3,645
Effects of changes in assets and liabilities:				
Due from (to) other funds	77,220	-	-	77,220
Due from other governmental units	(50,527)	-	(1,638)	(52,165)
Accounts payable	52,547	33,706	-	86,253
Net cash provided by operating activities	<u>\$ 78,225</u>	<u>\$ 82,346</u>	<u>\$ -</u>	<u>\$ 160,571</u>

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 FIDUCIARY FUNDS
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 JUNE 30, 2007

SCHEDULE 12

	<u>Distributive Fund</u>	<u>DuPage Career Education Center (DCEC)</u>	<u>Consortium for Educational Change (CEC)</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents (overdraft)	\$ 2,450	\$ 24,707	\$ (58,675)	\$ (31,518)
Due from other governmental units	-	-	58,675	58,675
	<u>2,450</u>	<u>24,707</u>	<u>-</u>	<u>27,157</u>
LIABILITIES				
Distributives payable	2,450	-	-	2,450
Due to other governmental units	-	24,707	-	24,707
	<u>2,450</u>	<u>24,707</u>	<u>-</u>	<u>27,157</u>
Total liabilities	<u>\$ 2,450</u>	<u>\$ 24,707</u>	<u>\$ -</u>	<u>\$ 27,157</u>

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 FIDUCIARY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
 JUNE 30, 2007

SCHEDULE 13

	Balance June 30, 2006	Additions	Deductions	Balance June 30, 2007
DISTRIBUTIVE				
ASSETS				
Cash and cash equivalents	\$ 3,264	\$ -	\$ 814	\$ 2,450
Total assets	<u>3,264</u>	<u>-</u>	<u>814</u>	<u>2,450</u>
LIABILITIES				
Distributives payable	3,264	-	814	2,450
Total liabilities	<u>\$ 3,264</u>	<u>\$ -</u>	<u>\$ 814</u>	<u>\$ 2,450</u>
DUPAGE CAREER EDUCATION CENTER (DCEC)				
ASSETS				
Cash and cash equivalents	\$ 24,676	\$ 251,985	\$ 251,954	\$ 24,707
Total assets	<u>24,676</u>	<u>251,985</u>	<u>251,954</u>	<u>24,707</u>
LIABILITIES				
Due to other governmental units	24,676	251,985	251,954	24,707
Total liabilities	<u>\$ 24,676</u>	<u>\$ 251,985</u>	<u>\$ 251,954</u>	<u>\$ 24,707</u>
CONSORTIUM FOR EDUCATIONAL CHANGE (CEC)				
ASSETS				
Cash and cash equivalents (overdraft)	\$ (28,641)	\$ 172,653	\$ 202,687	\$ (58,675)
Due from other governmental units	28,641	202,687	172,653	58,675
Total assets	<u>-</u>	<u>375,340</u>	<u>375,340</u>	<u>-</u>
LIABILITIES				
Due to other governmental units	-	375,340	375,340	-
Total liabilities	<u>\$ -</u>	<u>\$ 375,340</u>	<u>\$ 375,340</u>	<u>\$ -</u>
TOTAL				
ASSETS				
Cash and cash equivalents (overdraft)	\$ (701)	\$ 424,638	\$ 455,455	\$ (31,518)
Due from other governmental units	28,641	202,687	172,653	58,675
Total assets	<u>27,940</u>	<u>627,325</u>	<u>628,108</u>	<u>27,157</u>
LIABILITIES				
Distributives payable	3,264	-	814	2,450
Due to other governmental units	24,676	627,325	627,294	24,707
Total liabilities	<u>\$ 27,940</u>	<u>\$ 627,325</u>	<u>\$ 628,108</u>	<u>\$ 27,157</u>

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 14

Federal Grantor/Pass-Through Grantor Program/Grant Title	CFDA Number	Pass-Through / Award Number	FY 2007 Expenditures
DEPARTMENT OF EDUCATION			
Fund for the Improvement of Education			
<i>Partnership in Character Education</i>	84.215S	Q215S030124-06	\$ 67,013
<i>Physical Education Program Grant</i>	84.215F	Q215F060369	64,033
			<u>131,046</u>
Safe and Drug-Free Schools and Communities_National Programs			
<i>Consistent Operational Readiness for Emergency</i>	(M) 84.184E	Q184E060227	133,896
Safe and Drug-Free Schools and Communities_State Grants			
Passed-Through Illinois State Board of Education			
<i>Title IV - Safe & Drug-Free Schools - Formula</i>	84.186A	2007-4400-00	277
State Grants for Innovative Programs			
Passed-Through Illinois State Board of Education			
<i>Title V - Innovative Programs - Formula</i>	84.298A	2007-4100-00	243
Improving Teacher Quality State Grants			
Passed-Through Illinois State Board of Education			
<i>Title II - Teacher Quality</i>	(M) 84.367A	2007-4932-00	596
Passed-Through Will County Regional Office of Education No. 56			
<i>Title II - Teacher Quality Leadership Grant</i>	(M) 84.367A	2007-4935-SS	11,443
			<u>12,039</u>
Title I Grants to Local Educational Agencies			
Passed-Through Will County Regional Office of Education No. 56			
<i>Title I - School Improvement and Accountability</i>	(M) 84.010A	2006-4331-SS	149,950
<i>Title I - School Improvement and Accountability</i>	(M) 84.010A	2007-4331-SS	438,091
			<u>588,041</u>
Passed-Through Will County Regional Office of Education No. 56			
<i>Standards Aligned Classroom</i>	(M) 84.010A	2007-4331-SS	30,168
			<u>618,209</u>
Education for Homeless Children and Youth			
Passed-Through Kane County Regional Office of Education No. 31			
<i>McKinney Education for Homeless</i>	84.196A	2007-4920-00	58,410
TOTAL DEPARTMENT OF EDUCATION			\$ 954,120
DEPARTMENT OF LABOR			
Workforce Investment Act (WIA) Youth Activities			
Passed-Through County of DuPage			
<i>Workforce Investment Act (WIA)</i>	17.259	PY2007-1-MOD#1	\$ 110,312
TOTAL DEPARTMENT OF LABOR			\$ 110,312
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 1,064,432

(M) Program was audited as major program.

The notes to the financial statements are an integral part of this statement.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007**

Note 1. Reporting Entity Basis of Presentation and Accounting

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of DuPage County Regional Office of Education No. 19 and is prepared on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 2. Subrecipients

Not applicable.

Note 3. Description of Federal Programs Audited as a Major Program

System of Support (RESPRO) is designed to help schools meet No Child Left Behind initiative with the Title I - School Improvement and Accountability, Standards Aligned Classroom, and Title II - Teacher Quality Leadership Grants.

Consistent Operational Readiness for Emergency is a direct grant from the Department of Education to improve crisis management and emergency response activities in DuPage County.

Note 4. Non-Cash Assistance

Not applicable.

Note 5. Amount of Insurance

Not applicable.

Note 6. Loan or Loan Guarantees Outstanding

Not applicable.