

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

**FINANCIAL AUDIT  
For the Year Ended June 30, 2015**

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

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

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

**OFFICIALS**

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Regional Superintendent

Dr. Darlene Ruscitti  
(Current and during audit period)

Assistant Regional Superintendent

Dr. Joseph Gust  
(During audit period and through  
January 19, 2016)

Joan Glotzbach  
(July 11, 2016 through current)

Office is located at:

421 North County Farm Road  
Wheaton, Illinois 60187-3999

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

**FINANCIAL REPORT SUMMARY**

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The financial 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 do not contain scope limitations, disclaimers, or other significant nonstandard language.

**SUMMARY OF AUDIT FINDINGS**

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	0	2
Repeated audit findings	0	2
Prior recommendations implemented or not repeated	2	2

Details of audit findings are presented in a separate report section.

**SUMMARY OF FINDINGS AND RESPONSES**

**FINDINGS (*GOVERNMENT AUDITING STANDARDS*)**

None

**PRIOR AUDIT FINDINGS NOT REPEATED (*GOVERNMENT AUDITING STANDARDS*)**

<u>Item No.</u>	<u>Description</u>	<u>Finding Type</u>
2014-001	Controls over financial statement preparation	Material Weakness
2014-002	Inadequate internal control procedures	Material Weakness

An exit conference was not held as there were not any findings to discuss.

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

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The audit of the accompanying basic financial statements of the DuPage County Regional Office of Education No. 19 was performed by Sikich LLP.

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

## INDEPENDENT AUDITORS' REPORT

Honorable Frank Mautino  
Auditor General  
State of Illinois

### **Report on the Financial Statements**

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, 2015, and the related notes to the financial statements, which collectively comprise the DuPage County Regional Office of Education No. 19's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **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, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 14, DuPage County Regional Office of Education No. 19 adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses; and modified certain disclosures in the notes to the financial statements and the required supplementary information. Our opinion is not modified with respect to this matter.

## **Other Matters**

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with the auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### Other Information

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 supplemental information as listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements.



The supplemental information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated February 17, 2017 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* in considering the DuPage County Regional Office of Education No. 19's internal control over financial reporting and compliance.

**SIGNED ORIGINAL ON FILE**

Springfield, Illinois  
February 17, 2017

**INDEPENDENT AUDITORS' 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 Frank Mautino  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the 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, 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, 2015, and the related notes to the financial statements, which collectively comprise the DuPage County Regional Office of Education No. 19's basic financial statements and have issued our report thereon dated February 17, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the DuPage County Regional Office of Education No. 19's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the DuPage County Regional Office of Education No. 19's internal control. Accordingly, we do not express an opinion on the effectiveness of the DuPage County Regional Office of Education No. 19's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the DuPage County Regional Office of Education No. 19's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **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*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the DuPage County Regional Office of Education No. 19's internal control or on the compliance. This report is an integral part of the audit performed in accordance with Government Auditing Standards in considering the DuPage County Regional Office of Education No. 19's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

## **SIGNED ORIGINAL ON FILE**

Springfield, Illinois  
February 17, 2017

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

**SCHEDULE OF FINDINGS AND RESPONSES  
SECTION I – SUMMARY OF AUDITORS’ RESULTS**

For the Year Ended June 30, 2015

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**Financial Statements**

Type of auditors’ report issued:

*unmodified*

Internal control over financial reporting:

Material weakness(es) identified?

yes

no

Significant deficiency(ies) identified?

yes

none reported

Noncompliance material to financial statements noted?

yes

no

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

**SCHEDULE OF FINDINGS AND RESPONSES  
SECTION II – FINANCIAL STATEMENT FINDINGS**

For the Year Ended June 30, 2015

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None

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

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS**

For the Year Ended June 30, 2015

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None

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

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

For the Year Ended June 30, 2015

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<b><u>Finding No.</u></b>	<b><u>Condition</u></b>	<b><u>Current Status</u></b>
2014-001	Controls over financial statement preparation	Not Repeated
2014-002	Inadequate internal control procedures	Not Repeated

## **BASIC FINANCIAL STATEMENTS**



**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**STATEMENT OF NET POSITION**  
**June 30, 2015**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 3,079,149	\$ 722,221	\$ 3,801,370
Accounts receivable	900	2,707	3,607
Due from other governments	231,802	90,472	322,274
Due from (to) other funds	40,903	(40,903)	-
Prepaid expenses	7,169	365	7,534
<b>Total current assets</b>	<b>3,359,923</b>	<b>774,862</b>	<b>4,134,785</b>
Non-current assets:			
Capital assets, net of depreciation	171,532	235	171,767
<b>Total assets</b>	<b>3,531,455</b>	<b>775,097</b>	<b>4,306,552</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions - TRS	33,614	-	33,614
Deferred outflows related to pensions - IMRF	73,419	-	73,419
	<u>107,033</u>	<u>-</u>	<u>107,033</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	20,834	13,546	34,380
Accrued expenses	103,731	-	103,731
Due to other governments	124,297	151,058	275,355
Unearned revenue	13,139	137,007	150,146
Lease payable, current portion	9,382	-	9,382
<b>Total current liabilities</b>	<b>271,383</b>	<b>301,611</b>	<b>572,994</b>
Non-current liabilities:			
Lease payable, non-current portion	15,028	-	15,028
Net pension liability - TRS	609,957	-	609,957
Net pension liability - IMRF	120,960	-	120,960
<b>Total non-current liabilities</b>	<b>745,945</b>	<b>-</b>	<b>745,945</b>
<b>Total liabilities</b>	<b>1,017,328</b>	<b>301,611</b>	<b>1,318,939</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions - TRS	632,958	-	632,958
<b>NET POSITION</b>			
Net investment in capital assets	147,122	235	147,357
Unrestricted	(639,101)	473,251	(165,850)
Restricted for educational purposes	2,480,181	-	2,480,181
<b>Total net position</b>	<b>\$ 1,988,202</b>	<b>\$ 473,486</b>	<b>\$ 2,461,688</b>

The accompanying notes are an integral part of the financial statements.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**STATEMENT OF ACTIVITIES**  
**Year Ended June 30, 2015**

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	Primary Government		
				<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Primary government:						
Governmental activities:						
Education:						
Salaries	\$ 978,526	\$ 9,239	\$ 409,153	\$ (560,134)	\$ -	\$ (560,134)
Benefits	188,740	-	102,288	(86,452)	-	(86,452)
Pension expense - TRS	(98,046)	-	-	98,046	-	98,046
Pension expense - IMRF	51,382	-	-	(51,382)	-	(51,382)
Purchased services	1,071,120	332,830	450,068	(288,222)	-	(288,222)
Supplies and materials	121,329	-	40,915	(80,414)	-	(80,414)
Payments to other governments	2,473,231	284,098	1,022,882	(1,166,251)	-	(1,166,251)
Other objects	2,253	-	-	(2,253)	-	(2,253)
Capital outlay	33,195	-	20,458	(12,737)	-	(12,737)
Depreciation and disposition losses	62,673	-	-	(62,673)	-	(62,673)
Administrative:						
On-behalf payments	1,776,451	-	1,776,451	-	-	-
Total governmental activities	6,660,854	626,167	3,822,215	(2,212,472)	-	(2,212,472)
Business-type activities:						
Professional development	1,474,393	1,436,237	-	-	(38,156)	(38,156)
<b>Total primary government</b>	<b>\$ 8,135,247</b>	<b>\$ 2,062,404</b>	<b>\$ 3,822,215</b>	<b>(2,212,472)</b>	<b>(38,156)</b>	<b>(2,250,628)</b>
General revenues:						
State sources				2,471,880	-	2,471,880
Investment income				-	3,646	3,646
Transfers				1,242,189	(1,242,189)	-
Total general revenues and transfers				3,714,069	(1,238,543)	2,475,526
<b>CHANGE IN NET POSITION</b>				1,501,597	(1,276,699)	224,898
<b>NET POSITION, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 14)</b>				486,605	1,750,185	2,236,790
<b>NET POSITION, END OF YEAR</b>				<b>\$ 1,988,202</b>	<b>\$ 473,486</b>	<b>\$ 2,461,688</b>

The accompanying notes are an integral part of the financial statements.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2015**

	<b>Special Revenue</b>				
	<b>General Fund</b>	<b>Institute Fund</b>	<b>Education Fund</b>	<b>Other Nonmajor Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 24,865	\$ 1,918,149	\$ 902,886	\$ 233,249	\$ 3,079,149
Accounts receivable	-	-	900	-	900
Due from other governments	32,448	-	197,858	1,496	231,802
Due from other funds	42,924	13,956	527,499	478	584,857
Prepaid expenses	3,802	-	3,359	8	7,169
Total assets	104,039	1,932,105	1,632,502	235,231	3,903,877
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 104,039</b>	<b>\$ 1,932,105</b>	<b>\$ 1,632,502</b>	<b>\$ 235,231</b>	<b>\$ 3,903,877</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 6,670	\$ -	\$ 14,164	\$ -	\$ 20,834
Accrued expenses	12,712	-	91,019	-	103,731
Due to other governments	7,127	-	117,170	-	124,297
Due to other funds	449,986	16,197	77,771	-	543,954
Unearned revenue	-	-	9,449	3,690	13,139
Total liabilities	476,495	16,197	309,573	3,690	805,955
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	-	-	-	16	16
<b>FUND BALANCE (DEFICIT)</b>					
Nonspendable	3,802	-	3,359	8	7,169
Restricted	-	1,915,908	333,450	231,517	2,480,875
Assigned	-	-	990,189	-	990,189
Unassigned	(376,258)	-	(4,069)	-	(380,327)
Total fund balance (deficit)	(372,456)	1,915,908	1,322,929	231,525	3,097,906
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)</b>	<b>\$ 104,039</b>	<b>\$ 1,932,105</b>	<b>\$ 1,632,502</b>	<b>\$ 235,231</b>	<b>\$ 3,903,877</b>

The accompanying notes are an integral part of the financial statements.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**June 30, 2015**

<b>Total fund balance of governmental funds</b>	\$	3,097,906
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		<u>171,532</u>
<p>Receivables not collected within 60 days of year end are not available soon enough to pay for the current period's expenditures and, therefore, are unavailable revenue in the funds.</p>		<u>16</u>
<p>Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds as follows:</p>		
Deferred outflows of resources - TRS		33,614
Deferred outflows of resources - IMRF		73,419
Deferred inflows of resources - TRS		(632,958)
		<u>(525,925)</u>
<p>Non-current liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.</p>		
Capital lease obligations		(24,410)
Net pension liability - TRS		(609,957)
Net pension liability - IMRF		(120,960)
		<u>(755,327)</u>
<b>Net position of governmental activities</b>	\$	<u><u>1,988,202</u></u>

The accompanying notes are an integral part of the financial statements.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2015**

	<u>Special Revenue</u>				<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Institute Fund</u>	<u>Education Fund</u>	<u>Other Nonmajor Funds</u>	
<b>REVENUES:</b>					
Local sources	\$ 164,219	\$ 424,710	\$ 565,571	\$ 35,454	\$ 1,189,954
State sources	2,471,880	-	1,220,903	3,764	3,696,547
Federal sources	-	-	316,320	-	316,320
Interest income	-	1,768	-	-	1,768
On-behalf payments	1,524,843	-	-	-	1,524,843
Total revenues	<u>4,160,942</u>	<u>426,478</u>	<u>2,102,794</u>	<u>39,218</u>	<u>6,729,432</u>
<b>EXPENDITURES:</b>					
Education:					
Salaries	129,081	-	847,988	1,457	978,526
Benefits	25,678	-	162,937	125	188,740
Pension expense	7,138	-	62,932	-	70,070
Purchased services	397,791	13,976	642,555	16,798	1,071,120
Supplies and materials	38,395	-	82,934	-	121,329
Payments to other governments	2,420,265	51,916	1,050	-	2,473,231
Other objects	476	-	240	-	716
On-behalf payments	1,524,843	-	-	-	1,524,843
Capital outlay	8,986	434	27,385	-	36,805
Debt service:					
Repayment of long-term lease payable	8,903	-	-	-	8,903
Financing cost	1,537	-	-	-	1,537
Total expenditures	<u>4,563,093</u>	<u>66,326</u>	<u>1,828,021</u>	<u>18,380</u>	<u>6,475,820</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(402,151)</u>	<u>360,152</u>	<u>274,773</u>	<u>20,838</u>	<u>253,612</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	1,276,574	-	98,009	-	1,374,583
Transfers out	(126,046)	-	(6,348)	-	(132,394)
Total other financing sources (uses)	<u>1,150,528</u>	<u>-</u>	<u>91,661</u>	<u>-</u>	<u>1,242,189</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	748,377	360,152	366,434	20,838	1,495,801
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>(1,120,833)</u>	<u>1,555,756</u>	<u>956,495</u>	<u>210,687</u>	<u>1,602,105</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ (372,456)</u>	<u>\$ 1,915,908</u>	<u>\$ 1,322,929</u>	<u>\$ 231,525</u>	<u>\$ 3,097,906</u>

The accompanying notes are an integral part of the financial statements.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2015**

**Net change in fund balance** \$ 1,495,801

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	\$ 3,610	
Depreciation and disposition losses	(62,673)	(59,063)

Some receivables will not be collected for several  
months after fiscal year end, so they are  
not considered as "available" revenue in the  
governmental funds, and they are instead  
counted as unavailable revenue. They are,  
however, recorded as revenue in the  
Statement of Activities.

Fiscal year 2014 unavailable revenue recognized in fiscal year 2015	(60,794)	
Fiscal year 2015 unavailable revenue	16	(60,778)

Some expenses in the Statement of Activities do  
not require the use of current financial resources,  
and therefore, are not reported as expenditures  
in the governmental funds. These activities  
consist of:

Decrease in capital lease obligations	8,903	
Decrease in pension expense - TRS	131,338	
Increase in pension expense - IMRF	(14,604)	
		125,637

**Change in net position of governmental activities** **\$ 1,501,597**

The accompanying notes are an integral part of the financial statements.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2015**

**Business Type Activities - Enterprise Funds**

	<b><u>Major Funds</u></b>		<b><u>Nonmajor Fund</u></b>	
	<b><u>Teacher Inservice for DuPage Educators</u></b>	<b><u>Local Services</u></b>	<b><u>Criminal Background Investigation</u></b>	<b><u>Total</u></b>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 418,227	\$ 226,367	\$ 77,627	\$ 722,221
Accounts receivable	1,193	150	1,364	2,707
Due from other governments	-	84,341	6,131	90,472
Due from other funds	5,109	15,402	117	20,628
Prepaid expenses	-	4	361	365
Total current assets	424,529	326,264	85,600	836,393
Non-current assets:				
Capital assets, net of depreciation	-	235	-	235
Total assets	424,529	326,499	85,600	836,628
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
None	-	-	-	-
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	319	13,227	-	13,546
Due to other governments	146,979	1,435	2,644	151,058
Due to other funds	43,428	5,498	12,605	61,531
Unearned revenue	122,007	15,000	-	137,007
Total current liabilities	312,733	35,160	15,249	363,142
<b>DEFERRED INFLOWS OF RESOURCES</b>				
None	-	-	-	-
<b>NET POSITION</b>				
Net investment in capital assets	-	235	-	235
Unrestricted	111,796	291,104	70,351	473,251
<b>TOTAL NET POSITION</b>	<b>\$ 111,796</b>	<b>\$ 291,339</b>	<b>\$ 70,351</b>	<b>\$ 473,486</b>

The accompanying notes are an integral part of the financial statements.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2015**

	<u>Business Type Activities - Enterprise Funds</u>			
	<u>Major Funds</u>		<u>Nonmajor Fund</u>	
	<u>Teacher Inservice for DuPage Educators</u>	<u>Local Services</u>	<u>Criminal Background Investigation</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>				
Local sources	\$ 656,313	\$ 712,207	\$ 67,717	\$ 1,436,237
<b>OPERATING EXPENSES:</b>				
Salaries	-	2,727	-	2,727
Benefits	-	402	-	402
Purchased services	89,431	692,157	3,905	785,493
Supplies and materials	2,259	8,961	96	11,316
Payment to other governments	617,737	-	50,213	667,950
Other objects	-	4,190	-	4,190
Capital outlay	876	634	687	2,197
Depreciation	-	118	-	118
Total operating expenses	<u>710,303</u>	<u>709,189</u>	<u>54,901</u>	<u>1,474,393</u>
<b>OPERATING INCOME (LOSS)</b>	(53,990)	3,018	12,816	(38,156)
<b>NONOPERATING REVENUES</b>				
Interest revenue	<u>516</u>	<u>3,130</u>	<u>-</u>	<u>3,646</u>
<b>CHANGE IN NET POSITION BEFORE TRANSFERS</b>	(53,474)	6,148	12,816	(34,510)
Transfers in	-	16,281	-	16,281
Transfers out	<u>(3,117)</u>	<u>(1,255,353)</u>	<u>-</u>	<u>(1,258,470)</u>
Total transfers	<u>(3,117)</u>	<u>(1,239,072)</u>	<u>-</u>	<u>(1,242,189)</u>
<b>CHANGE IN NET POSITION</b>	(56,591)	(1,232,924)	12,816	(1,276,699)
<b>NET POSITION, BEGINNING OF YEAR</b>	<u>168,387</u>	<u>1,524,263</u>	<u>57,535</u>	<u>1,750,185</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ 111,796</u>	<u>\$ 291,339</u>	<u>\$ 70,351</u>	<u>\$ 473,486</u>

The accompanying notes are an integral part of the financial statements.



**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**Year Ended June 30, 2015**

	<b>Business-Type Activities Enterprise Funds</b>			
	<b>Major Funds</b>		<b>Nonmajor Fund</b>	
	<b>Teacher Inservice for DuPage Educators</b>	<b>Local Services</b>	<b>Criminal Background Investigation</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts for workshops and services	\$ 679,947	\$ 654,950	\$ 72,938	\$ 1,407,835
Payments to suppliers and providers of goods and services	(683,827)	(745,603)	(54,431)	(1,483,861)
Payments to employees	-	(3,129)	-	(3,129)
Net cash from operating activities	<u>(3,880)</u>	<u>(93,782)</u>	<u>18,507</u>	<u>(79,155)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Interfund loans	38,348	1,414,704	-	1,453,052
Transfers from (to) other funds	(3,117)	(1,239,072)	-	(1,242,189)
Net cash from noncapital financing activities	<u>35,231</u>	<u>175,632</u>	<u>-</u>	<u>210,863</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest	516	3,130	-	3,646
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>31,867</u>	<u>84,980</u>	<u>18,507</u>	<u>135,354</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>386,360</u>	<u>141,387</u>	<u>59,120</u>	<u>586,867</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 418,227</u>	<u>\$ 226,367</u>	<u>\$ 77,627</u>	<u>\$ 722,221</u>
<b>Reconciliation of operating income (loss) to net cash from operating activities:</b>				
Operating income (loss)	\$ (53,990)	\$ 3,018	\$ 12,816	\$ (38,156)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	-	118	-	118
Effects of changes in assets and liabilities:				
Accounts receivable	(518)	650	660	792
Due from other governments	-	(72,916)	4,561	(68,355)
Prepaid expenses	-	(4)	394	390
Accounts payable	(2,357)	(41,083)	-	(43,440)
Due to other governments	28,833	1,435	76	30,344
Unearned revenue	24,152	15,000	-	39,152
<b>Net cash from operating activities</b>	<u>\$ (3,880)</u>	<u>\$ (93,782)</u>	<u>\$ 18,507</u>	<u>\$ (79,155)</u>

The accompanying notes are an integral part of the financial statements.

**DUPAGE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 19**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the DuPage County Regional Office of Education No. 19 (ROE) substantially comply with the rules prescribed by the Illinois State Board of Education (ISBE). These accounting policies conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies.

**A. Reporting Entity**

The ROE operates under the School Code (Articles 5/3 and 5/3A of Illinois Compiled Statutes, Chapter 105). The ROE encompasses DuPage County. The Regional Superintendent of Schools (Regional Superintendent) serves as chief administrative officer of the ROE and is elected pursuant to Article 3, Illinois Compiled Statutes, Chapter 105. The principal financial duty of the Regional Superintendent is to receive and distribute monies due to school districts from general state aid, state categorical grants, and various other sources.

The Regional Superintendent is charged with the responsibility for township fund lands; examinations and related duties; visitation of public schools; direction of teachers and school officers; to serve as the official advisor and assistant of school officers and teachers; to conduct teachers' institutes as well as to aid and encourage the formation of other teachers meetings and assist in their management; evaluate the schools in the region; examine evidence of indebtedness; file and keep returns of elections required to be returned to the Regional Superintendent's office; and file and keep the reports and statements returned by school treasurers and trustees.

The Regional Superintendent is also charged with the responsibilities of conducting a special census, when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education No. 19 districts; providing township treasurers with a list of district treasurers; to inspect and approve building plans which comply with State law; to perform and report on annual building inspections; investigate bus drivers for valid bus driver permits and take related action as may be required; to maintain a list of unfilled teaching positions and to carry out other related duties required or permitted by law.

The Regional Superintendent is responsible for inspection and approval or rejection of school treasurer's bonds. The Regional Superintendent is also required to provide the State Board of Education with an affidavit showing that the treasurers of school districts under his control are properly bonded.

**DUPAGE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 19**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Reporting Entity** (Continued)

The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for districts in the region, or see that no payments are made unless the treasurer has filed or renewed appropriate bond and that the district has certified publication of the annual financial report. The Regional Superintendent is required to provide opinions and advice related to controversies under school law.

For the period ended June 30, 2015, the ROE applied for, received, and administered numerous State and federal programs and grants in assistance and support of the educational activities of the school districts in Regional Office of Education No. 19.

The ROE reporting entity includes all related organizations for which they exercise oversight responsibility.

These are the only activities considered to be part of (controlled by or dependent on) the ROE, as determined by the application of the criteria set forth in Governmental Accounting Standards Board. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Regional Office to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the Regional Office.

The districts have been determined not to be a part of the reporting entity after applying the manifesting of oversight, scope of public service, and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the ROE does not control the assets, operations, or management of the districts. In addition, the ROE is not aware of any entity which would exercise such oversight as to result in the ROE being considered a component unit of the entity.

Based on this criteria, the expenditures paid through the funds of DuPage County, for operation of the ROE, are not included in the reporting entity since it is the county board that authorizes, oversees, and controls these expenditures.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. Governmental activities are supported by intergovernmental revenues and are reported separate from business-type activities, which rely to a significant extent on fees and charges for support.

**DUPAGE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 19**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Government-wide and Fund Financial Statements**

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. Other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and reported in a single column.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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 the 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 fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay current liabilities. The ROE considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues received more than 60 days after the end of the current period are deferred inflows of resources in the governmental fund financial statements, but are recognized as current revenues in the government-wide financial statements. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Revenues from local sources consist primarily of fees charged to school districts for services rendered by the ROE. Miscellaneous revenues are recorded when received in cash because they are generally not measurable until actually received. Grant funds from the State of Illinois are considered to be earned to the extent of expenditures made under the provisions of the grant. Investment earnings are recorded as earned since they are measurable and available.

**DUPAGE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 19**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**  
(Continued)

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred inflows of resources, liabilities and deferred outflows of resources associated with the operation of these funds are included on the Statement of Net Position. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total position. The accrual basis of accounting is utilized by the proprietary fund type. Under this basis of accounting, revenues are recognized when earned and expenses are recognized when the related liability is incurred.

The proprietary fund distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the ROE's policy to use restricted resources first, then unrestricted resources as they are needed. For unrestricted fund balances, assigned funds are used first, then unassigned, if any.

The ROE reports the following major governmental funds:

*General Fund* - The General Fund is used to account for and report all financial resources not accounted for and reported in another fund. The ROE's General Fund accounts include the following:

- Reading First - This program is designed to provide professional development for teachers in schools participating in the Reading First program.
- ROE Operations - Used to accumulate miscellaneous receipts used to support the day to day expenses of the ROE, including General State Aid.
- Regional Safe Schools and General State Aid - These funds provide programs for disruptive students who are eligible for suspension or expulsion. The programs provide individually designed curriculum, social skills training, career exploration and work experience opportunities, and opportunities to work toward re-entry into the traditional programs, if appropriate.
- Area I - This revenue is received from local sources and used for expenses incurred for Area I programs.

**DUPAGE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 19**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**  
(Continued)

- Truant Minors in Need of Supervision (TMINS) - These funds provide programs for one of the Alternative Learning Opportunities Programs (ALOP) that provides an alternative learning environment and includes individualized instruction, small classes and counseling sessions.
- Superintendent Leadership Collaborative – These funds are designated for those superintendents who wish to join a superintendent network group in DuPage County.
- Personnel Administrators Coming Together – These funds are designated for those Personnel Administrators who wish to join a personnel network group in DuPage County.
- DuPage County Curriculum Directors – These funds are designated for those Curriculum Directors who wish to join a curriculum network group in DuPage County.

*Special Revenue Funds* - Accounts for and reports the proceeds of specific revenue sources (other than fiduciary or major capital projects) that are restricted to expenditures for specified purposes. The ROE reported the following special revenue funds as major governmental funds:

- Institute Fund - This fund accounts for fees collected for the registration and renewal of teaching licenses. 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 the ROE. All funds generated remain restricted until expensed only on the aforementioned activities.

**DUPAGE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 19**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**  
(Continued)

- Education Fund - This fund accounts for and reports proceeds from sources that are restricted by grant agreements or contracts to expenditures for specified purposes supporting education enhancement programs as follows:
  - Regional Safe Schools - These grant funds provide programs for disruptive students who are eligible for suspension or expulsion. The programs provide individually designed curriculum, social skills training, career exploration and work experience opportunities, and opportunities to work toward re-entry into the traditional programs, if appropriate.
  - Early Childhood Parenting Program - Accounts for monies received for, and payment of, expenditures 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 compliance with recommendations to DuPage County Truants and their parents.
  - McKinney Education for Homeless Children - This grant provides funds for providing information to schools, community members and government entities about the educational rights of homeless students.
  - Workforce Investment Act - These funds provide programs for the Workforce Investment Act.
  - Title I - Grants to Local Educational Agencies - ROE #56 (System of Support (RESPRO)) - Grant monies in this fund are used to provide professional development activities to schools that are on Illinois' Academic Watch List. To be on the list, students in the buildings have not made Adequate Yearly Progress for at least two years. The funding sources for this grant are Title I, Title II, and State appropriated monies.
  - Technology for Success - These funds provide a coordinated, statewide support infrastructure which assists school districts in planning for, implementing, assessing results and educating staff in the use of technology and telecommunications in curricular, instructional and administrative functions.

**DUPAGE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 19**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**  
(Continued)

- National Board Professional Preparation and Teacher Support System - This program provides for the training and professional development for teachers to earn their national board certification.
- Social Emotional Learning Standards Professional Development Program (SEL-PDP) - This program provides training and technical assistance to incorporate social-emotional learning standards into daily instructions.
- Preschool for All - These funds are utilized for providing comprehensive monitoring and technical assistance services to Preschool for All programs.
- Reading Improvement - These funds are utilized to provide training for new Reading Recovery teachers and provide opportunities for ongoing professional development for both teachers and teach-leaders.
- Illinois New Principal Mentoring - These funds are intended to help support the State-wide program to ensure that every new principal in Illinois receives a high-quality mentoring experience that focuses on professional development experiences and enhances a new principal's leadership. In this program, new leaders receive mentoring from proven, trained mentors who are paired with new principals based on geography, grade level, and need.
- Teacher Mentoring Pilot Program - These funds are intended to help support the State-wide new teacher mentoring program that includes assigning a mentor teacher to each new teacher for a period of two years and providing professional development designed to ensure the growth of the new teachers' knowledge and skills.
- Gifted Education - These funds provide for professional learning opportunities in the area of gifted children. A series of modules, each created for a specific purpose, was offered to assist educators in their efforts to support the social/emotional health and development of students of high potential, address their diverse needs, and facilitate at least a year's achievement of growth and development.
- Career & Technical Education Improvement - These funds assist to develop the academic and career and technical skills of secondary education students and postsecondary education students who elect to enroll in career and technical education programs.
- ROE/ISC Operations - Monies received from local and State sources to help support the day to day operating expenses of the ROE.



**DUPAGE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 19**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**  
(Continued)

- School Improvement - Federal funds used to work with first and second year schools in improvement status, to assist in data analysis, and support the implementation interventions of effective practices to improve student achievement.
- Response to Intervention - These funds provide for redesigned and established teaching and learning environments that are effective, efficient, relevant, and durable for all students, families and educators.
- Illinois Partnership Advancing Rigorous Training - These funds are used to account for the educational training program contracted between the ROE and Illinois State University.
- Title II Teacher Quality Leadership - Federal funds used to provide professional development training to teachers for improvement of instruction in the classroom.
- Title II Teacher Quality - Federal funds used to provide professional development training to teachers for improvement of instruction in the classroom.
- Spelling Bee – These funds are used to operate and track local Spelling Bee donations and program activities.

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

- General Education Development - These funds are provided for the processing of applications for the high school level Test of General Educational Development and the issuance of diplomas upon the successful completion of the examination. Statutes require excess funds to be transferred into the Institute Fund.
- Bus Driver Training - These funds are collected from the issuance of school bus driver permits and are used to sponsor instructional training courses for school bus drivers.
- Supervisory - These funds are an annual appropriation of State common school funds for the expenses incurred in providing supervisory services.

**DUPAGE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 19  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**  
(Continued)

Proprietary Funds

*Proprietary Funds* - Account for activities whose costs are funded by fees and charges. These fees and charges are paid by external users for goods or services.

The ROE reported the following proprietary funds as major funds:

- Teacher Inservice for DuPage Educators - This program is used for graduate courses offered to DuPage educators and administrators.
- Local Services - These funds are associated with workshops conducted by the ROE. In addition, this fund accounts for the revenues and expenses of the Administrator's Academy and Gifted Planning Activities.

The ROE reported the following proprietary fund as nonmajor:

- Criminal Background Investigation - These funds are used to account for the assessments received from the school district to pay for the processing of fingerprinting the substitute teachers and expenditures incurred providing the service to the school districts.

**D. 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.

Nonexchange 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 a specific purpose, and expenditure requirements, in which the resources are provided to the ROE on a reimbursement basis. On a modified basis, revenue from non-exchange transactions must be available before it can be recognized.

**DUPAGE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 19  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Cash and Cash Equivalents**

Cash consists of demand deposits. The ROE considers highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

**F. Due From Other Governments**

Due from other governmental units and agencies is reported at gross with no allowance for uncollectibles since management believes the amount of any uncollectible accounts is immaterial.

**G. Capital Assets**

Capital assets, which include building improvements and furniture and equipment, are reported in the applicable governmental column in the government-wide financial statements.

General capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. The ROE records all capital items, which are individually greater than \$500, with a useful life of greater than one year, as capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Furniture and equipment	5-10
Building improvements	20

**DUPAGE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 19**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Capital Assets** (Continued)

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

**H. Unearned Revenue**

Unearned revenue arises when proceeds have been received but will be spent in a succeeding fiscal year.

**I. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Teachers' Retirement System of the State of Illinois (TRS) and Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from TRS' and IMRF's fiduciary net positions have been determined on the same basis as they are reported by TRS and IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

**J. Unavailable Revenue**

Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Unavailable revenue in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Unavailable revenue consist of receivables not collected within 60 days after year end.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K. Deferred Outflows of Resources/Deferred Inflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources in the governmental funds consist of unavailable revenue. Deferred inflows of resources in the Statement of Net Position relate to pensions and consist of the unamortized portion of the net difference between expected and actual experience, changes of assumptions, and the net difference between projected and actual earnings on pension plan investments.

**L. Net Position**

In the government-wide financial statements net position is displayed in three components:

Net investment in capital assets - Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings that are attributable to the acquisition of those assets.

Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted net position - The net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

**M. Fund Balance**

Fund Balance is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources in a Governmental Fund. The following types of fund balances may be presented in the Governmental Funds Balance Sheet and Governmental Funds Combining Schedule of Accounts:

Nonspendable - The portion of a Governmental Fund's fund balance that is not available to be spent, either short term or long term, in either form or through legal restrictions. The nonspendable fund balance reported is nonspendable in form for prepaid expenses.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. Fund Balance** (Continued)

Restricted - The portion of a Governmental Fund's fund balance that is subject to external enforceable legal restrictions. The following fund balances are restricted by grant agreements or contracts: Early Childhood Parenting Program, Workforce Investment Act, System of Support (RESPRO), Technology for Success, Social Emotional Learning Standards Professional Development Program (SEL-PDP), Illinois New Principal Mentoring, Teacher Mentoring Pilot Program, Gifted Education, ROE/ISC Operations, Illinois Partnership Advancing Rigorous Training and Spelling Bee. The following funds are restricted by Illinois Statute: Institute Fund, General Education Development, Bus Driver Training and Supervisory.

Committed - The portion of a Governmental Fund's fund balance with self-imposed constraints or limitations that have been placed at the highest level of decision making. There are no accounts presenting a committed fund balance.

Assigned - The portion of a Governmental Fund's fund balance to denote an intended use of resources. The accounts presented with assigned fund balance are specified for a particular purpose by the Regional Superintendent. The following account comprises assigned fund balance:

- Regional Safe Schools – assigned for Regional Safe School program expenses.

Unassigned - Available expendable financial resources in a Governmental Fund that are not designated for a specified purpose. The unassigned fund balance is made up of the following accounts: Reading First, ROE Operations, Area I, Truant Minors in Need of Supervision (TMINS), Superintendent Leadership Collaborative, Personnel Administrators Coming Together, DuPage County Curriculum Directors, Truants' Alternative Program, McKinney Education for Homeless Children, Career & Technical Education Improvement, and Title II Teacher Quality Leadership.

**N. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**O. Interfund Activity**

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**P. Budgetary Data**

The ROE did not formally adopt a budget for the year ended June 30, 2015 and is not legally required to do so; subsequently, the accompanying financial statements are not presented on a budgetary basis whereby budget and actual revenues and expenditures are compared; however, 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:

Special Revenue Funds:

- Education Fund:
  - Regional Safe Schools
  - Early Childhood Parenting Program
  - Truants' Alternative Program
  - Career & Technical Education Improvement
  - ROE/ISC Operations
  - Title II Teacher Quality Leadership
  - Title II Teacher Quality

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Q. New Accounting Pronouncements**

In 2015, DuPage County Regional Office of Education No. 19 implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB No. 27*; and GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*. These statements establish new financial reporting requirements for state and local governments which provide their employees with pension benefits, including additional note disclosures and required supplementary information. DuPage County Regional Office of Education No. 19 also implemented GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*. This statement had no impact on the financial statements for DuPage County Regional Office of Education No. 19.

**R. Subsequent Events**

Management has evaluated subsequent events through February 17, 2017, which was the date that these financial statements were available for issuance, and determined that there were no significant non-recognized subsequent events through that date.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

The ROE has adopted an investment policy to invest in those instruments as defined: bonds, notes certificates of indebtedness, treasury bills and other securities now or hereafter issued by the United States of America, its agencies and allowable instrumentalities, interest bearing savings accounts, interest bearing certificates of deposit or interest bearing time deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act, certificates of deposit with federally insured institutions that are collateralized or insured at levels to the organization in excess of the \$250,000 provided by the Federal Deposit Insurance Corporation coverage limit, collateralized repurchase agreements; commercial paper meeting all requirements, the Illinois Public Treasurer's Investment pool, the Illinois School District Liquid Asset Fund, investments may be made only in those savings banks or savings and loan association which are insured by the FDIC, investments that are considered as derivatives are specifically excluded from the approved investments.



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**NOTE 2 - CASH AND CASH EQUIVALENTS (CONTINUED)**

Bank Deposits

*Custodial Credit Risk* - Custodial credit risk for deposits with financial institutions is the risk that, in the event of bank failure, the ROE's deposits may not be returned to it. The ROE's investment policy requires deposits in excess of FDIC limits to be secured by collateral or private insurance held in safekeeping at a third party institution and evidenced by a written agreement. At June 30, 2015, the bank balance of the ROE totaled \$4,235,637. All of the bank balances are covered by federal depository insurance, collateral held by the ROE, or by a repurchasing agreement. The securities underlying the repurchase agreement are held in safekeeping by the selling institution not in the ROE's name, which exposes the securities to custodial credit risk.

Investments

*Custodial Credit Risk* - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the ROE will not be able to recover the value of its investments that are in possession of an outside party. The ROE currently does not have a policy for custodial credit risk for investments.

*Interest Rate Risk* - The interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment; generally, the longer the maturity of the investment, the greater the sensitivity of its fair value to changes in market interest rates. The ROE currently does not have an Interest Rate Risk policy; however, it is the ROE's practice to reduce its exposure to the risk by structuring the ROE's portfolio so that securities mature to meet the ROE's cash requirements for ongoing operations. As of June 30, 2015, all of the ROE's investments have investment maturities of less than three months.

Another practice the ROE uses to reduce the Interest Rate Risk is to utilize the Illinois Funds Money Market Fund, which was created by the Illinois General Assembly, and enables custodians of public funds an investment option with competitive rate of return on fully collateralized investments and immediate access to the funds.

*Credit Risk* - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The ROE does not have the credit risk policy; however, it is the ROE's practice to limit its exposure to credit risk by investing in money markets that invest in U.S. Treasury cash reserves.

**DUPAGE COUNTY**  
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**NOTE 2 - CASH AND CASH EQUIVALENTS (CONTINUED)**

*Concentration of Credit Risk* - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single user. The ROE does not have a policy that specifically addresses concentration of risk. As of June 30, 2015, the ROE had approximately 71% of its investment portfolio in repurchase agreements with a local bank that was fully collateralized by U.S. agency obligations. The investment in money market funds, which is 25% of total investments, consists only of short-term U.S. Treasury securities. The investment in the Illinois Funds investment pool is subject to the Illinois Fund's investment policy, which limits investment categories to not exceed 25% of the portfolio, with the exception of cash equivalents and U.S. Treasury securities.

**NOTE 3 - CAPITAL ASSETS**

A summary of changes in capital assets for the year ended June 30, 2015 is as follows:

	<u>June 30,</u> <u>2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30,</u> <u>2015</u>
Governmental Funds:				
Furniture and equipment	\$ 774,688	\$ 3,610	\$ (55,100)	\$ 723,198
Building improvements	<u>103,300</u>	<u>-</u>	<u>-</u>	<u>103,300</u>
Total capital assets	<u>877,988</u>	<u>3,610</u>	<u>(55,100)</u>	<u>826,498</u>
Less: accumulated depreciation				
Furniture and equipment	575,578	56,426	(54,018)	577,986
Building improvements	<u>71,815</u>	<u>5,165</u>	<u>-</u>	<u>76,980</u>
Total accumulated depreciation	<u>647,393</u>	<u>61,591</u>	<u>(54,018)</u>	<u>654,966</u>
Capital assets, net	<u>\$ 230,595</u>	<u>\$ (57,981)</u>	<u>\$ (1,082)</u>	<u>\$ 171,532</u>
Proprietary Funds:				
Furniture and equipment	\$ 589	\$ -	\$ -	\$ 589
Less: accumulated depreciation				
Furniture and equipment	<u>236</u>	<u>118</u>	<u>-</u>	<u>354</u>
Capital assets, net	<u>\$ 353</u>	<u>\$ (118)</u>	<u>\$ -</u>	<u>\$ 235</u>
Depreciation expense was charged as follows:				
Governmental Funds:				
Education				\$ 61,591
Proprietary Funds:				
Professional Development				<u>118</u>
Total depreciation expense				<u>\$ 61,709</u>

**DUPAGE COUNTY  
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**NOTE 4 - LEASE COMMITMENTS**

The following is a summary of changes in lease commitments for the year ended June 30, 2015:

	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>	<u>Due within one year</u>
Governmental Funds:					
Capital lease payable	\$ 33,313	\$ -	\$ 8,903	\$ 24,410	\$ 9,382

The ROE has entered into lease agreements as lessee for financing the acquisition of its copiers. These lease agreements qualify as capital leases for accounting purposes, and therefore, have been recorded at the present value of the future minimum lease payments as of the inception date in the capital assets account.

The present value of future minimum lease payments and total minimum annual lease payments for capital leases recorded in the government-wide statement of net position at June 30, 2015 were as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2016	\$ 10,440
2017	10,440
2018	<u>5,220</u>
Total minimum lease payments	26,100
Less: amount representing interest	<u>1,690</u>
Present value of minimum lease payments	<u>\$ 24,410</u>

Assets under capital lease amounted to \$45,823, and the related accumulated depreciation amounted to \$22,912.

The ROE leases office space for its Lombard and Addison operations. The agreements generally require the ROE to pay executor costs. Rental expense for the year ended June 30, 2015 was \$196,730.

On August 28, 2013, the DuPage County Regional Office of Education No. 19 entered into a lease agreement for its Addison Operations. The agreement commenced on July 1, 2013 and terminates on June 30, 2018. The agreement provides for a renewal option to extend up to June 30, 2021. The lease calls for annual rent of \$98,466, payable in equal monthly installments. Annual rent increases on and as of July 1, 2014 and July 1 of each successive year of the lease term by three percent (3%) or the most recently published CPI applicable to the City of Chicago, whichever is greater, but in no event more than five percent (5%) per year.

**DUPAGE COUNTY  
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**NOTE 4 - LEASE COMMITMENTS (CONTINUED)**

On May 13, 2014 the DuPage County Regional Office of Education No. 19 entered into a lease agreement for its Lombard Operations. The agreement commenced on July 1, 2014 and terminates on June 30, 2019. The lease calls for annual rent of \$98,264, payable in equal quarterly installments. Annual rent increases will be determined by the Lessor's Board of Education, not to exceed five percent (5%) per year.

At June 30, 2015 future minimum payments under noncancelable operating leases with remaining terms in excess of one year were as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2016	\$ 207,640
2017	215,933
2018	224,577
2019	<u>119,440</u>
Total	<u>\$ 767,590</u>

**NOTE 5 - SALARIES AND PENSION PLAN CONTRIBUTIONS**

The salaries of the Regional Superintendent and the Assistant Regional Superintendent are paid by the State of Illinois. The salaries of DuPage County employees that work for the Regional Office of Education No. 19 are paid by DuPage County. DuPage County pays for these employees' salaries as well as the employer contributions made to postretirement medical plans (OPEB) and the Illinois Municipal Retirement Fund (IMRF). Postretirement medical plans (OPEB) obligations for DuPage County Regional Office of Education No. 19 employees are included in DuPage County's postretirement medical plans (OPEB) obligation. IMRF pension plan obligations for DuPage County Regional Office of Education No. 19 employees are included in the statistics IMRF provides to DuPage County.

**DUPAGE COUNTY**  
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**June 30, 2015**

**NOTE 6 - RETIREMENT FUND COMMITMENTS**

Teachers' Retirement System of the State of Illinois

**Plan description**

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. TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. 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 TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <http://trs.illinois.gov/pubs/cafr>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 877-0890, option 2.

**Benefits provided**

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service. Disability and death benefits are also provided.

Tier II members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

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**NOTE 6 - RETIREMENT FUND COMMITMENTS (CONTINUED)**

Teachers' Retirement System of the State of Illinois (Continued)

**Contributions**

The state of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90 percent of the total actuarial liabilities of the System by the end of fiscal year 2045.

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2015, was 9.4 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by DuPage County Regional Office of Education No. 19.

***On behalf contributions to TRS.*** The state of Illinois makes employer pension contributions on behalf of DuPage County Regional Office of Education No. 19. For the year ended June 30, 2015, state of Illinois contributions recognized by DuPage County Regional Office of Education No. 19 were based on the state's proportionate share of the collective net pension liability associated with DuPage County Regional Office of Education No. 19, and DuPage County Regional Office of Education No. 19 recognized revenue and expenditures of \$251,608 in pension contributions from the state of Illinois.

***2.2 formula contributions.*** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2015, were \$3,810 and are deferred because they were paid after the June 30, 2014 measurement date.

***Federal and special trust fund contributions.*** When TRS members are paid from federal and special trust funds administered by DuPage County Regional Office of Education No. 19, there is a statutory requirement for 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 has been in effect since the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS. Public Act 98-0674 now requires the two rates to be the same.

**DUPAGE COUNTY  
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**NOTE 6 - RETIREMENT FUND COMMITMENTS (CONTINUED)**

Teachers' Retirement System of the State of Illinois (Continued)

For the year ended June 30, 2015, the employer pension contribution was 33.00 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2015, salaries totaling \$89,341 were paid from federal and special trust funds that required employer contributions of \$29,482. These contributions are deferred because they were paid after the June 30, 2014 measurement date.

**Employer retirement cost contributions.** Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. DuPage County Regional Office of Education No. 19 is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2015 DuPage County Regional Office of Education No. 19 paid no employer contributions under the ERO program.

DuPage County Regional Office of Education No. 19 is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2015 DuPage County Regional Office of Education No. 19 did not make any employer contributions to TRS due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2015, DuPage County Regional Office of Education No. 19 reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The state's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the employer were as follows:

Employer's proportionate share of the net pension liability	\$ 609,957
State's proportionate share of the net pension liability associated with the employer	<u>3,125,156</u>
<b>Total</b>	<b><u>\$ 3,735,113</u></b>

**DUPAGE COUNTY  
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June 30, 2015**

**NOTE 6 - RETIREMENT FUND COMMITMENTS (CONTINUED)**

Teachers' Retirement System of the State of Illinois (Continued)

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013, and rolled forward to June 30, 2014. DuPage County Regional Office of Education No. 19's proportion of the net pension liability was based on DuPage County Regional Office of Education No. 19's share of contributions to TRS for the measurement year ended June 30, 2014, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2014, DuPage County Regional Office of Education No. 19's proportion was .0010022574 percent.

The net pension liability as of the beginning of this first measurement period under GASB Statement No. 68 was measured as of June 30, 2013, and the total pension liability was based on the June 30, 2013, actuarial valuation without any roll-up. DuPage County Regional Office of Education No. 19's proportion of the net pension liability as of June 30, 2013, was based on DuPage County Regional Office of Education No. 19's share of contributions to TRS for the measurement year ended June 30, 2013, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2013, DuPage County Regional Office of Education No. 19's proportion was .0021969954 percent.

For the year ended June 30, 2015, DuPage County Regional Office of Education No. 19 recognized pension expense of \$251,608 and revenue of \$251,608 for support provided by the state. For the year ended June 30, 2015, DuPage County Regional Office of Education No. 19 recognized pension expense of \$(98,046). At June 30, 2015, DuPage County Regional Office of Education No. 19 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 322	\$ -
Net difference between projected and actual earnings on pension plan investment	-	30,655
Changes of assumptions	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	602,303
Employer contributions subsequent to the measurement date	33,292	-
<b>Total</b>	<u>\$ 33,614</u>	<u>\$ 632,958</u>



**DUPAGE COUNTY  
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NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 6 - RETIREMENT FUND COMMITMENTS (CONTINUED)**

Teachers' Retirement System of the State of Illinois (Continued)

\$33,292 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended June 30:</b>		
2016	\$	(153,776)
2017		(153,776)
2018		(153,776)
2019		(153,776)
2020		(17,532)
Total	\$	<u>(632,636)</u>

**Actuarial assumptions**

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<b>Inflation</b>	3.00 percent
<b>Salary increases</b>	5.75 percent, average, including inflation
	7.50 percent, net of pension plan investment expense,
<b>Investment rate of return</b>	including inflation

Mortality rates were based on the RP-2000 White Collar Table with projections using scale AA that vary by member group.

For GASB disclosure purposes, the actuarial assumptions for the years ended June 30, 2014 and 2013 were assumed to be the same. However, for funding purposes, the actuarial valuations for those two years were different. The actuarial assumptions used in the June 30, 2014 valuation were based on updates to economic assumptions adopted in 2014 which lowered the investment return assumption from 8.0 percent to 7.5 percent. The salary increase and inflation assumptions were also lowered. The actuarial assumptions used in the June 30, 2013 valuation were based on the 2012 actuarial experience analysis and first adopted in the June 30, 2012 valuation. The investment return assumption was lowered from 8.5 percent to 8.0 percent and the salary increase and inflation assumptions were also lowered. Mortality assumptions were adjusted to anticipate continued improvement in mortality.

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**NOTE 6 - RETIREMENT FUND COMMITMENTS (CONTINUED)**

Teachers' Retirement System of the State of Illinois (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. large cap	18%	8.23%
Global equity excluding U.S.	18	8.58
Aggregate bonds	16	2.27
U.S. TIPS	2	3.52
NCREIF	11	5.81
Opportunistic real estate	4	9.79
ARS	8	3.27
Risk parity	8	5.57
Diversified inflation strategy	1	3.96
Private equity	14	13.03
<b>Total</b>	<b>100%</b>	

**Discount rate**

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Therefore, the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

**DUPAGE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 19  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 6 - RETIREMENT FUND COMMITMENTS (CONTINUED)**

Teachers' Retirement System of the State of Illinois (Continued)

**Sensitivity of DuPage County Regional Office of Education No. 19's proportionate share of the net pension liability to changes in the discount rate**

The following presents DuPage County Regional Office of Education No. 19's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what DuPage County Regional Office of Education No. 19's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate.

	<b>1% Decrease (6.5%)</b>	<b>Current Discount Rate (7.5%)</b>	<b>1% Increase (8.5%)</b>
Regional Office of Education No. 19's proportionate share of the net pension liability	\$ <u>753,266</u>	\$ <u>609,957</u>	\$ <u>491,280</u>

**TRS fiduciary net position**

Detailed information about the TRS's fiduciary net position as of June 30, 2014 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

Illinois Municipal Retirement Fund

The DuPage County Regional Office of Education No. 19 contributes, through DuPage County, to the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. However, the Regional Office of Education No. 19's participation in IMRF is equivalent to a cost sharing multiple-employer pension plan since only one actuarial valuation is performed for both DuPage County and the Regional Office of Education No. 19 combined. All disclosures for an agent plan can be found in DuPage County's annual financial report.

**DUPAGE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 19**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**NOTE 6 - RETIREMENT FUND COMMITMENTS (CONTINUED)**

Illinois Municipal Retirement Fund (Continued)

*Plan Administration*

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable. Investments are reported at fair value.

*Benefits Provided*

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

*Contributions*

Participating members are required to contribute 4.50% of their annual salary to IMRF. DuPage County and the Regional Office of Education No. 19 are required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended 2014 was 11.77% of covered payroll. For the year ended June 30, 2015, salaries totaling \$322,444 were paid that required employer contributions of \$39,605, which was equal to the Regional Office of Education's actual contributions.

**DUPAGE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 19  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 6 - RETIREMENT FUND COMMITMENTS (CONTINUED)**

Illinois Municipal Retirement Fund (Continued)

*Net Pension Liability*

At June 30, 2015, the Regional Office of Education No. 19 reported a liability of \$120,960 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Regional Office of Education No. 19's proportion of the net pension liability was based on the Regional Office of Education No. 19's actual contribution to the plan for the year ended June 30, 2015 relative to the actual contributions of DuPage County as a whole. At June 30, 2015, the Regional Office of Education No. 19's proportion was 0.16% of the total contributions.

*Actuarial Assumptions*

The Regional Office of Education No.19's net pension liability was measured as of December 31, 2014 (most recent available) and the total pension liability was used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2014
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.49%
Cost of living adjustments	3.00%
Asset valuation method	Market Value

**DUPAGE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 19  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 6 - RETIREMENT FUND COMMITMENTS (CONTINUED)**

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions – Continued*

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.49%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that DuPage County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of project benefit payments to determine the total pension liability.

**DUPAGE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 19  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 6 - RETIREMENT FUND COMMITMENTS (CONTINUED)**

Illinois Municipal Retirement Fund (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended June 30, 2015, the Regional Office of Education No. 19 recognized pension expense of \$14,604. At June 30, 2015, the Regional Office of Education No. 19 reported deferred outflows of resources of resources related to IMRF from the following source:

	Deferred Outflows of Resources
Difference between expected and actual experience	\$ 1,830
Changes in assumption	39,925
Net difference between projected and actual earnings on pension plan investments	12,065
Contributions made after measurement date	19,599
<b>TOTAL</b>	<b>\$ 73,419</b>

Amounts reported as deferred outflows of resources of resources related to IMRF will be recognized in pension expense as follows:

Period ended June 30,		
2016	\$	68,595
2017		48,996
2018		34,246
2019		30,161
<b>TOTAL</b>	<b>\$</b>	<b>181,998</b>

**DUPAGE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 19  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 6 - RETIREMENT FUND COMMITMENTS (CONTINUED)**

Illinois Municipal Retirement Fund (Continued)

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Regional Office of Education No. 19's calculated using the discount rate of 7.49% as well as what the Regional Office of Education No. 19's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.49%) or 1 percentage point higher (8.49%) than the current rate:

	1% Decrease (6.49%)	Current Discount Rate (7.49%)	1% Increase (8.49%)
Net pension liability	\$ 279,943	\$ 120,960	\$ (5,598)

**NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS**

Teachers Health Insurance Security Fund

DuPage County Regional Office of Education No. 19 participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS).

Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.



**DUPAGE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 19**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

Teachers Health Insurance Security Fund (Continued)

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

- **On-behalf Contributions.** The state of Illinois makes employer retiree health insurance contributions on behalf of DuPage County Regional Office of Education No. 19. State contributions are intended to match contributions to the THIS Fund from active members which were 1.02 percent of pay during the year ended June 30, 2015. State of Illinois contributions were \$6,700, and DuPage County Regional Office of Education No. 19 recognized revenue and expenditures of this amount during the year. State contributions intended to match active member contributions during the years ended June 30, 2014 and June 30, 2013 were 0.97 and 0.92 percent of pay, respectively. State contributions on behalf of DuPage County Regional Office of Education No. 19's employees were \$4,914 and \$7,563, respectively.
- **Employer Contributions.** DuPage County Regional Office of Education No. 19 also makes contributions to the THIS Fund. DuPage County Regional Office of Education No. 19 THIS Fund contribution was 0.76 percent during the year ended June 30, 2015 and 0.72 and 0.69 percent during the years ended June 30, 2014 and June 30, 2013, respectively. For the year ended June 30, 2015, DuPage County Regional Office of Education No. 19 paid \$4,992 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2014 and June 30, 2013, DuPage County Regional Office of Education No. 19 paid \$3,647 and \$5,672, respectively, which was 100 percent of the required contributions.

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The current reports are listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

**DUPAGE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 19  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 8 - ON-BEHALF PAYMENTS**

The breakdown of the on-behalf payments by the State of Illinois for the Regional Superintendent and the Assistant Regional Superintendent of the DuPage County Regional Office of Education No. 19 are as follows:

Regional Superintendent - salary	\$ 111,108
Regional Superintendent - benefits (includes state paid insurance)	6,964
Assistant Regional Superintendent - salary	100,020
Assistant Regional Superintendent - benefits (includes state paid insurance)	31,436
THIS on-behalf payments	6,700
Salary and benefits of office employees paid by DuPage County	845,849
Other operating expense paid by DuPage County	<u>422,766</u>
<b>Total on-behalf payments</b>	<b><u>\$ 1,524,843</u></b>

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 (ISBE). DuPage County Regional Office of Education No. 19 recorded the on-behalf payments as both revenues and expenditures in the general fund.

DuPage County Regional Office of Education No. 19 also recorded \$251,608 in revenues and expenses as on-behalf payments from ISBE for DuPage County Regional Office of Education No. 19's share of the State's Teachers' Retirement System (TRS) pension expense in the Statement of Activities. In addition, DuPage County Regional Office of Education No. 19 has not included any on-behalf payments related to the State's TRS pension expense for the Regional Superintendent or Assistant Regional Superintendent.

State of Illinois on-behalf payments	\$1,524,843
Regional Office of Education No. 19's share of TRS pension expense	<u>251,608</u>
<b>Total</b>	<b><u>\$1,776,451</u></b>

**DUPAGE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 19  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 9 - DUE FROM/TO OTHER GOVERNMENTS**

The DuPage County Regional Office of Education No. 19 has funds due from and to various other governmental units which consist of the following:

**Due From Other Governments**

Governmental Funds:

General Fund

Local governments	\$ 32,448
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Education Fund

Illinois State Board of Education	50,495
Local governments	147,363

Nonmajor Special Revenue Funds

Local governments	1,496
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Proprietary Funds:

Local Services

Local governments	84,341
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Criminal Background Investigation

Local government	6,131
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<b>Total</b>	<u>\$ 322,274</u>
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**Due To Other Governments**

Governmental Funds:

General Fund

Illinois State Board of Education	\$ 365
Local governments	6,762

Education Fund

Illinois State Board of Education	12,678
Local governments	104,492

**DUPAGE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 19  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 9 - DUE FROM/TO OTHER GOVERNMENTS (CONTINUED)**

Proprietary Funds:

Teacher Inservice for DuPage Educators		\$ 146,979
Local governments		
Local Services		
Local governments		1,435
Criminal Background Investigation		
Local governments		<u>2,644</u>
<b>Total</b>		<u>\$ 275,355</u>

**NOTE 10 - DUE FROM/TO FUNDS**

Interfund receivables and payables, primarily made to cover cash deficits within pooled cash accounts, as of June 30, 2015 were:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 42,924	\$ 449,986
Institute Fund	13,956	16,197
Education Fund	527,499	77,771
Nonmajor Special Revenue Funds	478	-
Teacher Inservice for DuPage Educators	5,109	43,428
Local Services	15,402	5,498
Criminal Background Investigation	<u>117</u>	<u>12,605</u>
<b>Total</b>	<u>\$ 605,485</u>	<u>\$ 605,485</u>

The Regional Office of Education expects the majority of the obligations to be liquidated within one year.

**DUPAGE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 19  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 11 - TRANSFERS**

Transfers are generally made to provide supplemental funding or move resources from the fund required to collect the resources to the fund required to expend the resources. The following is the detail of interfund transfers as of June 30, 2015:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		
ROE Operations	\$ 1,194,056	\$ -
Regional Safe Schools and General State Aid	-	126,046
Truant Minors in Need of Supervision (TMINS)	82,518	-
Education Fund		
Early Childhood Parenting Program	6,677	-
Truants' Alternative Program	17,896	-
McKinney Education for Homeless Children	3,593	-
Technology for Success	3,375	-
National Board Professional Preparation and Teacher Support System	2,458	-
Preschool For All	4,373	-
Reading Improvement	5,500	-
Gifted Education	13,192	-
Career & Technical Education Improvement	2,643	-
School Improvement	6,040	-
Response to Intervention	20,821	6,348
Title II Teacher Quality Leadership	300	-
Title II Teacher Quality	1	-
Spelling Bee	11,140	-
Proprietary Funds		
Teacher Inservice for DuPage Educators	-	3,117
Local Services	16,281	1,255,353
<b>Total</b>	<u>\$ 1,390,864</u>	<u>\$ 1,390,864</u>

**DUPAGE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 19  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015**

**NOTE 12 - DEFICIT FUND BALANCES**

At June 30, 2015, the following funds had deficit fund balances. They are expected to correct themselves in 2016, through payments from the State and transfers from local funds.

General Fund	
ROE Operations	\$ (342,276)
Truant Minors in Need of Supervision (TMINS)	(48,557)
Personnel Administrators Coming Together	(3,373)
DuPage County Curriculum Directors	(2,750)
Education Fund	
Truants' Alternative Program	(1,311)
McKinney Education for Homeless Children	(1,491)
Career & Technical Education Improvement	(348)
Title II Teacher Quality Leadership	(700)

**NOTE 13 - RISK MANAGEMENT**

The Regional Office of Education is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; health claims of employees; and natural disasters. Insurance to cover these risks is provided through DuPage County. Claims from these risks have not exceeded commercial insurance coverage during the current fiscal year and the previous two fiscal years.

The Regional Office of Education also participates in the County's self-funded health insurance plan. The Regional Office of Education pays a monthly premium to cover the health insurance costs.

**DUPAGE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 19**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**NOTE 14 - ACCOUNTING CHANGE/RESTATEMENT**

Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB No. 27* was implemented during fiscal year 2015. The revised requirements establish new financial reporting requirements for state and local governments which provide their employees with pension benefits, including additional note disclosures and required supplementary information. In addition, GASB No. 68 requires a state or local government employer to recognize a new pension asset/liability and changes in the net pension asset/liability, deferred outflows of resources and deferred inflows of resources which arise from other types of events related to pensions. During the transition year, as permitted, beginning balances for deferred outflows of resources and deferred inflows of resources will not be reported, except for deferred outflows of resources related to contributions made after the measurement date of the beginning net pension asset/liability which is required to be reported by GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*.

Beginning net position for governmental activities were restated to retroactively report the beginning net pension asset/liability and deferred outflows of resources related to contributions made after the measurement date as follows:

Net position June 30, 2014, as previously reported	\$ 1,860,181
Net pension liability - TRS at June 30, 2014	(1,376,399)
Change in outflows of resources related to to TRS contributions made after the June 30, 2013 measurement date	35,760
Net pension liability - IMRF at June 30, 2014	(55,436)
Change in outflows of resources related to to IMRF contributions made after the December 31, 2013 measurement date	<u>22,499</u>
Net position July 1, 2014, as restated	<u>\$ 489,605</u>

This information is an integral part of the accompanying financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**



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

**SCHEDULE OF THE EMPLOYER'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
FOR THE YEAR ENDED JUNE 30, 2015**

2014

Employer's proportion of the net pension liability	.0010022574%
Employer's proportionate share of the net pension liability	\$ 609,957
State's proportionate share of the net pension liability associated with the employer	<u>3,125,156</u>
Total	<u>\$ 3,735,113</u>
Employer's covered-employee payroll	\$ 589,179
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	103.5%
Plan fiduciary net position as a percentage of the total pension liability	43.0%

*\* The amounts presented were determined as of the prior fiscal-year end.*

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

**SCHEDULE OF THE DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION  
NO. 19'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
ILLINOIS MUNICIPAL RETIREMENT FUND - DUPAGE COUNTY**

June 30, 2015

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	<b>December 31 2014*</b>
The Regional Office of Education No. 19's proportion of net pension liability	0.16%
The Regional Office of Education No. 19's proportionate share of net pension liability	\$ 120,960
The Regional Office of Education No. 19's covered-employee payroll	\$ 322,444
The Regional Office of Education No. 19's proportionate share of the net pension liability as a percentage of its covered-employee payroll	37.51%
Plan fiduciary net position as a percentage of the total pension liability	90.26%

\*IMRF's measurement date is December 31, 2014

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

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>2015</u>	<u>2014</u>
Contractually-required contribution	\$ 33,292	\$ 35,760
Contributions in relation to the contractually-required contribution	<u>33,292</u>	<u>35,760</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Employer's covered-employee payroll	\$ 708,554	\$ 589,179
Contributions as a percentage of covered-employee payroll	4.70%	6.1%

**Notes to Required Supplementary Information**

**Changes of assumptions**

Amounts reported in 2014 reflect an investment rate of return of 7.5 percent, an inflation rate of 3.0 percent and real return of 4.5 percent, and a salary increase assumption of 5.75 percent. In 2013, assumptions used were an investment rate of return of 8.0 percent, an inflation rate of 3.25 percent and real return of 4.75 percent, and salary increases of 6.00 percent. However, the total pension liability at the beginning and end of the year was calculated using the same assumptions, so the difference due to actuarial assumptions was not calculated or allocated.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND - DUPAGE COUNTY

June 30, 2015

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	<u>2015</u>
Actuarially determined contribution	\$ 36,778
Contributions in relation to the actuarially determined contribution	<u>36,778</u>
<b>CONTRIBUTION DEFICIENCY (EXCESS)</b>	<u><u>\$ -</u></u>
Covered-employee payroll	\$ 310,588
Contributions as a percentage of covered-employee payroll	11.84%

Notes to Required Supplementary Information:

The information presented was determined as part of the actuarial valuations as of December 31 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 29 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.49% annually, projected salary increases assumption of 4.40% to 16.00% compounded annually and postretirement benefit increases of 3.00% compounded annually.

**SUPPLEMENTAL INFORMATION**

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19  
 COMBINING SCHEDULE OF ACCOUNTS  
 GENERAL FUND ACCOUNTS  
 June 30, 2015

	Reading First	ROE Operations	Regional Safe Schools and General State Aid	Area I	Truant Minors in Need of Supervision (TMINS)	Superintendent Leadership Collaborative	Personnel Administrators Coming Together	DuPage County Curriculum Directors	Total
<b>ASSETS</b>									
Cash and cash equivalents	\$ 23,117	\$ -	\$ 365	\$ 340	\$ -	\$ 1,043	\$ -	\$ -	\$ 24,865
Due from other governments	-	32,448	-	-	-	-	-	-	32,448
Due from other funds	-	42,924	-	-	-	-	-	-	42,924
Prepaid expenses	-	3,492	-	-	310	-	-	-	3,802
Total assets	<u>23,117</u>	<u>78,864</u>	<u>365</u>	<u>340</u>	<u>310</u>	<u>1,043</u>	<u>-</u>	<u>-</u>	<u>104,039</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>									
None	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>									
	<u>\$ 23,117</u>	<u>\$ 78,864</u>	<u>\$ 365</u>	<u>\$ 340</u>	<u>\$ 310</u>	<u>\$ 1,043</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,039</u>
<b>LIABILITIES</b>									
Accounts payable	\$ -	\$ 6,670	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,670
Accrued expenses	-	1,547	-	-	11,165	-	-	-	12,712
Due to other governments	-	6,762	365	-	-	-	-	-	7,127
Due to other funds	-	406,161	-	-	37,702	-	3,373	2,750	449,986
Total liabilities	<u>-</u>	<u>421,140</u>	<u>365</u>	<u>-</u>	<u>48,867</u>	<u>-</u>	<u>3,373</u>	<u>2,750</u>	<u>476,495</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
None	-	-	-	-	-	-	-	-	-
<b>FUND BALANCE (DEFICIT)</b>									
Nonspendable	-	3,492	-	-	310	-	-	-	3,802
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	<u>23,117</u>	<u>(345,768)</u>	<u>-</u>	<u>340</u>	<u>(48,867)</u>	<u>1,043</u>	<u>(3,373)</u>	<u>(2,750)</u>	<u>(376,258)</u>
Total fund balance (deficit)	<u>23,117</u>	<u>(342,276)</u>	<u>-</u>	<u>340</u>	<u>(48,557)</u>	<u>1,043</u>	<u>(3,373)</u>	<u>(2,750)</u>	<u>(372,456)</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)</b>									
	<u>\$ 23,117</u>	<u>\$ 78,864</u>	<u>\$ 365</u>	<u>\$ 340</u>	<u>\$ 310</u>	<u>\$ 1,043</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,039</u>

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**GENERAL FUND ACCOUNTS**  
**For the Year Ended June 30, 2015**

	<b>Reading First</b>	<b>ROE Operations</b>	<b>Regional Safe Schools and General State Aid</b>	<b>Area I</b>	<b>Truant Minors in Need of Supervision (TMINS)</b>	<b>Superintendent Leadership Collaborative</b>	<b>Personnel Administrators Coming Together</b>	<b>DuPage County Curriculum Directors</b>	<b>Totals</b>
<b>REVENUES:</b>									
Local sources	\$ -	\$ 151,426	\$ -	\$ -	\$ -	\$ 12,793	\$ -	\$ -	\$ 164,219
State sources	-	-	2,420,264	-	51,616	-	-	-	2,471,880
On-behalf payments	-	1,524,843	-	-	-	-	-	-	1,524,843
Total revenues	<u>-</u>	<u>1,676,269</u>	<u>2,420,264</u>	<u>-</u>	<u>51,616</u>	<u>12,793</u>	<u>-</u>	<u>-</u>	<u>4,160,942</u>
<b>EXPENDITURES:</b>									
Education:									
Salaries	-	55,376	-	-	73,705	-	-	-	129,081
Benefits	-	9,508	-	-	16,170	-	-	-	25,678
Pension expense	-	6,712	-	-	426	-	-	-	7,138
Purchased services	5,250	365,906	-	987	7,775	11,750	3,373	2,750	397,791
Supplies and materials	-	37,270	-	-	1,125	-	-	-	38,395
Payments to other governments	-	-	2,420,265	-	-	-	-	-	2,420,265
Other objects	-	476	-	-	-	-	-	-	476
On-behalf payments	-	1,524,843	-	-	-	-	-	-	1,524,843
Capital outlay	-	8,014	-	-	972	-	-	-	8,986
Debt service:									
Repayment of long-term lease payable	-	8,903	-	-	-	-	-	-	8,903
Financing cost	-	1,537	-	-	-	-	-	-	1,537
Total expenditures	<u>5,250</u>	<u>2,018,545</u>	<u>2,420,265</u>	<u>987</u>	<u>100,173</u>	<u>11,750</u>	<u>3,373</u>	<u>2,750</u>	<u>4,563,093</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(5,250)</u>	<u>(342,276)</u>	<u>(1)</u>	<u>(987)</u>	<u>(48,557)</u>	<u>1,043</u>	<u>(3,373)</u>	<u>(2,750)</u>	<u>(402,151)</u>
<b>OTHER FINANCING SOURCES (USES):</b>									
Transfers in	-	1,194,056	-	-	82,518	-	-	-	1,276,574
Transfers out	-	-	(126,046)	-	-	-	-	-	(126,046)
Total other financing sources (uses)	<u>-</u>	<u>1,194,056</u>	<u>(126,046)</u>	<u>-</u>	<u>82,518</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,150,528</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>(5,250)</u>	<u>851,780</u>	<u>(126,047)</u>	<u>(987)</u>	<u>33,961</u>	<u>1,043</u>	<u>(3,373)</u>	<u>(2,750)</u>	<u>748,377</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>28,367</u>	<u>(1,194,056)</u>	<u>126,047</u>	<u>1,327</u>	<u>(82,518)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,120,833)</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 23,117</u>	<u>\$ (342,276)</u>	<u>\$ -</u>	<u>\$ 340</u>	<u>\$ (48,557)</u>	<u>\$ 1,043</u>	<u>\$ (3,373)</u>	<u>\$ (2,750)</u>	<u>\$ (372,456)</u>

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**COMBINING SCHEDULE OF ACCOUNTS**  
**EDUCATION FUND ACCOUNTS**  
**June 30, 2015**

	<u>Regional Safe Schools</u>	<u>Early Childhood Parenting Program</u>	<u>Truants' Alternative Program</u>	<u>McKinney Education for Homeless Children</u>	<u>Workforce Investment Act</u>	<u>System of Support (RESPRO)</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 470,852	\$ 10,119	\$ 51,351	\$ 1,065	\$ -	\$ 66,550
Accounts receivable	-	-	-	-	-	-
Due from other governments	72,325	-	-	-	74,525	7,937
Due from other funds	527,499	-	-	-	-	-
Prepaid expenses	1,483	284	219	-	483	-
Total assets	<u>1,072,159</u>	<u>10,403</u>	<u>51,570</u>	<u>1,065</u>	<u>75,008</u>	<u>74,487</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>						
	<u>\$ 1,072,159</u>	<u>\$ 10,403</u>	<u>\$ 51,570</u>	<u>\$ 1,065</u>	<u>\$ 75,008</u>	<u>\$ 74,487</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 10,108	\$ 118	\$ 237	\$ 59	\$ 89	\$ 500
Accrued expenses	60,198	7,350	6,874	-	12,141	-
Due to other governments	10,181	2,478	45,770	2,497	-	51,358
Due to other funds	-	-	-	-	55,171	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>80,487</u>	<u>9,946</u>	<u>52,881</u>	<u>2,556</u>	<u>67,401</u>	<u>51,858</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT)</b>						
Nonspendable	1,483	284	219	-	483	-
Restricted	-	173	-	-	7,124	22,629
Assigned	990,189	-	-	-	-	-
Unassigned	-	-	(1,530)	(1,491)	-	-
Total fund balance (deficit)	<u>991,672</u>	<u>457</u>	<u>(1,311)</u>	<u>(1,491)</u>	<u>7,607</u>	<u>22,629</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)</b>						
	<u>\$ 1,072,159</u>	<u>\$ 10,403</u>	<u>\$ 51,570</u>	<u>\$ 1,065</u>	<u>\$ 75,008</u>	<u>\$ 74,487</u>



**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**COMBINING SCHEDULE OF ACCOUNTS**  
**EDUCATION FUND ACCOUNTS**  
**June 30, 2015**

	<u>Technology for Success</u>	<u>National Board Professional Preparation and Teacher Support System</u>	<u>Social Emotional Learning Standards Professional Development Program (SEL-PDP)</u>	<u>Preschool for All</u>	<u>Reading Improvement</u>	<u>Illinois New Principal Mentoring</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 1,548	\$ -	\$ 30,609	\$ -	\$ -	\$ 54,746
Accounts receivable	-	-	-	-	-	-
Due from other governments	20,871	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid expenses	89	-	-	-	-	-
Total assets	22,508	-	30,609	-	-	54,746
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
None	-	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>						
	\$ 22,508	\$ -	\$ 30,609	\$ -	\$ -	\$ 54,746
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenses	764	-	-	-	-	-
Due to other governments	877	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	9,449	-	-	-
Total liabilities	1,641	-	9,449	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>						
None	-	-	-	-	-	-
<b>FUND BALANCE (DEFICIT)</b>						
Nonspendable	89	-	-	-	-	-
Restricted	20,778	-	21,160	-	-	54,746
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance (deficit)	20,867	-	21,160	-	-	54,746
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)</b>						
	\$ 22,508	\$ -	\$ 30,609	\$ -	\$ -	\$ 54,746

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**COMBINING SCHEDULE OF ACCOUNTS**  
**EDUCATION FUND ACCOUNTS**  
**June 30, 2015**

	<u>Teacher</u>	<u>Gifted</u>	<u>Career &amp;</u> <u>Technical</u>	<u>ROE/ISC</u>	<u>School</u>	<u>Reponse to</u>	<u>Illinois</u>
	<u>Mentoring Pilot</u>	<u>Education</u>	<u>Education</u>	<u>Operations</u>	<u>Improvement</u>	<u>Intervention</u>	<u>Partnership</u> <u>Advancing</u> <u>Rigorous</u> <u>Training</u>
	<u>Program</u>		<u>Improvement</u>				
<b>ASSETS</b>							
Cash and cash equivalents	\$ 4,279	\$ 9,310	\$ 1,216	\$ 184,855	\$ -	\$ -	\$ 4
Accounts receivable	-	400	-	-	-	-	-
Due from other governments	-	800	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	801	-	-	-
Total assets	4,279	10,510	1,216	185,656	-	-	4
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
None	-	-	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>							
	\$ 4,279	\$ 10,510	\$ 1,216	\$ 185,656	\$ -	\$ -	\$ 4
<b>LIABILITIES</b>							
Accounts payable	-	\$ 2,500	\$ 484	\$ 69	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	3,692	-	-	-
Due to other governments	2,929	-	1,080	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	2,929	2,500	1,564	3,761	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>							
None	-	-	-	-	-	-	-
<b>FUND BALANCE (DEFICIT)</b>							
Nonspendable	-	-	-	801	-	-	-
Restricted	1,350	8,010	-	181,094	-	-	4
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	(348)	-	-	-	-
Total fund balance (deficit)	1,350	8,010	(348)	181,895	-	-	4
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)</b>							
	\$ 4,279	\$ 10,510	\$ 1,216	\$ 185,656	\$ -	\$ -	\$ 4

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**COMBINING SCHEDULE OF ACCOUNTS**  
**EDUCATION FUND ACCOUNTS**  
**June 30, 2015**

	<b>Title II Teacher Quality Leadership</b>	<b>Title II Teacher Quality</b>	<b>Spelling Bee</b>	<b>Totals</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 16,382	\$ 902,886
Accounts receivable	500	-	-	900
Due from other governments	21,400	-	-	197,858
Due from other funds	-	-	-	527,499
Prepaid expenses	-	-	-	3,359
Total assets	21,900	-	16,382	1,632,502
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
None	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
	\$ 21,900	\$ -	\$ 16,382	\$ 1,632,502
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 14,164
Accrued expenses	-	-	-	91,019
Due to other governments	-	-	-	117,170
Due to other funds	22,600	-	-	77,771
Unearned revenue	-	-	-	9,449
Total liabilities	22,600	-	-	309,573
<b>DEFERRED INFLOWS OF RESOURCES</b>				
None	-	-	-	-
<b>FUND BALANCE (DEFICIT)</b>				
Nonspendable	-	-	-	3,359
Restricted	-	-	16,382	333,450
Assigned	-	-	-	990,189
Unassigned	(700)	-	-	(4,069)
Total fund balance (deficit)	(700)	-	16,382	1,322,929
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)</b>				
	\$ 21,900	\$ -	\$ 16,382	\$ 1,632,502

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**EDUCATION FUND ACCOUNTS**  
**Year Ended June 30, 2015**

	<u>Regional Safe Schools</u>	<u>Early Childhood Parenting Program</u>	<u>Truants' Alternative Program</u>	<u>McKinney Education for Homeless Children</u>	<u>Workforce Investment Act</u>	<u>System of Support (RESPRO)</u>
<b>REVENUES:</b>						
Local sources	\$ 409,609	\$ 6	\$ 24	\$ 7	\$ 2	\$ 350
State sources	614,513	108,535	85,187	-	-	-
Federal sources	-	-	-	35,303	230,276	12,431
Total revenues	<u>1,024,122</u>	<u>108,541</u>	<u>85,211</u>	<u>35,310</u>	<u>230,278</u>	<u>12,781</u>
<b>EXPENDITURES:</b>						
Education:						
Salaries	388,709	68,184	62,970	-	114,156	-
Benefits	84,963	26,857	10,731	-	12,081	-
Pension expense	5,277	7,975	3,500	-	32,854	-
Purchased services	265,153	13,729	7,102	35,859	15,752	15,549
Supplies and materials	45,043	68	1,413	742	1,690	-
Payment to other governments	-	-	-	-	-	-
Other objects	240	-	-	-	-	-
Capital outlay	21,577	400	806	200	3,765	-
Total expenditures	<u>810,962</u>	<u>117,213</u>	<u>86,522</u>	<u>36,801</u>	<u>180,298</u>	<u>15,549</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>213,160</u>	<u>(8,672)</u>	<u>(1,311)</u>	<u>(1,491)</u>	<u>49,980</u>	<u>(2,768)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	6,677	17,896	3,593	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>6,677</u>	<u>17,896</u>	<u>3,593</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	213,160	(1,995)	16,585	2,102	49,980	(2,768)
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>778,512</u>	<u>2,452</u>	<u>(17,896)</u>	<u>(3,593)</u>	<u>(42,373)</u>	<u>25,397</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 991,672</u>	<u>\$ 457</u>	<u>\$ (1,311)</u>	<u>\$ (1,491)</u>	<u>\$ 7,607</u>	<u>\$ 22,629</u>

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**EDUCATION FUND ACCOUNTS**  
**Year Ended June 30, 2015**

	<u>Technology for Success</u>	<u>National Board Professional Preparation and Teacher Support System</u>	<u>Social Emotional Learning Standards Professional Development Program (SEL-PDP)</u>	<u>Preschool for All</u>	<u>Reading Improvement</u>	<u>Illinois New Principal Mentoring</u>
<b>REVENUES:</b>						
Local sources	\$ -	\$ -	\$ 21,625	\$ -	\$ -	\$ 79,950
State sources	60,545	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Total revenues	<u>60,545</u>	<u>-</u>	<u>21,625</u>	<u>-</u>	<u>-</u>	<u>79,950</u>
<b>EXPENDITURES:</b>						
Education:						
Salaries	21,185	-	-	-	-	-
Benefits	1,636	-	-	-	-	-
Pension expense	2,438	-	-	-	-	-
Purchased services	36,351	-	16,015	-	-	66,194
Supplies and materials	-	-	1,385	-	-	845
Payment to other governments	-	-	1,050	-	-	-
Other objects	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>61,610</u>	<u>-</u>	<u>18,450</u>	<u>-</u>	<u>-</u>	<u>67,039</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,065)</u>	<u>-</u>	<u>3,175</u>	<u>-</u>	<u>-</u>	<u>12,911</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	3,375	2,458	-	4,373	5,500	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>3,375</u>	<u>2,458</u>	<u>-</u>	<u>4,373</u>	<u>5,500</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	2,310	2,458	3,175	4,373	5,500	12,911
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>18,557</u>	<u>(2,458)</u>	<u>17,985</u>	<u>(4,373)</u>	<u>(5,500)</u>	<u>41,835</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 20,867</u>	<u>\$ -</u>	<u>\$ 21,160</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,746</u>

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**EDUCATION FUND ACCOUNTS**  
**Year Ended June 30, 2015**

	<u>Teacher Mentoring Pilot Program</u>	<u>Gifted Education</u>	<u>Career &amp; Technical Education Improvement</u>	<u>ROE/ISC Operations</u>	<u>School Improvement</u>	<u>Response to Intervention</u>
<b>REVENUES:</b>						
Local sources	\$ -	\$ 29,600	\$ 34	\$ 177	\$ -	\$ 392
State sources	-	-	108,007	244,116	-	-
Federal sources	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>29,600</u>	<u>108,041</u>	<u>244,293</u>	<u>-</u>	<u>392</u>
<b>EXPENDITURES:</b>						
Education:						
Salaries	-	-	-	192,784	-	-
Benefits	-	-	-	26,669	-	-
Pension expense	-	-	-	10,888	-	-
Purchased services	-	21,590	76,705	15,556	-	-
Supplies and materials	-	-	31,188	-	-	-
Payment to other governments	-	-	-	-	-	-
Other objects	-	-	-	-	-	-
Capital outlay	-	-	637	-	-	-
Total expenditures	<u>-</u>	<u>21,590</u>	<u>108,530</u>	<u>245,897</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>8,010</u>	<u>(489)</u>	<u>(1,604)</u>	<u>-</u>	<u>392</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	13,192	2,643	-	6,040	20,821
Transfers out	-	-	-	-	-	(6,348)
Total other financing sources (uses)	<u>-</u>	<u>13,192</u>	<u>2,643</u>	<u>-</u>	<u>6,040</u>	<u>14,473</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	-	21,202	2,154	(1,604)	6,040	14,865
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>1,350</u>	<u>(13,192)</u>	<u>(2,502)</u>	<u>183,499</u>	<u>(6,040)</u>	<u>(14,865)</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 1,350</u>	<u>\$ 8,010</u>	<u>\$ (348)</u>	<u>\$ 181,895</u>	<u>\$ -</u>	<u>\$ -</u>

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**EDUCATION FUND ACCOUNTS**  
**Year Ended June 30, 2015**

	<b>Illinois Partnership Advancing Rigorous Training</b>	<b>Title II Teacher Quality Leadership</b>	<b>Title II Teacher Quality</b>	<b>Spelling Bee</b>	<b>Totals</b>
<b>REVENUES:</b>					
Local sources	\$ 17,050	\$ 518	\$ -	\$ 6,227	\$ 565,571
State sources	-	-	-	-	1,220,903
Federal sources	-	38,000	310	-	316,320
Total revenues	<u>17,050</u>	<u>38,518</u>	<u>310</u>	<u>6,227</u>	<u>2,102,794</u>
<b>EXPENDITURES:</b>					
Education:					
Salaries	-	-	-	-	847,988
Benefits	-	-	-	-	162,937
Pension expense	-	-	-	-	62,932
Purchased services	17,046	39,218	311	425	642,555
Supplies and materials	-	-	-	560	82,934
Payment to other governments	-	-	-	-	1,050
Other objects	-	-	-	-	240
Capital outlay	-	-	-	-	27,385
Total expenditures	<u>17,046</u>	<u>39,218</u>	<u>311</u>	<u>985</u>	<u>1,828,021</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>4</u>	<u>(700)</u>	<u>(1)</u>	<u>5,242</u>	<u>274,773</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	300	1	11,140	98,009
Transfers out	-	-	-	-	(6,348)
Total other financing sources (uses)	<u>-</u>	<u>300</u>	<u>1</u>	<u>11,140</u>	<u>91,661</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	4	(400)	-	16,382	366,434
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>-</u>	<u>(300)</u>	<u>-</u>	<u>-</u>	<u>956,495</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 4</u>	<u>\$ (700)</u>	<u>\$ -</u>	<u>\$ 16,382</u>	<u>\$ 1,322,929</u>

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**BUDGETARY COMPARISON SCHEDULE**  
**EDUCATION FUND ACCOUNTS**  
**For the Year Ended June 30, 2015**

	<b>Regional Safe Schools</b>			
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>		
<b>REVENUES:</b>				
Local sources	\$ -	\$ -	\$ 409,609	\$ 409,609
State sources	<u>403,621</u>	<u>394,539</u>	<u>614,513</u>	<u>219,974</u>
Total revenues	<u>403,621</u>	<u>394,539</u>	<u>1,024,122</u>	<u>629,583</u>
<b>EXPENDITURES:</b>				
Education:				
Salaries	287,495	245,990	388,709	(142,719)
Benefits	65,212	63,051	84,963	(21,912)
Pension expense	-	-	5,277	(5,277)
Purchased services	50,914	65,898	265,153	(199,255)
Supplies and materials	-	14,600	45,043	(30,443)
Other objects	-	-	240	(240)
Capital outlay	<u>-</u>	<u>5,000</u>	<u>21,577</u>	<u>(16,577)</u>
Total expenditures	<u>403,621</u>	<u>394,539</u>	<u>810,962</u>	<u>(416,423)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	213,160	<u>\$ 213,160</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>778,512</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 991,672</u>	



**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**BUDGETARY COMPARISON SCHEDULE**  
**EDUCATION FUND ACCOUNTS**  
**For the Year Ended June 30, 2015**

	<b>Early Childhood Parenting Program</b>			
	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amounts</u></b>	<b><u>Final Budget</u></b>
<b>REVENUES:</b>				
Local sources	\$ -	\$ -	\$ 6	\$ 6
State sources	<u>113,111</u>	<u>111,013</u>	<u>108,535</u>	<u>(2,478)</u>
Total revenues	<u>113,111</u>	<u>111,013</u>	<u>108,541</u>	<u>(2,472)</u>
<b>EXPENDITURES:</b>				
Education:				
Salaries	67,394	67,394	68,184	(790)
Benefits	44,741	42,643	26,857	15,786
Pension expense	-	-	7,975	(7,975)
Purchased services	976	976	13,729	(12,753)
Supplies and materials	-	-	68	(68)
Capital outlay	<u>-</u>	<u>-</u>	<u>400</u>	<u>(400)</u>
Total expenditures	<u>113,111</u>	<u>111,013</u>	<u>117,213</u>	<u>(6,200)</u>
<b>DEFICIENCY OF REVENUES</b>				
<b>UNDER EXPENDITURES</b>	-	-	(8,672)	(8,672)
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>6,677</u>	<u>6,677</u>
<b>NET CHANGE IN</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,995)</u>	<u>\$ (1,995)</u>
<b>FUND BALANCE</b>				
<b>FUND BALANCE,</b>			<u>2,452</u>	
<b>BEGINNING OF YEAR</b>				
<b>FUND BALANCE,</b>			<u>\$ 457</u>	
<b>END OF YEAR</b>				

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**BUDGETARY COMPARISON SCHEDULE**  
**EDUCATION FUND ACCOUNTS**  
**For the Year Ended June 30, 2015**

	<b>Truants' Alternative Program</b>			
	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amounts</u></b>	<b><u>Final Budget</u></b>
<b>REVENUES:</b>				
Local sources	\$ -	\$ -	\$ 24	\$ 24
State sources	<u>129,828</u>	<u>126,907</u>	<u>85,187</u>	<u>(41,720)</u>
Total revenues	<u>129,828</u>	<u>126,907</u>	<u>85,211</u>	<u>(41,696)</u>
<b>EXPENDITURES:</b>				
Education:				
Salaries	80,945	78,024	62,970	15,054
Benefits	37,968	37,968	10,731	27,237
Pension expense	-	-	3,500	(3,500)
Purchased services	8,464	8,464	7,102	1,362
Supplies and materials	2,451	2,451	1,413	1,038
Capital outlay	<u>-</u>	<u>-</u>	<u>806</u>	<u>(806)</u>
Total expenditures	<u>129,828</u>	<u>126,907</u>	<u>86,522</u>	<u>40,385</u>
<b>DEFICIENCY OF REVENUES</b>				
<b>UNDER EXPENDITURES</b>	-	-	(1,311)	(1,311)
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>17,896</u>	<u>17,896</u>
<b>NET CHANGE IN</b>	<u>\$ -</u>	<u>\$ -</u>	<u>16,585</u>	<u>\$ 16,585</u>
<b>FUND BALANCE (DEFICIT)</b>				
<b>FUND BALANCE (DEFICIT),</b>			<u>(17,896)</u>	
<b>BEGINNING OF YEAR</b>				
<b>FUND BALANCE (DEFICIT),</b>			<u>\$ (1,311)</u>	
<b>END OF YEAR</b>				

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**BUDGETARY COMPARISON SCHEDULE**  
**EDUCATION FUND ACCOUNTS**  
**For the Year Ended June 30, 2015**

	<b>Career &amp; Technical Education Improvement</b>			
	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amounts</u></b>	<b><u>Final Budget</u></b>
<b>REVENUES:</b>				
Local sources	\$ -	\$ -	\$ 34	\$ 34
State sources	<u>109,087</u>	<u>109,087</u>	<u>108,007</u>	<u>(1,080)</u>
Total revenues	<u>109,087</u>	<u>109,087</u>	<u>108,041</u>	<u>(1,046)</u>
<b>EXPENDITURES:</b>				
Education:				
Purchased services	85,000	76,720	76,705	15
Supplies and materials	13,500	31,703	31,188	515
Payments to other governments	10,587	-	-	-
Capital outlay	<u>-</u>	<u>664</u>	<u>637</u>	<u>27</u>
Total expenditures	<u>109,087</u>	<u>109,087</u>	<u>108,530</u>	<u>557</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	-	-	(489)	(489)
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>2,643</u>	<u>2,643</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	2,154	<u>\$ 2,154</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			<u>(2,502)</u>	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			<u>\$ (348)</u>	

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**BUDGETARY COMPARISON SCHEDULE**  
**EDUCATION FUND ACCOUNTS**  
**For the Year Ended June 30, 2015**

	<b>ROE/ISC Operations</b>			
	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amounts</u></b>	<b><u>Final Budget</u></b>
<b>REVENUES:</b>				
Local sources	\$ -	\$ -	\$ 177	\$ 177
State sources	<u>244,116</u>	<u>244,116</u>	<u>244,116</u>	<u>-</u>
Total revenues	<u>244,116</u>	<u>244,116</u>	<u>244,293</u>	<u>177</u>
<b>EXPENDITURES:</b>				
Education:				
Salaries	190,151	190,151	192,784	(2,633)
Benefits	38,242	38,242	26,669	11,573
Pension expense	-	-	10,888	(10,888)
Purchased services	<u>15,723</u>	<u>15,723</u>	<u>15,556</u>	<u>167</u>
Total expenditures	<u>244,116</u>	<u>244,116</u>	<u>245,897</u>	<u>(1,781)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	(1,604)	<u>\$ (1,604)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>183,499</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 181,895</u>	

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**BUDGETARY COMPARISON SCHEDULE**  
**EDUCATION FUND ACCOUNTS**  
**For the Year Ended June 30, 2015**

	<b>Title II Teacher Quality Leadership</b>			
	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amounts</u></b>	<b><u>Final Budget</u></b>
<b>REVENUES:</b>				
Local sources	\$ -	\$ -	\$ 518	\$ 518
Federal sources	<u>38,632</u>	<u>38,632</u>	<u>38,000</u>	<u>(632)</u>
Total revenues	<u>38,632</u>	<u>38,632</u>	<u>38,518</u>	<u>(114)</u>
<b>EXPENDITURES:</b>				
Education:				
Purchased services	<u>38,632</u>	<u>38,632</u>	<u>39,218</u>	<u>(586)</u>
Total expenditures	<u>38,632</u>	<u>38,632</u>	<u>39,218</u>	<u>(586)</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	-	-	(700)	(700)
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>300</u>	<u>300</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	(400)	<u>\$ (400)</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			<u>(300)</u>	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			<u>\$ (700)</u>	

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**BUDGETARY COMPARISON SCHEDULE**  
**EDUCATION FUND ACCOUNTS**  
**For the Year Ended June 30, 2015**

	Title II Teacher Quality			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Federal sources	\$ 339	\$ 310	\$ 310	\$ -
<b>EXPENDITURES:</b>				
Education:				
Purchased services	-	-	311	(311)
Supplies and materials	339	310	-	310
Total expenditures	<u>339</u>	<u>310</u>	<u>311</u>	<u>(1)</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	-	-	(1)	(1)
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	-	-	1	1
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE , END OF YEAR</b>			<u>\$ -</u>	

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**June 30, 2015**

	<u>General Education Development</u>	<u>Bus Driver Training</u>	<u>Supervisory</u>	<u>Totals</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 23,993	\$ 208,913	\$ 343	\$ 233,249
Due from other governments	-	1,496	-	1,496
Due from other funds	-	478	-	478
Prepays	-	8	-	8
Total assets	<u>23,993</u>	<u>210,895</u>	<u>343</u>	<u>235,231</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
	<u>\$ 23,993</u>	<u>\$ 210,895</u>	<u>\$ 343</u>	<u>\$ 235,231</u>
<b>LIABILITIES</b>				
Unearned revenue	<u>-</u>	<u>\$ 3,690</u>	<u>-</u>	<u>\$ 3,690</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	<u>-</u>	<u>16</u>	<u>-</u>	<u>16</u>
<b>FUND BALANCE</b>				
Nonspendable	-	8	-	8
Restricted	<u>23,993</u>	<u>207,181</u>	<u>343</u>	<u>231,517</u>
Total fund balance	<u>23,993</u>	<u>207,189</u>	<u>343</u>	<u>231,525</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>				
	<u>\$ 23,993</u>	<u>\$ 210,895</u>	<u>\$ 343</u>	<u>\$ 235,231</u>

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**For the Year Ended June 30, 2015**

	<b>General Education <u>Development</u></b>	<b>Bus Driver <u>Training</u></b>	<b><u>Supervisory</u></b>	<b><u>Totals</u></b>
<b>REVENUES:</b>				
Local sources	\$ 4,598	\$ 30,856	\$ -	\$ 35,454
State sources	-	3,764	-	3,764
Total revenues	<u>4,598</u>	<u>34,620</u>	<u>-</u>	<u>39,218</u>
<b>EXPENDITURES:</b>				
Education:				
Salaries	-	1,457	-	1,457
Benefits	-	125	-	125
Purchased services	-	16,798	-	16,798
Total expenditures	<u>-</u>	<u>18,380</u>	<u>-</u>	<u>18,380</u>
<b>NET CHANGE IN FUND BALANCE</b>	4,598	16,240	-	20,838
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>19,395</u>	<u>190,949</u>	<u>343</u>	<u>210,687</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 23,993</u>	<u>\$ 207,189</u>	<u>\$ 343</u>	<u>\$ 231,525</u>