
**STATE OF ILLINOIS
REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY,
PULASKI, AND UNION COUNTIES
FINANCIAL AUDIT
(In Accordance with the Uniform Guidance)
For the Year Ended June 30, 2017**

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

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES**

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**REGIONAL OFFICE OF EDUCATION #30
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**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES**

OFFICIALS

Regional Superintendent (November 16, 2016 to Current)	Ms. Cheryl Graff
Regional Superintendent (During the Audit Period July 1, 2016 to November 15, 2016)	Ms. Donna Boros
Assistant Regional Superintendent (December 19, 2016 to Current)	Ms. Karen Wolfe
Assistant Regional Superintendent (November 16, 2016 to December 18, 2016)	None
Assistant Regional Superintendent (During the Audit Period July 1, 2016 to November 15, 2016)	Mr. John Hawkins

Offices are located at:

Jackson County Courthouse
1001 Walnut Street
Murphysboro, IL 62966

Perry County Government Building
3764 State Route 13/127
Pinckneyville, IL 62274

Murphysboro Annex
819 Walnut Street
Murphysboro, IL 62966

Anna Office
1150 East Vienna Street
Anna, IL 62906

COPE School
1725-B Shomaker Drive
Murphysboro, IL 62966

Project SOAR
Ward School
120 Spring
DuQuoin, IL 62832

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES**

COMPLIANCE REPORT SUMMARY

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

AUDITORS' REPORTS

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

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	5	5
Repeated audit findings	4	1
Prior recommendations implemented or not repeated	1	0

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
<i>Findings (Government Auditing Standards)</i>			
2017-001	14a-14c	Controls Over Financial Statement Preparation	Material Weakness and Noncompliance
2017-002	14d-14e	Internal Controls Over Expenditure Report Preparation	Material Weakness and Noncompliance
2017-003	14f-14g	Salaries and Benefits Not Supported by Proper Time and Effort Documentation	Material Weakness and Noncompliance
2017-004	14h-14i	Delay of Audit	Noncompliance

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES**

COMPLIANCE REPORT SUMMARY (CONCLUDED)

SUMMARY OF FINDINGS AND QUESTIONED COSTS (CONCLUDED)

Findings and Questioned Costs (Federal Compliance)

2017-001	14a-14c	Controls Over Financial Statement Preparation	Material Weakness and Noncompliance
2017-002	14d-14e	Internal Controls Over Expenditure Report Preparation	Material Weakness and Noncompliance
2017-003	14f-14g	Salaries and Benefits Not Supported by Proper Time and Effort Documentation	Material Weakness and Noncompliance
2017-005	15b-15c	Lack of Written Policies for Federal Grants	Material Weakness and Noncompliance

Prior Audit Findings Not Repeated (Government Auditing Standards)

None

Prior Audit Findings Not Repeated (Federal Compliance)

None

EXIT CONFERENCE

An informal exit conference was held on January 16, 2020 with the management of the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30. The findings and recommendations in this report were discussed with management of the Regional Office of Education #30 at this meeting. The Regional Office of Education #30's responses to the recommendations and corrective action plans were provided by Cheryl Graff, Regional Superintendent in an email dated February 10, 2020.

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES**

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30 was performed by Kemper CPA Group LLP, Certified Public Accountants and Consultants.

Based on their audit, the auditors expressed an unmodified opinion on the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's basic financial statements.

INDEPENDENT AUDITORS' REPORT

Honorable Frank J. 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 Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30'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.

Auditors' 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 Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30, as of June 30, 2017, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Illinois Municipal Retirement Fund Schedule of Changes in the Net Pension Liability & Related Ratios, Illinois Municipal Retirement Fund Schedule of Employer Contributions, Teachers' Retirement System of the State of Illinois Schedule of Employer's Proportionate Share of the Net Pension Liability, and Teachers' Retirement System of the State of Illinois Schedule of Employer Contributions on pages 60 through 62, 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 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 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 Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's basic financial statements. The combining schedules of accounts, budgetary comparison schedules, combining fund financial statements, Schedule of Disbursements to School District Treasurers and Other Entities – Distributive Fund, and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules of accounts, budgetary comparison schedules, combining fund financial statements, Schedule of Disbursements to School District Treasurers and Other Entities – Distributive Fund, and Schedule of Expenditures of Federal Awards, as required by the Uniform Guidance, are the responsibility of management and were derived from and relate 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 combining schedules of accounts, budgetary comparison schedules, combining fund financial statements, Schedule of Disbursements to School District Treasurers and Other Entities – Distributive Fund, and Schedule of Expenditures of Federal Awards, as required by the Uniform Guidance, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2020 on our consideration of the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30'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 effectiveness of Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's 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 Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's internal control over financial reporting and compliance.

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KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
May 14, 2020

**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 J. 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 Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's basic financial statements, and have issued our report thereon dated May 14, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30'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 Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's internal control. Accordingly, we do not express an opinion on the effectiveness of the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity'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 first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2017-001, 2017-002, and 2017-003 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's financial statements are free from 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2017-001, 2017-002, 2017-003, and 2017-004.

Regional Office of Education #30's Responses to Findings

Regional Office of Education #30's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Regional Office of Education #30's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
May 14, 2020

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on Compliance for Each Major Federal Program

We have audited the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's major federal programs for the year ended June 30, 2017. The Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's compliance.

Opinion on Each Major Federal Program

In our opinion, the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2017-001, 2017-002, 2017-003, and 2017-005. Our opinion on each major federal program is not modified with respect to these matters.

The Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's responses to the noncompliance findings identified in our audit are described in the accompanying Schedule of Findings and Questions Costs. The Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Regional Office of Education #30's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Regional Office of Education #30's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2017-001, 2017-002, 2017-003, and 2017-005, that we consider to be material weaknesses.

Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's responses to the internal control over compliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

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KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
May 14, 2020

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION I – SUMMARY OF AUDITORS’ RESULTS
For the Year Ended June 30, 2017**

Financial Statements in Accordance with GAAP

Type of auditors’ report issued:	<i>Unmodified</i>
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	Yes

Federal Awards

Internal control over major federal programs:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified?	None reported

Type of auditors’ report issued on compliance for major federal programs:	<i>Unmodified</i>
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Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)?	Yes
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Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.366B	Mathematics and Science Partnerships

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
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Auditee qualified as a low-risk auditee?	No
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**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2017**

FINDING NO. 2017-001 – Controls Over Financial Statement Preparation (Repeated from Prior Year Findings 16-001 and 15-001)

Federal Program: Mathematics and Science Partnerships, Title I – School Improvement and Accountability, and Rural Access to Mathematics Professional Development: Unparalleled Performance & Onward (RAMPDUP and Onward)

Project No: 17-4936-MA, 17-4331-SS, RAMPDUP and Onward Years 6 and 7

CFDA No: 84.366B, 84.010A, 84.367A

Passed Through: Illinois State Board of Education, Regional Office of Education #21, Southern Illinois University Carbondale

Federal Agency: U.S. Department of Education, U.S. Department of Education, U.S. Department of Education

Criteria/specific requirement:

The Regional Office of Education #30 is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). The Regional Office's internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge, skills, and experience to prepare GAAP based financial statements, including the schedule of expenditures of federal awards, and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

GASB Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments* (Statement), requires governments to present government-wide and fund financial statements as well as a summary reconciliation of the (a) total governmental funds balances to the net position of governmental activities in the Statement of Net Position, and (b) total change in governmental fund balances to the change in net position of governmental activities in the Statement of Activities. In addition, the Statement requires information about the government's major and nonmajor funds in the aggregate, to be provided in the fund financial statements.

GASB Statements No. 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an Amendment of GASB Statement No. 68*, require governments to record and present net accrued pension liabilities/assets, deferred outflows of resources, deferred inflows of resources, and pension expenses. These standards further prescribe the methods and assumptions that are to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of service.

Condition:

The Regional Office does not have sufficient internal controls over the financial reporting process. The Regional Office of Education #30 maintains its accounting records on the cash basis of accounting during the fiscal year and posts or maintains a list of year-end accrual adjustments for financial statement purposes. While the Regional Office of Education #30 maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2017**

FINDING NO. 2017-001 – Controls Over Financial Statement Preparation (Repeated from Prior Year Findings 16-001 and 15-001) (Continued)

Condition (Concluded):

During review of the financial information prepared by the Regional Office, the following was noted:

- The Regional Office did not have adequate controls over the maintenance of complete records of accounts receivable/due from other governments and unavailable revenue. While the Regional Office did maintain records to indicate the balances of accounts receivable/due from other governments and unavailable revenue, not all entries were provided or recorded correctly to reconcile the Regional Office of Education #30's grant and general ledger activity.
- The Regional Office did not have adequate controls over the proper allocation and classification of expenses. Expenses used to meet cost reimbursement requirements for certain State and federal grants, including indirect costs, were not allocated to the proper fund and were instead charged to unrestricted funds. Audit adjustments were also necessary to correct certain other expenses that were misclassified, and one entry was posted twice.
- The Regional Office did not have adequate controls over the proper classification of revenue. Audit adjustments were necessary to properly classify State and federal revenue, which had originally been classified as local revenue.
- The Regional Office did not have adequate controls over the proper recognition of on-behalf revenues and expenses. Information to calculate and record these amounts had not been obtained by the Regional Office.
- The Regional Office did not have adequate controls to record and report the Regional Office's net accrued pension liabilities/assets, deferred outflows of resources, deferred inflows of resources, and pension expenses in accordance with GAAP.

Questioned Costs:

None

Context:

Audit adjustments were necessary to allocate expenses to grant funds for the following federal programs: Mathematics and Science Partnerships, Title I – School Improvement and Accountability, and Rural Access to Mathematics Professional Development: Unparalleled Performance & Onward (RAMPDUP and Onward).

Effect:

The Regional Office management or its employees, in the normal course of performing their assigned functions, may not prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2017**

FINDING NO. 2017-001 – Controls Over Financial Statement Preparation (Repeated from Prior Year Findings 16-001 and 15-001) (Concluded)

Cause:

Regional Office management indicated they did not have adequate funding to hire and/or train their accounting personnel in order to comply with these requirements and present the financial statements in accordance with GAAP. In addition, the complex requirements of GASB Statements No. 68 and 71 will require additional time and training before the Regional Office can fully implement the requirements on its own.

Auditors' Recommendation:

As part of internal control over the preparation of financial statements, the Regional Office should implement comprehensive preparation procedures to ensure the financial statements are complete and accurate. These procedures should be performed by a properly trained individual possessing a thorough understanding of the applicable GAAP, GASB pronouncements, and knowledge of the Regional Office of Education #30's activities and operations.

Management's Response:

I agree with the finding and corrective actions are being implemented, as noted in the Corrective Action Plan for Current Year Audit Findings section of this report. Part of this fiscal audit was under prior management.

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2017

FINDING NO. 2017-002 – Internal Controls Over Expenditure Report Preparation (Repeated from Prior Year Finding 16-003)

Federal Program: IDEA – Improvement Grant – Part D, Mathematics and Science Partnerships, Title I – School Improvement and Accountability, Rural Access to Mathematics Professional Development: Unparalleled Performance & Onward (RAMPDUP and Onward)
Project No: 16-4631-RN, 17-4631-RN, 16-4936-MA, 16-4936-SA, 17-4936-MA, 17-4936-SA, 17-4331-SS, RAMPDUP and Onward Years 6 and 7
CFDA No: 84.323A, 84.366B, 84.010A, 84.367A
Passed Through: Regional Office of Education #47, Illinois State Board of Education, Regional Office of Education #21, Southern Illinois University Carbondale
Federal Agency: U.S. Department of Education, U.S. Department of Education, U.S. Department of Education, U.S. Department of Education

Criteria/specific requirement:

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires that a non-federal entity's financial management system, including records documenting compliance with federal statutes, regulations, and the terms and conditions of the federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the federal statutes, regulations, and the terms and conditions of the federal award. Furthermore, the non-federal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in "Standards for Internal Controls in the Federal Government" issued by the Comptroller General of the United States or the "Internal Controls Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition:

- A. The Regional Office did not maintain separate expenditure accounts or subsidiary ledger accounts for grant expenditures. A separate responsibility code must be created for each grant and each grant year.
- B. The Regional Office did not timely submit certain Mathematics and Science Partnerships expenditure reports.
- C. The Regional Office did not have adequate internal controls over the preparation of grant expenditure reports. Expenditure reports submitted to granting agencies to request reimbursement did not reconcile to the underlying accounting records for the following State and federal grant programs: ROE/ISC Operations, Mathematics and Science Partnerships, Title I – School Improvement and Accountability, and RAMPDUP and Onward. Expenses were overstated to the granting agencies for the IDEA – Improvement Grant – Part D program and the Mathematics and Science Partnerships program.

Questioned Costs:

\$ 5,638 – IDEA – Improvement Grant – Part D
\$15,896 – Mathematics and Science Partnerships (16-4936-MA)
\$32,863 – Mathematics and Science Partnerships (16-4936-SA)

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2017**

FINDING NO. 2017-002 – Internal Controls Over Expenditure Report Preparation (Repeated from Prior Year Finding 16-003) (Concluded)

Context:

- A. Grant expenses for multiple years are being blended.
- B. The Mathematics and Science Partnerships (17-4936-MA and 17-4936-SA) 12/31/2016 expenditure reports due on 1/20/2017 were not filed until 1/25/2017, and the 6/30/2017 expenditure reports due on 7/20/2017 were not filed until 8/3/2017.
- C. The Regional Office of Education #30 overstated the following expenses to the IDEA – Improvement Grant – Part D granting agency as follows: \$177-benefits, \$1,225-purchased services, \$150-supplies and materials, and \$4,086-indirect costs.

The Regional Office of Education #30 also overstated expenses to the Mathematics and Science Partnerships (16-4936-MA) granting agency as follows: \$15,206-purchased services and \$690-supplies and materials.

The Regional Office of Education #30 overstated expenses to the Mathematics and Science Partnerships (16-4936-SA) granting agency as follows: \$30-employee benefits, \$31,664-purchased services and \$1,169-supplies and materials.

Effect:

A lack of internal controls over expenditure reporting could result in over or understatements of expenditures to the granting agencies. A return of grant funds could be requested from the granting agencies.

Cause:

- A. Regional Office management indicated that prior to the implementation of a new accounting program in March of 2017, the Regional Office was unable to adequately separate the grant activity for grants that ran multiple years.
- B. Regional Office management indicated this was an oversight.
- C. Regional Office management indicated they obtained general ledger reports with preliminary information and did not perform further follow-up to verify all applicable expenses were moved to the appropriate accounts.

Auditors' Recommendation:

We recommend the Regional Office management create a system of internal controls to ensure all expenditure reports are submitted accurately and timely, are fully supported by adequate cost documentation records, and reconcile to the underlying accounting records.

Management's Response:

I agree with the finding and corrective actions are being implemented, as noted in the Corrective Action Plan for Current Year Audit Findings section of this report.

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2017

**FINDING NO. 2017-003 – Salaries and Benefits Not Supported by Proper Time and Effort Documentation
(Repeated from Prior Year Finding 16-004)**

Federal Program: Mathematics and Science Partnerships
Project No: 16-4936-MA, 17-4936-MA, 16-4936-SA, 17-4936-SA
CFDA No: 84.366B
Passed Through: Illinois State Board of Education
Federal Agency: U.S. Department of Education

Criteria/specific requirement:

Employees of the Regional Office of Education #30 are required to document their time and effort working on federal programs. Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires charges for salaries and benefits to be supported by a system of internal control which provides reasonable assurance that charges are accurate, allowable, and properly allocated. Documentation records should reasonably reflect the total activity for which the employee is compensated, not exceeding 100% of compensated activities, and should encompass both federally assisted and non-federally assisted activities. It further states that budget estimates alone do not qualify as support for salary and benefit charges to a federal award. Significant changes in the corresponding work activity should be identified and entered into the accounting records in a timely manner. All necessary adjustments must be made such that the final amount charged to the federal award is accurate, allowable, and properly allocated.

Condition:

The Regional Office assigned salary and benefit costs to the Mathematics and Science Partnership grants based on budgeted amounts. Comparisons of actual costs to budgeted distributions based on time and effort records were performed and adjustments for actual time spent on the grants, if different from budgeted amounts, were made; however, time and effort documentation was not always complete. For example, time and effort reporting did not always include 100% of the employees' time. Some employees also turned in monthly calendars to management, but they only included time spent on grants, not 100% of the employees' hours, and/or they did not include the number of hours worked per day or the program worked.

Questioned Costs:

Undeterminable

Context:

Salary and benefits charged to Mathematics and Science Partnership programs during fiscal year 2017 totaled \$90,892.

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2017

**FINDING NO. 2017-003 – Salaries and Benefits Not Supported by Proper Time and Effort Documentation
(Repeated from Prior Year Finding 16-004) (Concluded)**

Effect:

Since time and effort documentation was not always complete, there is an increased risk that the salary and benefit costs charged to the Mathematics and Science Partnership programs does not reflect the actual time worked on the programs.

Cause:

Regional Office officials indicated, until the prior year audit, they were unaware of the time and effort log requirements for all personnel.

Auditors' Recommendation:

The Regional Office should implement a system of internal controls over time and effort reporting. The Regional Office should use time and effort documentation to distribute salary and benefit costs for employees who work in whole or in part on grant program activity in accordance with the Uniform Guidance.

Management's Response:

I agree with the finding and corrective actions are being implemented, as noted in the Corrective Action Plan for Current Year Audit Findings section of this report.

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2017

FINDING NO. 2017-004 – Delay of Audit

Criteria/specific requirement:

Regional Office of Education #30 is subject to 105 ILCS 5/2-3.17a which requires the Auditor General's office to cause an audit to be made, as of June 30th of each year, of the financial statements of all accounts, funds, and other moneys in the care, custody or control of the regional superintendent of schools of each educational service region in the State and of each educational service center established in the School Code. The audit is to be conducted in accordance with Generally Accepted Governmental Auditing Standards.

In accordance with 105 ILCS 5/2-3.17a, the Auditor General has promulgated administrative rules and regulations to govern this process. Those rules, 74 Ill. Adm. Code 420.320(c)(2), state that for audit purposes, each regional office of education and educational service center shall make available to the Auditor General or his designee all books and records deemed necessary to make and complete the required audits. The records shall be in auditable form by August 15 of the succeeding fiscal year. Financial reports are to be available no later than August 31 in order for the annual audit to be completed by an independent auditor selected by the Auditor General. Annual financial statements are to be prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP).

In addition, prudent business practices and transparency require timely preparation and completion of financial statements.

Condition:

The Regional Office of Education #30 did not provide completed financial statements in an auditable form by the August 31 deadline. Financial records provided were not prepared on an accrual basis in accordance with GAAP.

Fieldwork was originally scheduled for the week of June 25, 2018. During this time issues were noted which delayed our audit procedures: Not all prior year adjusting journal entries were posted correctly; not all accrual entries were posted or posted correctly; there were negative cash balances in various funds; due to/froms between funds were not posted; capital asset records were incomplete; and grant expenditure reports were not reconciled to the underlying general ledger.

The Regional Office hired an outside accounting firm to assist in correcting the issues noted during our initial fieldwork. A new general ledger was provided to auditors at the end of October 2018 and audit fieldwork was scheduled for the week of December 10, 2018. Fieldwork was not completed this time due to continuing issues with the capital asset records, grant expenditure reports and the underlying general ledger, and other issues noted. Fieldwork was scheduled again for the week of May 13, 2019. Again, fieldwork was not able to be completed as the financial statements still required numerous, material journal entries to correct additional errors and omissions noted.

In late September 2019, the Regional Office hired a different outside accounting firm to assist with the remaining outstanding audit items. Final audit items were received in November 2019.

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2017**

FINDING NO. 2017-004 – Delay of Audit (Concluded)

Effect:

When financial statements and records are not provided in a timely manner, delays in the audit occur and the usefulness of the financial statements and related findings resulting from the audit is impacted. Additionally, untimely financial statements could result in repercussions from granting agencies including a loss of funding.

Cause:

Regional Office management indicated the issues appeared to begin in the prior year and were not adequately addressed for the current year audit due to timing. Transition to a new accounting software package during the current year also didn't help with the issues.

Auditors' Recommendation:

The Regional Office of Education #30 should implement procedures to ensure compliance with 105 ILCS 5/2-3.17a and 74 Ill. Adm. Code 420.320(c)(2). Annual financial statements should be compiled on an accrual basis of accounting in accordance with GAAP. These financial statements need to be presented to the Auditor General's independent auditors for audit by the August 31 deadline.

Management's Response:

I agree with the finding and corrective actions are being implemented, as noted in the Corrective Action Plan for Current Year Audit Findings section of this report.

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION III – FEDERAL AWARD FINDINGS
For the Year Ended June 30, 2017

Instances of Noncompliance

FINDING 2017-001 – Controls Over Financial Statement Preparation (finding details on pages 14a-14c)
FINDING 2017-002 – Internal Controls Over Expenditure Report Preparation (finding details on pages 14d-14e)
FINDING 2017-003 – Salaries and Benefits Not Supported by Proper Time and Effort Documentation (finding details on pages 14f-14g)

Significant Deficiencies

None

Material Weaknesses

FINDING 2017-001 – Controls Over Financial Statement Preparation (finding details on pages 14a-14c)
FINDING 2017-002 – Internal Controls Over Expenditure Report Preparation (finding details on pages 14d-14e)
FINDING 2017-003 – Salaries and Benefits Not Supported by Proper Time and Effort Documentation (finding details on pages 14f-14g)

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION III – FEDERAL AWARD FINDINGS
For the Year Ended June 30, 2017**

FINDING NO. 2017-005 – Lack of Written Policies for Federal Grants (Repeated from Prior Year Finding 16-005)

Federal Program: Mathematics and Science Partnerships
Project No: 16-4936-MA, 17-4936-MA, 16-4936-SA, 17-4936-SA
CFDA No: 84.366B
Passed Through: Illinois State Board of Education
Federal Agency: U.S. Department of Education

Criteria/specific requirement:

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires the Regional Office of Education #30 to have written procedures to implement the requirements of Part 200.305, *Payment*, related to cash management, and for determining the allowability of costs in accordance with Subpart E – Cost Principles of the Uniform Guidance and the terms and conditions of the federal award. The Regional Office must also maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts.

Condition:

The Regional Office does not have written procedures concerning cash management, the determination of allowability of costs in accordance with Subpart E – Cost Principles of the Uniform Guidance and the terms and conditions of the federal award, or standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts. In lieu of written procedures, the Regional Office utilized informal procedures in which each purchase made or cost allocated to the Mathematics and Science Partnerships was reviewed for allowability by an individual with knowledge of the budget, allowable costs and activities, and the cash management requirements. The allowability determinations were based on the amounts included in the budgets for the Mathematics and Science Partnerships approved by, and the grant periods set by, the Illinois State Board of Education.

Questioned Costs:

N/A

Context:

The Regional Office expended \$1,055,301 of federal awards in total during fiscal year 2017, including \$519,290 for the Mathematics and Science Partnerships.

Effect:

Not having written procedures concerning cash management, cost principles, and conflicts of interest increases the risk that grant payments will not be requested on the reimbursement basis, unallowable costs will be allocated to federal award programs, or conflicts of interest will not be identified.

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION III – FEDERAL AWARD FINDINGS
For the Year Ended June 30, 2017**

FINDING NO. 2017-005 – Lack of Written Policies for Federal Grants (Repeated from Prior Year Finding 16-005) (Concluded)

Cause:

Regional Office management indicated they were unable to dedicate the time needed to fully implement the Uniform Guidance due to competing priorities.

Auditors' Recommendation:

We recommend the Regional Office prepare written procedures to implement the requirements of Part 200.305, *Payment*, related to cash management, for determining the allowability of costs in accordance with Subpart E – Cost Principles of the Uniform Guidance and the terms and conditions of the federal award, and to document standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts.

Management's Response:

I agree with the finding and corrective actions are being implemented, as noted in the Corrective Action Plan for Current Year Audit Findings section of this report.

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2017**

CORRECTIVE ACTION PLAN

FINDING NO. 2017-001 – Controls Over Financial Statement Preparation (Repeated from Prior Year Findings 16-001, 15-001)

Federal Program: Mathematics and Science Partnerships, Title I – School Improvement and Accountability, and Rural Access to Mathematics Professional Development: Unparalleled Performance & Onward (RAMPDUP and Onward)

Project No: 17-4936-MA, 17-4331-SS, RAMPDUP and Onward Years 6 and 7

CFDA No: 84.366B, 84.010A, 84.367A

Passed Through: Illinois State Board of Education, Regional Office of Education #21, Southern Illinois University Carbondale

Federal Agency: U.S. Department of Education, U.S. Department of Education, U.S. Department of Education

Condition:

The Regional Office does not have sufficient internal controls over the financial reporting process. The Regional Office of Education #30 maintains its accounting records on the cash basis of accounting during the fiscal year and posts or maintains a list of year-end accrual adjustments for financial statement purposes. While the Regional Office of Education #30 maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

During review of the financial information prepared by the Regional Office, the following was noted:

- The Regional Office did not have adequate controls over the maintenance of complete records of accounts receivable/due from other governments and unavailable revenue. While the Regional Office did maintain records to indicate the balances of accounts receivable/due from other governments and unavailable revenue, not all entries were provided or recorded correctly to reconcile the Regional Office of Education #30's grant and general ledger activity.
- The Regional Office did not have adequate controls over the proper allocation and classification of expenses. Expenses used to meet cost reimbursement requirements for certain State and federal grants, including indirect costs, were not allocated to the proper fund and were instead charged to unrestricted funds. Audit adjustments were also necessary to correct certain other expenses that were misclassified, and one entry was posted twice.
- The Regional Office did not have adequate controls over the proper classification of revenue. Audit adjustments were necessary to properly classify State and federal revenue, which had originally been classified as local revenue.
- The Regional Office did not have adequate controls over the proper recognition of on-behalf revenues and expenses. Information to calculate and record these amounts had not been obtained by the Regional Office.

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2017**

CORRECTIVE ACTION PLAN (Continued)

FINDING NO. 2017-001 – Controls Over Financial Statement Preparation (Repeated from Prior Year Findings 16-001, 15-001) (Concluded)

Condition (Concluded):

- The Regional Office did not have adequate controls to record and report the Regional Office's net accrued pension liabilities/assets, deferred outflows of resources, deferred inflows of resources, and pension expenses in accordance with GAAP.

Plan:

In May of 2017, the ROE began utilizing a new accounting system that reconciles cash with general ledger funds. Fund and account codes have been created in the new accounting system to classify revenues and expenditures for each fund. A trial balance report can be created for each fund. The Regional Office will continue to seek funding to meet all of the requirements set forth in GASB Statements No. 34, 68, and 71. The new ROE management team is working to ensure accuracy in our reporting. An accounting firm has been contracted to prepare financial statements.

Anticipated Date of Completion:

Fiscal Year 2020

Name of Contact Person:

Cheryl Graff, Regional Superintendent of Schools

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2017**

CORRECTIVE ACTION PLAN (Continued)

FINDING NO. 2017-002 – Internal Controls Over Expenditure Report Preparation (Repeated from Prior Year Finding 16-003)

Federal Program: IDEA – Improvement Grant – Part D, Mathematics and Science Partnerships, Title I – School Improvement and Accountability, Rural Access to Mathematics Professional Development: Unparalleled Performance & Onward (RAMPDUP and Onward)
Project No: 16-4631-RN, 17-4631-RN, 16-4936-MA, 16-4936-SA, 17-4936-MA, 17-4936-SA, 17-4331-SS, RAMPDUP and Onward Years 6 and 7
CFDA No: 84.323A, 84.366B, 84.010A, 84.367A
Passed Through: Regional Office of Education #47, Illinois State Board of Education, Regional Office of Education #21, Southern Illinois University Carbondale
Federal Agency: U.S. Department of Education, U.S. Department of Education, U.S. Department of Education, U.S. Department of Education

Condition:

- A. The Regional Office did not maintain separate expenditure accounts or subsidiary ledger accounts for grant expenditures. A separate responsibility code must be created for each grant and each grant year.
- B. The Regional Office did not timely submit certain Mathematics and Science Partnerships expenditure reports.
- C. The Regional Office did not have adequate internal controls over the preparation of grant expenditure reports. Expenditure reports submitted to granting agencies to request reimbursement did not reconcile to the underlying accounting records for the following State and federal grant programs: ROE/ISC Operations, Mathematics and Science Partnerships, Title I – School Improvement and Accountability, and RAMPDUP and Onward. Expenses were overstated to the granting agencies for the IDEA – Improvement Grant – Part D program and the Mathematics and Science Partnerships program.

Plan:

As of May 1, 2017, the Regional Office of Education has entered the budgets of each grant into the new accounting system to track expenditures with grant line items. Internal controls with purchase order and invoice procedures have been implemented. Each purchase order and invoice includes account codes.

Anticipated Date of Completion:

Fiscal Year 2018

Name of Contact Person:

Cheryl Graff, Regional Superintendent of Schools

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2017**

CORRECTIVE ACTION PLAN (Continued)

**FINDING NO. 2017-003 – Salaries and Benefits Not Supported by Proper Time and Effort Documentation
(Repeated from Prior Year Finding 16-004)**

Federal Program: Mathematics and Science Partnerships
Project No: 16-4936-MA, 17-4936-MA, 16-4936-SA, 17-4936-SA
CFDA No: 84.366B
Passed Through: Illinois State Board of Education
Federal Agency: U.S. Department of Education

Condition:

The Regional Office assigned salary and benefit costs to the Mathematics and Science Partnership grants based on budgeted amounts. Comparisons of actual costs to budgeted distributions based on time and effort records were performed and adjustments for actual time spent on the grants, if different from budgeted amounts, were made; however, time and effort documentation was not always complete. For example, time and effort reporting did not always include 100% of the employees' time. Some employees also turned in monthly calendars to management, but they only included time spent on grants, not 100% of the employees' hours, and/or they did not include the number of hours worked per day or the program worked.

Plan:

New time sheets have been implemented to track time and effort. Time sheets must be signed by an administrator.

Anticipated Date of Completion:

Fiscal Year 2018

Name of Contact Person:

Cheryl Graff, Regional Superintendent of Schools

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2017**

CORRECTIVE ACTION PLAN (Continued)

FINDING NO. 2017-004 – Delay of Audit

Condition:

The Regional Office of Education #30 did not provide completed financial statements in an auditable form by the August 31 deadline. Financial records provided were not prepared on an accrual basis in accordance with GAAP.

Fieldwork was originally scheduled for the week of June 25, 2018. During this time issues were noted which delayed our audit procedures: Not all prior year adjusting journal entries were posted correctly, not all accrual entries were posted or posted correctly, there were negative cash balances in various funds, due to/froms between funds were not posted, capital asset records were incomplete, and grant expenditure reports were not reconciled to the underlying general ledger.

The Regional Office hired an outside accounting firm to assist in correcting the issues noted during our initial fieldwork. A new general ledger was provided to the auditors at the end of October 2018 and audit fieldwork was scheduled for the week of December 10, 2018. Fieldwork was not completed this time due to continuing issues with the capital asset records, grant expenditure reports and the underlying general ledger, and other issues noted. Fieldwork was scheduled again for the week of May 13, 2019. Again, fieldwork was not able to be completed as the financial statements still required numerous, material journal entries to correct additional errors and omissions noted.

In late September 2019, the Regional Office hired a different outside accounting firm to assist with the remaining outstanding audit items. Final audit items were received in November 2019.

Plan:

During fiscal year 2017 an accounting firm was hired to assist with journal entry corrections and financial statements. Unfortunately, this accounting firm only assisted with journal entries but did not assist with the financial statements. The Regional Office was under the impression the financial statements would be included in the final reports provided to the auditors. In September of 2019, a new outside accounting firm was hired to assist with the financial statements and other documents to assist the auditors. The new accounting firm assisted with obtaining the financial information the auditors needed to finalize the fiscal year 2017 audit. A new time-line has been established to provide the financial statements and records necessary to have the fiscal year 2018 audit completed within the time-line. The new Regional Office accounting firm has begun working with the ROE staff to accomplish these tasks on time. The Regional Office of Education's goal is to have the fiscal year 2018 and fiscal year 2019 audits to be completed in an acceptable timely manner.

Anticipated Date of Completion:

Fiscal Year 2020

Name of Contact Person:

Cheryl Graff, Regional Superintendent of Schools

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2017**

CORRECTIVE ACTION PLAN (Concluded)

FINDING NO. 2017-005 – Lack of Written Policies for Federal Grants (Repeated from Prior Year Finding 16-005)

Federal Program: Mathematics and Science Partnerships
Project No: 16-4936-MA, 17-4936-MA, 16-4936-SA, 17-4936-SA
CFDA No: 84.366B
Passed Through: Illinois State Board of Education
Federal Agency: U.S. Department of Education

Condition:

The Regional Office does not have written procedures concerning cash management, the determination of allowability of costs in accordance with Subpart E – Cost Principles of the Uniform Guidance and the terms and conditions of the federal award, or standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts. In lieu of written procedures, the Regional Office utilized informal procedures in which each purchase made or cost allocated to the Mathematics and Science Partnerships was reviewed for allowability by an individual with knowledge of the budget, allowable costs and activities, and the cash management requirements. The allowability determinations were based on the amounts included in the budgets for the Mathematics and Science Partnerships approved by, and the grant periods set by, the Illinois State Board of Education.

Plan:

The Regional Office of Education #30 is implementing written procedures related to cash management requirements, for determining the allowability of costs in accordance with Subpart E – Cost Principles of the Uniform Guidance and the terms and conditions of the federal award, and to document standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts.

Anticipated Date of Completion:

Fiscal Year 2018

Name of Contact Person:

Cheryl Graff, Regional Superintendent of Schools

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED
For the Year Ended June 30, 2017

2016-002 Underpayment of Employer Federal Funds Teachers' Retirement System Contributions

Not Repeated

The employer federal funds contributions remitted to the Teachers' Retirement System for fiscal year 2017 were adequate.

BASIC FINANCIAL STATEMENTS

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
STATEMENT OF NET POSITION
June 30, 2017

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 266,368	\$ 61,606	\$ 327,974
Accounts receivable	6	-	6
Internal balances	(35,241)	35,241	-
Due from other governments	422,390	5,790	428,180
Total Current Assets	<u>653,523</u>	<u>102,637</u>	<u>756,160</u>
NONCURRENT ASSETS			
Capital assets, net of depreciation	<u>53,238</u>	<u>-</u>	<u>53,238</u>
TOTAL ASSETS	<u>706,761</u>	<u>102,637</u>	<u>809,398</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	<u>1,432,624</u>	<u>-</u>	<u>1,432,624</u>
Total Deferred Outflows	<u>1,432,624</u>	<u>-</u>	<u>1,432,624</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	11,453	21,287	32,740
Due to other governments	79,400	800	80,200
Unearned revenue	1,432	-	1,432
Total Current Liabilities	<u>92,285</u>	<u>22,087</u>	<u>114,372</u>
NONCURRENT LIABILITIES			
Net pension liability	<u>1,546,376</u>	<u>-</u>	<u>1,546,376</u>
Total Noncurrent Liabilities	<u>1,546,376</u>	<u>-</u>	<u>1,546,376</u>
TOTAL LIABILITIES	<u>1,638,661</u>	<u>22,087</u>	<u>1,660,748</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	<u>772,346</u>	<u>-</u>	<u>772,346</u>
Total Deferred Inflows	<u>772,346</u>	<u>-</u>	<u>772,346</u>
NET POSITION			
Net investment in capital assets	53,238	-	53,238
Restricted for educational purposes	233,335	-	233,335
Unrestricted	<u>(558,195)</u>	<u>80,550</u>	<u>(477,645)</u>
TOTAL NET POSITION	<u>\$ (271,622)</u>	<u>\$ 80,550</u>	<u>\$ (191,072)</u>

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

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2017

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position Primary Government		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS						
PRIMARY GOVERNMENT						
Governmental Activities						
Instructional Services						
Salaries	\$ 523,486	\$ 14,907	\$ 518,577	\$ 9,998	\$ -	\$ 9,998
Employee benefits	69,263	220	69,094	51	-	51
Purchased services	209,625	15,924	213,129	19,428	-	19,428
Supplies and materials	118,875	1,491	123,894	6,510	-	6,510
Other	6,894	119	5,058	(1,717)	-	(1,717)
Depreciation	5,238	-	-	(5,238)	-	(5,238)
Pension expense	244,942	-	77,829	(167,113)	-	(167,113)
Intergovernmental						
Payments to other governmental units	673,266	-	599,931	(73,335)	-	(73,335)
Administrative						
On-behalf payments	636,335	-	-	(636,335)	-	(636,335)
Total Governmental Activities	2,487,924	32,661	1,607,512	(847,751)	-	(847,751)
Business-type Activities						
Charges for Services	59,102	100,798	-	-	41,696	41,696
Total Business-type Activities	59,102	100,798	-	-	41,696	41,696
Total Primary Government	\$ 2,547,026	\$ 133,459	\$ 1,607,512	(847,751)	41,696	(806,055)
General Revenues						
Local sources				92,444	-	92,444
On-behalf payments - local				144,570	-	144,570
State sources				88,121	-	88,121
On-behalf payments - State				491,765	-	491,765
Interest				1,180	2,978	4,158
Total General Revenues				818,080	2,978	821,058
Change in net position				(29,671)	44,674	15,003
Net Position - beginning				472,539	35,876	508,415
Prior period restatement - see Note 18				(714,490)	-	(714,490)
Net Position - beginning (restated)				(241,951)	35,876	(206,075)
Net Position - ending				\$ (271,622)	\$ 80,550	\$ (191,072)

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

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2017

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Eliminations	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 2,623	\$ 49,140	\$ 190,580	\$ 24,025	\$ -	\$ 266,368
Accounts receivable	-	-	-	6	-	6
Due from other funds	325,564	-	-	-	(342,167)	(16,603)
Due from other governments	7,459	414,823	-	108	-	422,390
TOTAL ASSETS	<u>335,646</u>	<u>463,963</u>	<u>190,580</u>	<u>24,139</u>	<u>(342,167)</u>	<u>672,161</u>
DEFERRED OUTFLOWS OF RESOURCES						
	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 335,646</u>	<u>\$ 463,963</u>	<u>\$ 190,580</u>	<u>\$ 24,139</u>	<u>\$ (342,167)</u>	<u>\$ 672,161</u>
LIABILITIES						
Accounts payable	\$ 1,120	\$ 10,333	\$ -	\$ -	\$ -	\$ 11,453
Due to other funds	6,317	354,488	-	-	(342,167)	18,638
Due to other governments	306	79,094	-	-	-	79,400
Unearned revenue	-	1,432	-	-	-	1,432
Total liabilities	<u>7,743</u>	<u>445,347</u>	<u>-</u>	<u>-</u>	<u>(342,167)</u>	<u>110,923</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	141,369	-	-	-	141,369
FUND BALANCES (DEFICITS)						
Restricted	-	18,616	190,580	24,139	-	233,335
Assigned	41,325	-	-	-	-	41,325
Unassigned	286,578	(141,369)	-	-	-	145,209
Total Fund Balances (Deficits)	<u>327,903</u>	<u>(122,753)</u>	<u>190,580</u>	<u>24,139</u>	<u>-</u>	<u>419,869</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	<u>\$ 335,646</u>	<u>\$ 463,963</u>	<u>\$ 190,580</u>	<u>\$ 24,139</u>	<u>\$ (342,167)</u>	<u>\$ 672,161</u>

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

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
June 30, 2017**

Total fund balances - governmental funds	\$	419,869
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Some revenues will not be collected for several months after the Regional Office's fiscal year ends. They are not considered "available" revenues and are deferred in the governmental funds.</p>		141,369
<p>Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds, net of accumulated depreciation of \$322,708.</p>		53,238
<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	\$ 1,432,624	
Deferred inflows of resources	<u>(772,346)</u>	660,278
<p>Long-term liabilities are not due and payable in the current period and; therefore, are not reported in the governmental funds.</p>		
IMRF net pension liability	\$ (28,290)	-
TRS net pension liability	<u>(1,518,086)</u>	<u>(1,546,376)</u>
Net position of governmental activities	\$	<u><u>(271,622)</u></u>

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

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2017

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Eliminations	Total Governmental Funds
REVENUES						
Local sources	\$ 93,785	\$ -	\$ 24,016	\$ 7,304	\$ -	\$ 125,105
Local sources - on-behalf payments	144,570	-	-	-	-	144,570
State sources	222,861	281,682	-	1,341	-	505,884
State sources - on-behalf payments	250,559	-	-	-	-	250,559
Federal sources	-	1,055,009	-	-	-	1,055,009
Interest	525	-	594	61	-	1,180
Total revenues	<u>712,300</u>	<u>1,336,691</u>	<u>24,610</u>	<u>8,706</u>	<u>-</u>	<u>2,082,307</u>
EXPENDITURES						
Instructional services						
Salaries	79,794	441,792	1,900	-	-	523,486
Employee benefits	10,219	59,016	28	-	-	69,263
Pension expense	6,857	66,477	-	-	-	73,334
Purchased services	24,853	182,042	943	1,787	-	209,625
Supplies and materials	12,862	105,823	190	-	-	118,875
Other	2,549	4,320	-	25	-	6,894
On-behalf payments	395,129	-	-	-	-	395,129
Intergovernmental						
Payments to other governmental units	73,335	599,931	-	-	-	673,266
Capital outlay	2,288	3,098	-	-	-	5,386
Total expenditures	<u>607,886</u>	<u>1,462,499</u>	<u>3,061</u>	<u>1,812</u>	<u>-</u>	<u>2,075,258</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>104,414</u>	<u>(125,808)</u>	<u>21,549</u>	<u>6,894</u>	<u>-</u>	<u>7,049</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	464	-	-	(464)	-
Transfers out	(464)	-	-	-	464	-
Total other financing sources (uses)	<u>(464)</u>	<u>464</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances (deficits)	103,950	(125,344)	21,549	6,894	-	7,049
FUND BALANCES (DEFICITS), BEGINNING OF YEAR	<u>223,953</u>	<u>2,591</u>	<u>169,031</u>	<u>17,245</u>	<u>-</u>	<u>412,820</u>
FUND BALANCES (DEFICITS), END OF YEAR	<u>\$ 327,903</u>	<u>\$ (122,753)</u>	<u>\$ 190,580</u>	<u>\$ 24,139</u>	<u>\$ -</u>	<u>\$ 419,869</u>

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

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2017

Net change in fund balances \$ 7,049

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

Some revenues will not be collected for several months after the Regional Office's fiscal year ends. They are not considered "available" revenues and are deferred in the governmental funds.

Current year unavailable revenue - federal sources	16,085	
Current year unavailable revenue - State sources	125,284	
Prior year unavailable revenue - federal sources	<u>(6,629)</u>	134,740

Governmental funds report capital outlays as expenditures and proceeds from disposals as revenue. However, in the Statement of Activities the cost of those assets, which meet capitalization requirements, is allocated over their estimated useful lives and reported as depreciation expense and gains and losses are reported on disposals.

Capital outlay	\$ 5,386	
Depreciation expense	<u>(5,238)</u>	148

Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

Cost of benefits earned, net		<u>(171,608)</u>
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Change in net position of governmental activities		<u><u>\$ (29,671)</u></u>
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The notes to the financial statements are an integral part of this statement.

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2017

	Business-Type Activities Enterprise Funds		Total
	Nonmajor Fund		
	Workshops	Fingerprinting	
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 24,911	\$ 36,695	\$ 61,606
Due from other funds	35,241	-	35,241
Due from other governments	-	5,790	5,790
TOTAL ASSETS	<u>60,152</u>	<u>42,485</u>	<u>102,637</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	19,225	2,062	21,287
Due to other governments	-	800	800
Total current liabilities	<u>19,225</u>	<u>2,862</u>	<u>22,087</u>
TOTAL LIABILITIES	<u>19,225</u>	<u>2,862</u>	<u>22,087</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Unrestricted	<u>40,927</u>	<u>39,623</u>	<u>80,550</u>
TOTAL NET POSITION	<u>\$ 40,927</u>	<u>\$ 39,623</u>	<u>\$ 80,550</u>

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

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2017

	Business-Type Activities Enterprise Funds		Total
	Workshops	Nonmajor Fund Fingerprinting	
Operating Revenues			
Charges for services	\$ 48,363	\$ 52,435	\$ 100,798
Operating Expenses			
Employee benefits	452	-	452
Purchased services	18,021	35,635	53,656
Supplies and materials	108	3,751	3,859
Other	15	1,120	1,135
Total operating expenses	18,596	40,506	59,102
Operating Income (Loss)	29,767	11,929	41,696
Nonoperating Revenues (Expenses)			
Interest	96	2,882	2,978
Total Nonoperating Revenues (Expenses)	96	2,882	2,978
Change in Net Position	29,863	14,811	44,674
Net Position, Beginning of Year	11,064	24,812	35,876
Net Position, End of Year	\$ 40,927	\$ 39,623	\$ 80,550

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

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2017

	Business-Type Activities Enterprise Funds		Total
	Nonmajor Fund		
	Workshops	Fingerprinting	
Cash Flows from Operating Activities:			
Receipts from customers	\$ 53,028	\$ 50,990	\$ 104,018
Payments to suppliers and providers for goods and services	(23,435)	(40,923)	(64,358)
Payments to employees	(452)	-	(452)
Net cash provided by (used for) operating activities	<u>29,141</u>	<u>10,067</u>	<u>39,208</u>
Cash Flows from Noncapital Financing Activities:			
Interfund loans (made) repaid	(35,241)	-	(35,241)
Net cash provided by (used for) noncapital financing activities	<u>(35,241)</u>	<u>-</u>	<u>(35,241)</u>
Cash Flows from Investing Activities			
Interest earned on deposits	96	2,882	2,978
Net cash provided by (used for) investing activities	<u>96</u>	<u>2,882</u>	<u>2,978</u>
Net increase (decrease) in cash and cash equivalents	(6,004)	12,949	6,945
Cash and cash equivalents - Beginning of year	<u>30,915</u>	<u>23,746</u>	<u>54,661</u>
Cash and cash equivalents - End of year	<u>\$ 24,911</u>	<u>\$ 36,695</u>	<u>\$ 61,606</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 29,767	\$ 11,929	\$ 41,696
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Change in assets and liabilities:			
(Increase) decrease in due from other governments	4,665	(1,445)	3,220
Increase (decrease) in accounts payable	(5,291)	(1,217)	(6,508)
Increase (decrease) in due to other governments	<u>-</u>	<u>800</u>	<u>800</u>
Net cash provided by (used for) operating activities	<u>\$ 29,141</u>	<u>\$ 10,067</u>	<u>\$ 39,208</u>

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

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2017

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	\$ 826
Due from other governments	<u>6,702,762</u>
Total assets	<u><u>\$ 6,703,588</u></u>
Liabilities	
Due to other governments	<u>\$ 6,703,588</u>
Total liabilities	<u><u>\$ 6,703,588</u></u>

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

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education #30 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

In 2017, the Regional Office of Education #30 implemented Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*; GASB Statement No. 77, *Tax Abatement Disclosures*; GASB Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Pension Plans*; GASB Statement No. 80, *Blending Requirements for Certain Component Units*; and GASB Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*. The implementation of GASB Statement No. 74 establishes standards for the financial reports of defined benefit OPEB plans administered through trusts that meet specified criteria. The implementation of GASB Statement No. 77 requires governments to disclose information about their own tax abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues. The implementation of GASB Statement No. 78 amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local government employers through cost-sharing multiple-employer defined pension plan and establishes requirements for recognition and measurement of pension expense, expenditures, liabilities, note disclosures, and required supplementary information for pensions. The implementation of GASB Statement No. 80 provides clarity on how certain component units incorporated as not-for-profit corporations should be presented in the financial statements of the primary state or local government. The implementation of GASB Statement No. 82 clarifies the presentation of payroll-related measures in required supplementary information, the selection of assumptions and the treatment of deviations from the guidance in the Actuarial Standard of Practice for financial reporting purposes, and the classification of payments made by employers to satisfy employee or plan member contribution requirements

A. Date of Management's Review

Management has evaluated subsequent events through May 14, 2020, the date when the financial statements were available to be issued.

B. Financial Reporting Entity

The Regional Office operates under the School Code (Articles 5/3 and 5/3A of *Illinois Compiled Statutes*, Chapter 105). The Regional Office of Education #30 encompasses Alexander, Jackson, Perry, Pulaski, and Union Counties. The Regional Superintendent of Schools (Regional Superintendent) serves as chief administrative officer of the Regional Office of Education #30 and is elected pursuant to Article 3, *Illinois Compiled Statutes*, Chapter 105.

The Regional Superintendent is charged with the responsibility for township fund lands; registration of the names of applicants for scholarships to State controlled universities; 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;

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Financial Reporting Entity (Concluded)

examine evidence of indebtedness; to file and keep returns of elections required to be returned to the Regional Superintendent's office; and to file and keep the reports and statements returned by school treasurer's 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 the school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education #30's districts; providing township treasurers with a list of district treasurers; inspecting and approving building plans which comply with State law; to perform and report on annual building inspections; investigating bus drivers for valid bus driver permits and taking related action as may be required; maintaining a list of unfilled teaching positions; and to carrying 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 the Regional Superintendent's control are properly bonded. The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for the 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, 2017, the Regional Office of Education #30 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 #30. Such activities are reported as a single major fund (Education Fund).

C. Scope of Reporting Entity

The Regional Office of Education #30's reporting entity includes all related organizations for which they exercise oversight responsibility.

The Regional Office of Education #30 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the region, including districts or joint agreements which serve pupils from numerous regions, should be included in its financial reporting entity. The criteria include, but are not limited to, whether the Regional Office of Education #30 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Scope of Reporting Entity (Concluded)

The districts and joint agreements 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 Regional Office of Education #30 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education #30 is not aware of any entity, which would exercise such oversight as to result in the Regional Office of Education #30 being considered a component unit of the entity.

Based on the criteria above, any expenditures paid through the funds of Alexander, Jackson, Perry, Pulaski, and Union Counties, for the operation of the Regional Office of Education #30, are not included in the reporting entity because it is the county boards that authorize, oversee, and control these expenditures.

D. Government-Wide and Fund Financial Statements

The Regional Office of Education #30's government-wide financial statements include a Statement of Net Position and a Statement of Activities and report information on all of the non-fiduciary activities of the Regional Office of Education #30. 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.

The Statement of Net Position and the Statement of Activities are presented on an "economic resources" measurement focus prescribed by GASB Statement No. 34. All of the Regional Office of Education #30's assets, including capital assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included in the accompanying Statement of Net Position. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and (2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and proprietary funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and reported in a single column.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, such as, payables, receivables and transfers. Interfund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the governmental fund

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Governmental – Wide and Fund Financial Statements (Concluded)

Balance Sheet and proprietary fund Statement of Net Position and as transfers in/out on the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the proprietary fund Statement of Revenues, Expenses, and Changes in Fund Net Position. All interfund transactions between governmental funds are eliminated on the government-wide financial statements. Interfund activities between governmental funds and business-type funds remain as due to/due from or transfers in/out on the government-wide financial statements.

E. Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and nonmajor funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets plus deferred outflows of resources and liabilities plus deferred inflows of resources (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues, if any, are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses, if any, are reported as non-operating expenses.

F. Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and nonmajor funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

The governmental fund financial statements have been prepared in accordance with generally accepted accounting principles on the modified accrual basis. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both “measurable and available.” “Measurable” means that the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. All revenues are considered “available” if they are collected within 60 days after year end. Revenues received more than 60 days after

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Governmental Fund Financial Statements (Concluded)

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 are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for prepaid expenses and other long-term obligations, which are recognized when paid.

G. Measurement Focus and Basis of Accounting

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

The governmental funds financial statements focus on the measurement of spending or "financial flow" and the determination of changes in financial position, rather than upon net income determination. This means that only current assets plus deferred outflows of resources and current liabilities plus deferred inflows of resources are generally included on their balance sheets. The reported fund balance (net current position) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Regional Office of Education #30; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually recoverable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Under the terms of grant agreements, Regional Office of Education #30 funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. It is Regional Office of Education #30's policy to first apply restricted funds, then unrestricted resources as they are needed. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned if any.

H. Fund Accounting

The Regional Office of Education #30 uses funds to maintain its financial records during the year. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Fund Accounting (Continued)

assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures or expenses, as appropriate. Fund accounting segregates funds according to their intended purposes and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The Regional Office of Education #30 uses governmental, proprietary, and fiduciary funds.

Governmental Funds

Governmental funds are those through which most governmental functions of the Regional Office of Education #30 are typically reported. Reporting for governmental funds focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as a fund balance.

As prescribed by GASB Statement No. 34, governmental fund reporting focuses on the major funds, rather than on the fund type. There is a two-step process for determining if a fund should be reported as a major fund: 1) total assets (including deferred outflows of resources), liabilities (including deferred inflows of resources), revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 10% of the corresponding total for the fund type, and 2) total assets (including deferred outflows of resources), liabilities (including deferred inflows of resources), revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as nonmajor funds. The Regional Office of Education #30 has presented all major funds that met the above qualifications.

The Regional Office of Education #30 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Regional Office of Education #30 and is used to account for all financial resources except those required to be accounted for and reported in another fund. This fund is available to pay general and administrative expenditures of the Regional Office of Education #30. The General Fund is always considered a major fund. Included in this fund are:

General Operations – To accumulate miscellaneous receipt and disbursements to support the day-to-day expenses of the Regional Office.

General State Aid – To account for general state aid monies received and used to provide assistance with other regional office programs.

General State Aid – Soar HS Safe Schools – To account for general state aid monies received for the Regional Office of Education #30's safe school for high school students.

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Fund Accounting (Continued)

Governmental Funds (Continued)

General State Aid – Soar MS Safe Schools – To account for general state aid monies received for the Regional Office of Education #30’s safe school for middle school students.

Special Programs – To provide for miscellaneous expenses and programs that benefit the school districts and/or Regional Office.

Technology Learning – Technology Centers – To provide special grant funds for Regional Office of Education #30 for technology services.

Major Special Revenue Funds – Special Revenue Funds are used to account for and report the proceeds of specific revenue sources (other than fiduciary or major capital projects) that are restricted to expenditures for specified purposes. Major special revenue funds include the following:

Education – This fund is used to account for and report the proceeds of specific revenue sources that are restricted by grant agreements or contracts to expenditures for specified purposes supporting education enhancement programs as follows:

I-RTI – To work with the I-RTI Network Statewide Coordinator to develop and implement a coordinated plan, aligned with the Illinois Statewide Plan for delivery of professional development, technical assistance, and coaching services to participating districts and others in the area.

I-STEM Math – To account for a grant for math professional development from the Illinois Math and Science Partnerships I-STEM Network Area Partnership.

I-STEM Science – To account for a grant for science professional development from the Illinois Math and Science Partnerships I-STEM Network Area Partnership.

McKinney Education for Homeless Children – To aid the education of homeless children.

RAMPDUP II – To provide services, support, and technical assistance for the professional development grant RAMPD UP (Rural Access to Mathematics through Professional Development) and Onward received from Southern Illinois University Carbondale.

Regional Safe Schools – To provide funding for an alternative school program for disruptive youth in grades 6-9 whom have been removed from the regular school setting due to continuous disruptions in the classroom.

ROE/ISC Operations – This fund accounts for the professional development activities that took over the educational service centers.

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Fund Accounting (Continued)

Governmental Funds (Continued)

School Climate (Bullying) – To account for a grant designed to gather data in regard to school climate, including issues around bullying, to be distributed to school districts for the development and implementation of healthy, positive school climates. Training is offered to teachers and administrators to provide strategies and programs for improving school climates, including anti-bullying.

School Lunch and Breakfast – This fund accounts for State and federal monies to provide reimbursement of meals through the school lunch and breakfast program and free or reduced-price meals for students enrolled in the Regional Safe School program.

Title I – School Improvement and Accountability – To support the improvement of basic programs operated by providing professional development for data analysis, school improvement plan/development, Standards-Aligned curriculum/instruction, and classroom assessment to System of Support Status schools on Academic Early Warning and Watch.

Title II – Teacher Quality – To account for a grant from the State to assist with the recruiting, hiring, and retaining highly qualified teachers. These funds also provided for teacher and paraprofessional training.

Title II – Teacher Quality Leadership – To account for a grant from the State which is for the purpose of implementing the purchase of the principal and/or teacher evaluation training.

Truants Alternative/Optional Education (TAOEP) – To account for a grant from the State which is devoted to ensuring that each referred at-risk student will be provided with individualized educational and supplemental services that meet the holistic needs of students in pursuit of their educational development. TAOEP offerings include: identification of at-risk students and dropouts, truancy intervention services, academic intervention and remediation, parental skills development, and network with community agencies and businesses.

Institute Fund – This fund accounts for teacher license registration, issuance, and evaluation fees for processing licenses and expenses to promote the professional growth of teachers and school personnel. All funds generated remain restricted until expended only on the aforementioned activities.

Nonmajor Special Revenue Funds – Special Revenue Funds are used to account for and report the proceeds of specific revenue sources (other than fiduciary or major capital projects) that are restricted to expenditures for specified purposes. Nonmajor special revenue funds include the following:

Bus Driver Training – To account for State and local receipts and expenses designed for initial and refresher courses of instruction for school bus drivers.

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Fund Accounting (Concluded)

Governmental Funds (Concluded)

General Education Development – To account for the receipts and expenses related to administering the High School Equivalency Testing program.

Proprietary Funds

Proprietary funds reported are enterprise funds which are used to account for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis should be financial or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or income is appropriate for capital maintenance, public policy, management control accountability, or other purposes.

The Regional Office of Education #30 reports the following major proprietary fund:

Workshops – To account for the workshop registration fees and expenses related to workshops sponsored by the Alexander, Jackson, Perry, Pulaski, and Union Counties Regional Office of Education #30.

Nonmajor Proprietary Fund – The Regional Office of Education #30 reports the following proprietary fund as a nonmajor fund:

Fingerprinting – To account for the administration of the fingerprinting program.

Fiduciary Funds

Fiduciary funds reported are agency funds which are used to account for assets held by the Regional Office of Education #30 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These funds are custodial in nature (assets and liabilities) and do not involve measurement of results of operations. Agency funds include the following:

Area VI Meetings – To account for registration fees and expenses associated with Area VI meetings.

Distributive Fund – To distribute monies received from the Illinois State Board of Education, the Department of Natural Resources, and the State of Illinois (School Facility Occupation Tax) to the applicable school districts and other entities.

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Governmental Fund Balances

Fund balance is the difference between assets plus deferred outflows of resources and liabilities plus 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 Fund Balance – The portion of a governmental fund’s net position that is not available to be spent, either short term or long term, in either its form or through legal restrictions. The Regional Office of Education #30 has no nonspendable fund balances.

Restricted Fund Balance – The portion of a governmental fund’s net position that is subject to external enforceable legal restrictions. The following Education Fund account fund balance is restricted by grant agreement or contract: School Lunch and Breakfast. The following fund balances are restricted by Illinois Statute: Institute, Bus Driver Training, and General Education Development.

Committed Fund Balance – The portion of a governmental fund’s net position with self-imposed constraints or limitations that have been placed at the highest level of decision making. The Regional Office of Education #30 has no committed fund balances.

Assigned Fund Balance – The portion of a governmental fund’s net position for which an intended use of resources has been denoted. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following General Fund accounts have been assigned: Special Programs and Technology Learning – Technology Centers.

Unassigned Fund Balance – Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The following General Fund accounts have unassigned fund balances: General Operations, General State Aid, General State Aid – Soar HS Safe Schools, and General State Aid – Soar MS Safe Schools. The following Education Fund account has an unassigned fund deficit: Regional Safe School, School Climate (Bullying), and Truants Alternative/Optional Education.

J. Net Position

Equity is classified as net position and displayed in three components:

Net investment in capital assets – Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement 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 the 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.

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit. The Regional Office of Education #30 considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents.

L. Interfund Receivables and Payables

The recordings of due from and due to other funds are a result of various borrowings between funds during the year.

M. Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more and estimated useful lives of greater than one year are recorded at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Computer equipment	3-5 years
Office equipment and furniture	5-10 years
Other equipment	5-20 years
Buildings	39 years

Capital assets in the governmental fund financial statements are reported as expenditures when incurred.

N. Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred Outflows 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 – 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. 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. Deferred inflows of resources are reported in the governmental fund financial statements as unavailable revenue and 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. Deferred inflows of resources consist of grant receivables not collected within sixty days after year end.

Deferred inflows of resources in the Statement of Net Position consist of the unamortized portion of the net difference between projected and actual earnings on pension plan investments.

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

O. Compensated Absences

Compensated absences do not vest or accumulate and are recorded as expenditures when paid.

P. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Q. Budget Information

The Regional Office of Education #30 was not legally required to adopt annual budgets for all funds under its control, and some annual budgets prepared were not based upon the same operating period. Therefore, budgetary reports comparing budgeted to actual expenditures are not presented.

Budgets relating to programs funded by grants from the Illinois State Board of Education are prepared and submitted to the State Board as part of the grant awards process. The State Board must also approve amendments to these budgets. Grant project budgets are based on the award period. Budgetary Comparison Schedules have been presented for the following grants: I-STEM Math, I-STEM Science, Regional Safe Schools, ROE/ISC Operations, Title II – Teacher Quality, Title II – Teacher Quality Leadership, and Truants Alternative/Optional Education.

R. Interest on Distributive Fund Accounts

The Regional Office of Education #30 has agreements with all districts in the region whereby the Regional Office of Education #30 is allowed to keep the interest received on Distributive Fund receipts for expenditures benefiting all districts.

NOTE 2: CASH AND CASH EQUIVALENTS

Illinois Compiled Statutes authorize the Regional Office of Education #30 to make deposits and invest in U.S. Government, State of Illinois and municipal securities, certificates of deposit or time savings deposits insured by the FDIC, mortgage notes, bonds, or debentures issued by the Federal Housing Administration, bonds and other obligations of the Federal National Mortgage Association, commercial paper rated within the three highest classifications by at least two standard rating services, credit union shares, and the Illinois Public Treasurer's Investment Pool.

A. Deposits

At June 30, 2017, the carrying amount of the Regional Office of Education #30's government-wide and fiduciary fund deposits were \$327,974 and \$826, respectively, and the bank balances were \$442,710 and \$141,335, respectively. The difference between the above amounts primarily represents checks that have been issued but have not yet cleared the bank as of June 30, 2017.

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NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Concluded)

At June 30, 2017, \$251,285 of the Regional Office of Education #30's cash deposits were insured by the Federal Deposit Insurance Corporation. Of the remaining amount, \$328,350 was collateralized by securities pledged by the Regional Office of Education #30's financial institution in the name of the Regional Office and \$4,410 was invested in the Illinois Money Market Fund.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Regional Office of Education #30's deposits may not be returned to it. The Regional Office of Education #30 does not have a formal deposit policy for custodial credit risk but follows the Public Funds Investment Act (30 ILCS 235/2 and 6), and Section 8-7 of the School Code.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The Regional Office of Education #30 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Regional Office of Education #30 is allowed to invest in securities as authorized by Section 2 and 6 of the Public Funds Investment Act (30 ILCS 235/2 and 6), and Section 8-7 of the School Code. The Regional Office of Education #30 has no investment policy that would further limit its investment choices. As of June 30, 2017, the Regional Office of Education #30 was in compliance with these guidelines.

B. Investments

At June 30, 2017, the carrying amount and bank balance of the Regional Office of Education #30's deposits in the Illinois Funds Money Market Fund for fiduciary funds was \$0 and \$4,410, respectively. This fund enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. These deposits are included in cash and cash equivalents in the Regional Office of Education #30's fiduciary funds.

Credit Risk

At June 30, 2017, the Illinois Funds Money Market Fund has a Standard and Poor's AAAM rating. The pool is audited annually by an outside, independent auditor and copies of the report are distributed to participants. Although not subject to directly regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provisions of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

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NOTE 2: CASH AND CASH EQUIVALENTS (CONCLUDED)

B. Investments (Concluded)

Interest Rate Risk

The Illinois Funds Money Market Fund, created by the Illinois Generally Assembly, enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. The investment policy of the Illinois Funds Money Market Fun states that, unless authorized specifically by the Treasurer, a minimum of 75% of its investments shall have less than one-year maturity and no investment shall exceed two years maturity.

Concentration of Credit Risk

Unless specifically authorized by the Treasurer, the Illinois Funds Money Market Fund's investment policy limits investment categories to not exceed 25% of the portfolio, with the exception of cash equivalents and U.S. Treasury securities. Further, certificates of deposit cannot exceed 10% of any single financial institution's total deposits.

NOTE 3: DEFINED BENEFIT PENSION PLAN

IMRF Plan Description

The Regional Office of Education #30's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Regional Office of Education #30's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the following "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

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NOTE 3: DEFINED BENEFIT PENSION PLAN (CONTINUED)

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2016, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	11
Inactive Plan Members entitled to but not yet receiving benefits	8
Active Plan Members	12
Total	31

Contributions

As set by statute, the Regional Office of Education #30's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Regional Office of Education #30's annual contribution rate for calendar year 2016 was 0.94%. For the calendar year ended 2016, the Regional Office of Education #30 contributed \$2,454 to the plan. The Regional Office of Education #30 also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

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NOTE 3: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability

The Regional Office of Education #30's net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2016:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) 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). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- 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 to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2016:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38%	6.85%
International Equity	17%	6.75%
Fixed Income	27%	3.00%
Real Estate	8%	5.75%
Alternative Investments	9%	2.65-7.35%
Cash Equivalents	1%	2.25%
Total	100%	

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NOTE 3: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Single Discount Rate

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.78%, and the resulting single discount rate is 7.50%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2015, Restated	\$ 1,480,133	\$ 1,482,012	\$ (1,879)
Changes for the year:			
Service Cost	20,421	-	20,421
Interest on the Total Pension Liability	108,410	-	108,410
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	3,514	-	3,514
Changes of Assumptions	-	-	-
Contributions - Employer	-	2,455	(2,455)
Contributions - Employees	-	11,977	(11,977)
Net Investment Income	-	89,270	(89,270)
Benefit Payments, including Refunds of Employee Contributions	(89,746)	(89,746)	-
Other (Net Transfer)	-	(1,526)	1,526
Net Changes	42,599	12,430	30,169
Balances at December 31, 2016	\$ 1,522,732	\$ 1,494,442	\$ 28,290

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017**

NOTE 3: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	<u>1% Lower 6.50%</u>	<u>Current Discount 7.50%</u>	<u>1% Higher 8.50%</u>
Net Pension Liability (Asset)	\$ 203,243	\$ 28,290	\$ (118,891)

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

For the year ending June 30, 2017, the Regional Office of Education #30 recognized pension expense of \$72,436. At June 30, 2017, the Regional Office of Education #30 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ 1,730	\$ (5,994)
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	<u>144,840</u>	<u>-</u>
Total Deferred Amounts to be recognized in pension expense in future periods	<u>146,570</u>	<u>(5,994)</u>
<i>Pension Contributions made Subsequent to the Measurement Date</i>		
	<u>10,895</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 157,465</u>	<u>\$ (5,994)</u>

\$10,895 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, 2018.

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 3: DEFINED BENEFIT PENSION PLAN (CONCLUDED)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31,	Net Deferred Outflows (Inflows) of Resources
2017	\$ 48,393
2018	46,664
2019	41,951
2020	3,568
2021	-
Thereafter	-
Total	\$ 140,576

NOTE 4: TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

The Regional Office of Education #30 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 non-annuitants 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 <https://www.trsil.org/financial/cafrs/fy2016>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-0890, 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.

REGIONAL OFFICE OF EDUCATION #30
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NOTE 4: TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (CONTINUED)

Benefits Provided (Concluded)

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.

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, 2016, was 9.4 percent of creditable earnings. On July 1, 2016, the rate dropped to 9.0 percent of pay due to the expiration of the Early Retirement Option (ERO). The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the Regional Office of Education #30.

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #30. For the year ended June 30, 2017, State of Illinois contributions recognized by the Regional Office of Education #30 were based on the State's proportionate share of the collective net pension liability associated with the Regional Office of Education #30, and the Regional Office of Education #30 recognized revenue and expenditures of \$241,206 in pension contributions from the State of Illinois.

2.2 formula contributions. Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. This contribution rate is specified by statute. Contributions for the year ending June 30, 2017 were \$1,932, and are deferred because they were paid after the June 30, 2016 measurement date.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the Regional Office of Education #30, there is a statutory requirement for the Regional Office of Education #30 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.

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NOTE 4: TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (CONTINUED)

Contributions (Concluded)

For the year ended June 30, 2017, the employer pension contribution was 38.54 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2017, salaries totaling \$153,342 were paid from federal and special trust funds that required employer contributions of \$59,098. These contributions are deferred because they were paid after the June 30, 2016, 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. The Regional Office of Education #30 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 program that ended on June 30, 2016 is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2017, the Regional Office of Education #30 paid no employer ERO contributions for retirements that occurred before July 1, 2016.

The Regional Office of Education #30 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, 2017, the Regional Office of Education #30 made no payments to TRS for employer contributions due on salary increases in excess of 6 percent and no payments 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, 2017, the Regional Office of Education #30 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:

Employers proportionate share of the net pension liability	\$ 1,518,086
State's proportionate share of the net pension liability associated with the employer	<u>2,456,124</u>
Total	<u>\$ 3,974,210</u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015, and rolled forward to June 30, 2016. The Regional Office of Education #30's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2016, relative to the contributions of all participating TRS employers and the State during that period. At June 30, 2016, the Regional Office of Education #30's proportion was 0.0019 percent, which was an increase of 0.0008 percent from its proportion measured as of June 30, 2015.

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NOTE 4: TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Concluded)

For the year ended June 30, 2017, the Regional Office of Education #30 recognized pension expense of \$241,206 and revenue of \$241,206 for support provided by the State. For the year ended June 30, 2017, the Regional Office of Education #30 recognized pension expense of \$177,306. At June 30, 2017, the Regional Office of Education #30 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,225	\$ (1,030)
Net difference between projected and actual earnings on pension plan investments	42,889	-
Change of assumptions	130,381	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,029,634	(765,322)
Employer contributions subsequent to the measurement date	61,030	-
Total	\$ 1,275,159	\$ (766,352)

\$61,030 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized by the Regional Office of Education #30 as a reduction of their net pension liability in the reporting year ended June 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2018	65,577
2019	65,577
2020	146,681
2021	142,773
2022	27,169
Total	\$ 447,777

**REGIONAL OFFICE OF EDUCATION #30
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NOTE 4: TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (CONTINUED)

Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increase	varies by amount of service credit
Investment rate of return	7.50 percent, net of pension plan investment expense, including inflation.

Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully-generational basis using projection table MP-2014.

For the June 30, 2016 valuation, the investment return assumption was lowered from 7.5 percent to 7.0 percent. Salary increase assumptions were lowered from their 2015 levels. Other assumptions were based on the 2015 experience analysis which increased retirement rates, improved mortality assumptions, and made other changes.

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. equities large cap	14.4%	6.94%
U.S. equities small/mid cap	3.6%	8.09%
International equities developed	14.4%	7.46%
Emerging market equities	3.6%	10.15%
U.S. bonds core	10.7%	2.44%
International debt developed	5.3%	1.70%
Real estate	15%	5.44%
Commodities (real return)	11%	4.28%
Hedge funds (absolute return)	8%	4.16%
Private equity	14%	10.63%
Total	100%	

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NOTE 4: TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (CONCLUDED)

Discount Rate

At June 30, 2016, the discount rate used to measure the total pension liability was a blended rate of 6.83 percent, which was a change from the June 30, 2015 rate of 7.47 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 at June 30, 2016 was not 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. Despite the subsidy, all projected future payments were not covered, so a slightly lower long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2015, the discount rate used to measure the total pension liability was 7.47 percent. The discount rate was lower than the actuarially-assumed rate of return on investments that year as well because TRS's fiduciary net position and the subsidy provided by Tier II were not sufficient to cover all projected benefit payments.

Sensitivity of the Regional Office of Education #30's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Regional Office of Education #30's proportionate share of the net pension liability calculated using the discount rate of 6.83 percent, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.83 percent) or 1 percentage point higher (7.83 percent) than the current rate.

	1% Decrease (5.83%)	Current Discount Rate (6.83%)	1% Increase (7.83%)
Employer's proportionate share of the net pension liability	\$ 1,856,680	\$ 1,518,086	\$ 1,241,543

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2016, is available in the separately issued TRS *Comprehensive Annual Financial Report*.

REGIONAL OFFICE OF EDUCATION #30
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NOTE 5: OTHER POST-EMPLOYMENT BENEFITS

A. Teacher Health Insurance Security Fund

The Regional Office of Education #30 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 were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by 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 THIS Fund.

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

On behalf contributions to the THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office of Education #30. State contributions are intended to match contributions to the THIS Fund from active members which were 1.12% of pay during the year ended June 30, 2017. State of Illinois contributions were \$3,730, and the Regional Office of Education #30 recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2016 and June 30, 2015 were 1.07% and 1.02% of pay, respectively. State contributions on behalf of the Regional Office of Education #30's employees were \$3,309 and \$2,126, respectively.

Employer contributions to THIS Fund. The Regional Office of Education #30 also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.84% during the year ended June 30, 2017. For the year ended June 30, 2017, the Regional Office of Education #30 paid \$2,798 to the THIS Fund, which was 100% of the required contribution. For the years ended June 30, 2016 and 2015, the Regional Office paid \$2,474 and \$1,584 to the THIS Fund, respectively, which was 100% of the required contributions.

Further information on THIS Fund. 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" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>). Prior reports are available under "Healthcare and Family Services" (<http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins-Sec-Fund.asp>).

REGIONAL OFFICE OF EDUCATION #30
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NOTE 5: OTHER POST-EMPLOYMENT BENEFITS (CONCLUDED)

B. Other Post-Employment Benefits

The Regional Office of Education #30 has limited participation in the Jackson County Health Insurance Plan (OPEB Plan) that provides health-care insurance for certain eligible retired employees. The OPEB Plan provides an explicit premium subsidy to certain employees who meet eligibility conditions, and other coverage to certain employees as a function of their early retirement agreements. Membership in the OPEB plan consisted of 281 total members, out of which 2 members are employees of the Regional Office of Education #30.

The actuarial valuation of liabilities under the OPEB Plan is calculated using the entry age actuarial cost method as of the November 30, 2016 actuarial valuation report (latest available information). This method required the calculation of an unfunded actuarial liability, annual OPEB cost, and OPEB obligation for Jackson County which amounted to \$7,839,284, \$793,883, and \$2,498,090 as of November 30, 2016. The Regional Office of Education #30's portion of the unfunded actuarial liability, annual OPEB cost, and OPEB obligation are not separately determinable from the Jackson County actuarial study.

The Regional Office of Education #30 has estimated its portion of Jackson County's net OPEB obligation using the ratio of full-time equivalent employees of the Regional Office compared to full-time equivalent employees of the County. Due to the small number of Regional Office employees who participate in the OPEB Plan (0.71% of total members), the Regional Office of Education #30's estimated net OPEB liability was determined to be minimal.

Details of the OPEB Plan are available in Jackson County's audit report for the year ended November 30, 2016. The report may be obtained by writing to the Finance Department, Jackson County, 1001 Walnut Street, Murphysboro, IL 62966.

REGIONAL OFFICE OF EDUCATION #30
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NOTE 6: INTERFUND RECEIVABLES AND PAYABLES

Interfund due to / from other fund balances at June 30, 2017 consist of the following individual due to / from other funds in the governmental funds Balance Sheet. Balances of the same fund type were eliminated in the government-wide Statement of Net Position. The purpose of interfund borrowing was to provide cash to funds that were awaiting reimbursements from grantors.

Fund	Due From Other Funds	Due to Other Funds
General Fund		
General Operations	\$ 146,242	\$ -
General State Aid	79,100	6,317
General State Aid – Soar HS Safe Schools	24,447	-
General State Aid – Soar MS Safe Schools	34,450	-
Special Programs	5,339	-
Technology Learning – Technology Centers	35,986	-
Major Special Revenue Fund – Education Fund		
I-RTI	-	8,324
I-STEM Math	-	22,057
I-STEM Science	-	45,422
McKinney Education for Homeless Children	-	13,334
RAMPDUP II	-	12,291
Regional Safe Schools	-	48,265
School Climate (Bullying)	-	12,916
Title I – School Improvement and Accountability	-	39,102
Title II – Teacher Quality	-	960
Title II – Teacher Quality Leadership	-	3,237
Truants Alternative/Optional Education	-	148,580
Major Proprietary Fund - Workshops	35,241	-
	<u>\$ 360,805</u>	<u>\$ 360,805</u>

NOTE 7: BOND

The Illinois School Code (105 ILCS 5/2) directs the Regional Office of Education #30 to execute a bond of not less than \$100,000 on the Regional Superintendent. The Regional Office of Education #30 has secured and maintained such a bond with coverage of \$400,000 on the Regional Superintendent.

**REGIONAL OFFICE OF EDUCATION #30
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June 30, 2017**

NOTE 8: DUE TO/DUE FROM OTHER GOVERNMENTS

The Regional Office of Education #30's various grant and local programs had funds due to and due from other governments which consisted of the following:

Due from Other Governments:

General Fund		
Local Governments	\$	7,459
Special Revenue Fund – Education Fund		
Illinois State Board of Education		286,754
Regional Office of Education #21		13,508
Regional Office of Education #47		9,054
Southern Illinois University - Carbondale		105,507
Nonmajor Special Revenue Fund – General Education Development		
Local Governments		108
Nonmajor Proprietary Fund – Fingerprinting		
Local Governments		5,790
Agency Fund – Distributive Fund		
Illinois State Board of Education		6,516,050
State of Illinois		186,712
Total	\$	<u>7,130,942</u>

Due to Other Governments:

General Fund		
Local Governments	\$	306
Special Revenue Fund – Education Fund		
Local Governments		79,094
Nonmajor Proprietary Fund – Fingerprinting		
Local Governments		800
Agency Fund – Distributive Fund		
Local Governments		6,703,588
	\$	<u>6,783,788</u>

NOTE 9: DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES

The governmental funds report a separate section for deferred inflows of resources. A deferred inflow of resources reflects an increase in net assets that applies to a future period. The Regional Office has only one type of item that is reported as a deferred inflow of resources. Grant revenues received more than 60 days after the end of the year, which are thus not available under the modified accrual basis of accounting, are reported as deferred inflows of resources in the governmental funds balance sheet.

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NOTE 10: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2017</u>
Governmental activities:				
Capital assets, begin depreciated				
Equipment	\$ 278,560	\$ 5,386	\$ -	\$ 283,946
Building	92,000	-	-	92,000
Total capital assets being depreciated	<u>370,560</u>	<u>5,386</u>	<u>-</u>	<u>375,946</u>
Less accumulated depreciation for				
Equipment	272,450	2,879	-	275,329
Building	45,020	2,359	-	47,379
Total accumulated depreciation	<u>317,470</u>	<u>5,238</u>	<u>-</u>	<u>322,708</u>
Governmental activities capital assets, net	<u>\$ 53,090</u>	<u>\$ 148</u>	<u>\$ -</u>	<u>\$ 53,238</u>
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
	<u>July 1, 2016</u>			<u>June 30, 2017</u>
Business-type activities:				
Capital assets, begin depreciated				
Equipment	\$ 2,040	\$ -	\$ -	\$ 2,040
Less accumulated depreciation for				
Equipment	2,040	-	-	2,040
Business-type activities capital assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense of \$5,238 was charged to the governmental activities instructional services function on the government-wide Statement of Activities for the year ended June 30, 2017. Net investment in capital assets is the component of net position that reports capital assets net of accumulated depreciation.

NOTE 11: RISK MANAGEMENT

The Regional Office of Education #30 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Regional Office of Education #30 has purchased commercial insurance to cover these risks. During the year ended June 30, 2017, there were no significant reductions in coverage. Also, there have been no settlement amounts which have exceeded insurance coverage in the past three years.

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
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NOTE 12: ON-BEHALF PAYMENTS

The State of Illinois and Jackson County paid the following contributions on-behalf of the Regional Office of Education #30:

State of Illinois:	
Regional Superintendent Salary	\$ 112,800
Regional Superintendent Fringe Benefits (Includes State paid insurance)	29,384
Assistant Regional Superintendent Salaries	93,060
Assistant Regional Superintendent Fringe Benefits (Includes State paid insurance)	11,585
THIS Fund Contributions	3,730
Total	<u>\$ 250,559</u>

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education. These amounts have been recorded in the accompanying governmental fund financial statements as State revenue and expenditures in the General Fund.

Regional Office of Education #30 also recorded \$241,206 in revenue and expenses as on-behalf payments from ISBE for the Regional Office's share of the State's Teachers' Retirement System (TRS) pension expense in the Statement of Activities. In addition, the Regional Office of Education #30 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	\$ 250,559
ROE #30's share of TRS pension expense	<u>241,206</u>
Total	<u>\$ 491,765</u>

Jackson County provided the Regional Office of Education #30 with staff and other items on behalf of the Regional Office of Education #30. These amounts have been recorded in the accompanying governmental fund financial statements as local revenue and expenditures in the General Fund. The expenditures paid on Regional Office of Education #30's behalf for the year ended June 30, 2017 were as follows:

Jackson County:	
Salaries	\$ 138,496
Employee benefits	6,829
Purchased services	(1,755)
Supplies and materials	1,000
Total	<u>\$ 144,570</u>

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017**

NOTE 13: OPERATING LEASES

The Regional Office of Education #30 had entered into an annual operating lease for its office annex through September 1, 2012 and a month-to-month lease thereafter. Rental expense for the year ended June 30, 2017 totaled \$15,000.

On September 6, 2016, the Regional Office of Education #30 entered into an operating lease for 2 copier systems for a period of 60 months with monthly payments of \$170. Rental expense for the year ended June 30, 2017 totaled \$1,696. Future minimum lease payments are as follows:

Fiscal Year Ended June 30,		
2018	\$	2,036
2019		2,036
2020		2,036
2021		2,036
2022		339
	<u>\$</u>	<u>8,483</u>

NOTE 14: INTERFUND TRANSFERS

Interfund transfers in/out to other funds at June 30, 2017 consisted of the following individual transfers in/out to other funds in the fund statements. These transfers were made in order to meet operating costs in the receiving funds. The transfer balances between governmental funds were eliminated in the government-wide Statement of Activities; however, any transfers between the governmental funds and the business-type funds were not eliminated.

	Transfers In	Transfers Out
General Fund		
General Operations	\$ -	\$ 464
Special Revenue Fund – Education Fund		
Truants Alternative/Optional Education	464	-
Total	\$ 464	\$ 464

NOTE 15: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Generally accepted accounting principles require disclosure of certain information concerning individual funds which are presented only in combination on the financial statements. Funds having deficit fund balances/net position and funds which over expend appropriations during the year are required to be disclosed.

The following fund had a deficit fund balance at June 30, 2017:

Education Funds		
Regional Safe Schools	\$	31,704
School Climate (Bullying)	\$	16,085
Truants Alternative/Optional Education	\$	93,580

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017**

NOTE 16: CONTINGENCIES

The Regional Office of Education #30 has received funding from federal and State grants in the current and prior years which are subject to audits by granting agencies. The Regional Office of Education #30 believes any adjustments that may arise will be insignificant to the Regional Office of Education #30's operations.

NOTE 17: LONG-TERM LIABILITIES

Changes in long-term liabilities during the fiscal year were as follows:

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2017</u>
Net pension liability - TRS	745,683	772,403	-	1,518,086
Net pension liability (asset) – IMRF, restated	<u>(1,879)</u>	<u>30,169</u>	-	<u>28,290</u>
Total net pension liability	<u>743,804</u>	<u>802,572</u>	-	<u>1,546,376</u>
Total noncurrent liabilities	<u>\$ 743,804</u>	<u>\$ 802,572</u>	<u>\$ -</u>	<u>\$ 1,546,376</u>

NOTE 18: RESTATEMENT

The Regional Office of Education #30 implemented GASB 68 and GASB 71 and consequently recognized deferred outflows of resources, deferred inflows of resources, and net pension liability in the current year. The net opening balance of deferred outflows of resources, deferred inflows of resources, and net pension liability was \$714,490. Because these pension-related opening balances reflect pension expenses not previously recognized, the opening net position of the governmental activities on the government-wide Statement of Activities has been restated as follows:

Governmental Activities

Net Position – July 1, 2016	\$ 472,539
Effect of implementing GASB 68 & GASB 71	<u>(714,490)</u>
Net Position, restated – July 1, 2016	<u>\$ (241,951)</u>

REQUIRED SUPPLEMENTARY INFORMATION

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES**

**ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST THREE CALENDAR YEARS**

Calendar Year Ended December 31,	2016	2015	2014
Total Pension Liability			
Service Cost	\$ 20,421	\$ 18,853	\$ 24,324
Interest on the Total Pension Liability	108,410	102,710	98,954
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	3,514	38,068	(56,601)
Changes of Assumptions	-	-	57,376
Benefit Payments, including Refunds of Employee Contributions	(89,746)	(79,085)	(63,385)
Net Change in Total Pension Liability	42,599	80,546	60,668
Total Pension Liability - Beginning	1,480,133	1,399,587	1,338,919
Total Pension Liability - Ending (A)	\$ 1,522,732	\$ 1,480,133	\$ 1,399,587
 Plan Fiduciary Net Position			
Contributions - Employer	\$ 2,455	\$ 7,539	\$ 18,002
Contributions - Employees	11,977	8,294	7,827
Net Investment Income	89,270	(76,605)	93,739
Benefit Payments, including Refunds of Employee Contributions	(89,746)	(79,085)	(63,385)
Other (Net Transfer)	(1,526)	10,778	(569)
Net Change in Plan Fiduciary Net Position	12,430	(129,079)	55,614
Plan Fiduciary Net Position - Beginning (Restated)	1,482,012	1,611,091	1,555,477
Plan Fiduciary Net Position - Ending (B)	\$ 1,494,442	\$ 1,482,012	\$ 1,611,091
 Net Pension Liability - Ending (A) - (B)	\$ 28,290	\$ (1,879)	\$ (211,504)
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.14%	100.13%	115.11%
 Covered Valuation Payroll	\$ 267,657	\$ 183,773	\$ 173,040
 Net Pension Liability as a Percentage of Covered Valuation Payroll	10.57%	-1.02%	-122.23%

Notes to Schedule

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.

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES**

**ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last Three Calendar Years**

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2014	\$ 17,910	\$ 18,002	\$ (92)	\$ 173,040	10.40%
2015	7,498	7,539	(41)	183,773	4.10%
2016	2,516	2,454	62	267,657	0.92%

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2016 Contribution Rate*

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2016 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate entry age = normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	27-year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.5%
<i>Price Inflation:</i>	2.75%, approximate; no explicit price inflation assumption is used in this valuation.
<i>Salary Increases:</i>	3.75% to 14.50%, including inflation
<i>Investment Rate of Return:</i>	7.50%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013.
<i>Mortality:</i>	For non-disabled retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The 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 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2014, actuarial valuation; note two-year lag between valuation and rate setting.

**REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES**

**SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY†
Teacher's Retirement System of the State of Illinois**

	<u>FY2016*</u>	<u>FY2015*</u>	<u>FY2014*</u>
Employer's proportion of the net pension liability	0.0019%	0.0011%	0.0011%
Employer's proportionate share of the net pension liability	\$ 1,518,086	\$ 745,683	\$ 677,594
State's proportionate share of the net pension liability associated with the employer	2,456,124	1,344,687	1,260,299
Total	<u>\$ 3,974,210</u>	<u>\$ 2,090,370</u>	<u>\$ 1,937,893</u>
Employer's covered payroll	\$ 309,269	\$ 208,479	\$ 238,455
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	490.9%	357.7%	284.2%
Plan fiduciary net position as a percentage of the total pension liability	36.4%	41.5%	43.0%

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

**SCHEDULE OF EMPLOYER CONTRIBUTIONS†
Teacher's Retirement System of the State of Illinois**

	<u>FY2017</u>	<u>FY2016</u>	<u>FY2015</u>	<u>FY2014</u>
Statutorily-required contribution	\$ 61,030	\$ 74,478	\$ 39,890	\$ 39,725
Contributions in relation to the statutorily-required contribution	61,030	74,478	39,891	38,842
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 883</u>
Employer's covered payroll	\$ 333,067	\$ 309,269	\$ 208,479	\$ 238,455
Contributions as a percentage of covered payroll	18.32%	24.08%	19.13%	16.29%

†The information in both schedules will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

Notes to Supplementary Information

Changes of assumptions

For the 2016 measurement year, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.5 percent and real return of 4.5 percent. Salary increases were assumed to vary by service credit.

For the 2015 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

For the 2014 measurement year, the assumed investment rate of return was also 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. However, salary increases were assumed to vary by age.

SUPPLEMENTARY INFORMATION

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND
June 30, 2017

	<u>General Operations</u>	<u>General State Aid</u>	<u>General State Aid - Soar HS Safe Schools</u>	<u>General State Aid - Soar MS Safe Schools</u>
Assets				
Cash and cash equivalents	\$ 2,623	\$ -	\$ -	\$ -
Due from other funds	146,242	79,100	24,447	34,450
Due from other governments	6,909	550	-	-
Total Assets	<u>155,774</u>	<u>79,650</u>	<u>24,447</u>	<u>34,450</u>
Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 155,774</u>	<u>\$ 79,650</u>	<u>\$ 24,447</u>	<u>\$ 34,450</u>
Liabilities				
Accounts payable	\$ -	\$ 1,120	\$ -	\$ -
Due to other funds	-	6,317	-	-
Due to other governments	171	135	-	-
Total Liabilities	<u>171</u>	<u>7,572</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficits)				
Assigned	-	-	-	-
Unassigned	155,603	72,078	24,447	34,450
Total Fund Balances (Deficits)	<u>155,603</u>	<u>72,078</u>	<u>24,447</u>	<u>34,450</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 155,774</u>	<u>\$ 79,650</u>	<u>\$ 24,447</u>	<u>\$ 34,450</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING SCHEDULE OF ACCOUNTS (CONCLUDED)
GENERAL FUND
June 30, 2017

	Special Programs	Technology Learning - Technology Centers	Total
Assets			
Cash and cash equivalents	\$ -	\$ -	\$ 2,623
Due from other funds	5,339	35,986	325,564
Due from other governments	-	-	7,459
Total Assets	5,339	35,986	335,646
Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 5,339	\$ 35,986	\$ 335,646
Liabilities			
Accounts payable	\$ -	\$ -	\$ 1,120
Due to other funds	-	-	6,317
Due to other governments	-	-	306
Total Liabilities	-	-	7,743
Deferred Inflows of Resources	-	-	-
Fund Balances (Deficits)			
Assigned	5,339	35,986	41,325
Unassigned	-	-	286,578
Total Fund Balances (Deficits)	5,339	35,986	327,903
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 5,339	\$ 35,986	\$ 335,646

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS
For the Year Ended June 30, 2017

	General Operations	General State Aid	General State Aid - Soar HS Safe Schools	General State Aid - Soar MS Safe Schools
Revenues				
Local sources	\$ 63,848	\$ 26,336	\$ -	\$ -
Local sources - on-behalf payments	144,570	-	-	-
State sources	-	95,428	65,386	62,047
State sources - on-behalf payments	250,559	-	-	-
Interest	525	-	-	-
Total Revenue	<u>459,502</u>	<u>121,764</u>	<u>65,386</u>	<u>62,047</u>
Expenditures				
Instructional services				
Salaries	15,021	64,773	-	-
Employee benefits	5,182	5,037	-	-
Pension expense	1,874	4,983	-	-
Purchased services	9,339	15,514	-	-
Supplies and materials	4,364	4,893	-	-
Other	2,465	84	-	-
On-behalf payments	395,129	-	-	-
Capital outlay	2,288	-	-	-
Intergovernmental				
Payments to other governmental units	4,799	-	40,939	27,597
Total Expenditures	<u>440,461</u>	<u>95,284</u>	<u>40,939</u>	<u>27,597</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>19,041</u>	<u>26,480</u>	<u>24,447</u>	<u>34,450</u>
Other Financing Sources (Uses)				
Transfers out	(464)	-	-	-
Total Other Financing Sources (Uses)	<u>(464)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances (Deficits)	18,577	26,480	24,447	34,450
Fund Balances (Deficits), Beginning of year	<u>137,026</u>	<u>45,598</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficits), End of year	<u>\$ 155,603</u>	<u>\$ 72,078</u>	<u>\$ 24,447</u>	<u>\$ 34,450</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONCLUDED)
GENERAL FUND ACCOUNTS
For the Year Ended June 30, 2017

	Special Programs	Technology Learning - Technology Centers	Total
Revenues			
Local sources	\$ 3,601	\$ -	\$ 93,785
Local sources - on-behalf payments	-	-	144,570
State sources	-	-	222,861
State sources - on-behalf payments	-	-	250,559
Interest	-	-	525
Total Revenue	3,601	-	712,300
Expenditures			
Instructional services			
Salaries	-	-	79,794
Employee benefits	-	-	10,219
Pension expense	-	-	6,857
Purchased services	-	-	24,853
Supplies and materials	3,605	-	12,862
Other	-	-	2,549
On-behalf payments	-	-	395,129
Capital outlay	-	-	2,288
Intergovernmental			
Payments to other governmental units	-	-	73,335
Total Expenditures	3,605	-	607,886
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4)	-	104,414
Other Financing Sources (Uses)			
Transfers out	-	-	(464)
Total Other Financing Sources (Uses)	-	-	(464)
Net Change in Fund Balances (Deficits)	(4)	-	103,950
Fund Balances (Deficits), Beginning of year	5,343	35,986	223,953
Fund Balances (Deficits), End of year	\$ 5,339	\$ 35,986	\$ 327,903

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
June 30, 2017

	<u>I-RTI</u>	<u>I-STEM Math</u>	<u>I-STEM Science</u>	<u>McKinney Education for Homeless Children</u>
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Due from other governments	9,054	24,295	48,466	13,508
Total Assets	<u>9,054</u>	<u>24,295</u>	<u>48,466</u>	<u>13,508</u>
Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 9,054</u>	<u>\$ 24,295</u>	<u>\$ 48,466</u>	<u>\$ 13,508</u>
Liabilities				
Accounts payable	\$ 730	\$ 2,238	\$ 3,044	\$ 174
Due to other funds	8,324	22,057	45,422	13,334
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
Total Liabilities	<u>9,054</u>	<u>24,295</u>	<u>48,466</u>	<u>13,508</u>
Deferred Inflows of Resources				
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficits)				
Restricted	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 9,054</u>	<u>\$ 24,295</u>	<u>\$ 48,466</u>	<u>\$ 13,508</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING SCHEDULE OF ACCOUNTS (CONTINUED)
EDUCATION FUND
June 30, 2017

	<u>RAMPDUP II</u>	<u>Regional Safe School</u>	<u>ROE/ISC Operations</u>	<u>School Climate (Bullying)</u>	<u>School Lunch and Breakfast</u>
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ 1,113	\$ -	\$ 18,469
Due from other governments	89,422	49,901	-	16,085	147
Total Assets	<u>89,422</u>	<u>49,901</u>	<u>1,113</u>	<u>16,085</u>	<u>18,616</u>
Deferred Outflows of Resources					
	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 89,422</u>	<u>\$ 49,901</u>	<u>\$ 1,113</u>	<u>\$ 16,085</u>	<u>\$ 18,616</u>
Liabilities					
Accounts payable	\$ 1,206	\$ 1,636	\$ 1,113	\$ -	\$ -
Due to other funds	12,291	48,265	-	12,916	-
Due to other governments	75,925	-	-	3,169	-
Unearned revenue	-	-	-	-	-
Total Liabilities	<u>89,422</u>	<u>49,901</u>	<u>1,113</u>	<u>16,085</u>	<u>-</u>
Deferred Inflows of Resources					
Unavailable revenue	-	31,704	-	16,085	-
Fund Balances (Deficits)					
Restricted	-	-	-	-	18,616
Unassigned	-	(31,704)	-	(16,085)	-
Total Fund Balances (Deficits)	<u>-</u>	<u>(31,704)</u>	<u>-</u>	<u>(16,085)</u>	<u>18,616</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 89,422</u>	<u>\$ 49,901</u>	<u>\$ 1,113</u>	<u>\$ 16,085</u>	<u>\$ 18,616</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING SCHEDULE OF ACCOUNTS (CONCLUDED)
EDUCATION FUND
June 30, 2017

	Title I - School Improvement and Accountability	Title II - Teacher Quality	Title II - Teacher Quality Leadership	Truants Alternative/ Optional Education	Total
Assets					
Cash and cash equivalents	\$ 29,558	\$ -	\$ -	\$ -	\$ 49,140
Due from other governments	10,976	1,152	3,237	148,580	414,823
Total Assets	40,534	1,152	3,237	148,580	463,963
Deferred Outflows of Resources					
	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 40,534	\$ 1,152	\$ 3,237	\$ 148,580	\$ 463,963
Liabilities					
Accounts payable	\$ -	\$ 192	\$ -	\$ -	\$ 10,333
Due to other funds	39,102	960	3,237	148,580	354,488
Due to other governments	-	-	-	-	79,094
Unearned revenue	1,432	-	-	-	1,432
Total Liabilities	40,534	1,152	3,237	148,580	445,347
Deferred Inflows of Resources					
Unavailable revenue	-	-	-	93,580	141,369
Fund Balances (Deficits)					
Restricted	-	-	-	-	18,616
Unassigned	-	-	-	(93,580)	(141,369)
Total Fund Balances (Deficits)	-	-	-	(93,580)	(122,753)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 40,534	\$ 1,152	\$ 3,237	\$ 148,580	\$ 463,963

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
For the Year Ended June 30, 2017

	<u>IRTI</u>	<u>I-STEM Math</u>	<u>I-STEM Science</u>	<u>McKinney Education for Homeless Children</u>
Revenues				
State sources	\$ -	\$ -	\$ -	\$ -
Federal sources	<u>163,870</u>	<u>251,086</u>	<u>268,204</u>	<u>41,304</u>
Total Revenues	<u>163,870</u>	<u>251,086</u>	<u>268,204</u>	<u>41,304</u>
Expenditures				
Instructional services				
Salaries	78,745	29,631	33,889	24,400
Employee benefits	26,041	5,026	5,263	4,334
Pension expense	27,284	8,746	8,337	6,841
Purchased services	31,556	27,544	49,894	3,058
Supplies and materials	244	28,797	41,203	219
Other	-	-	-	-
Capital outlay	-	-	-	-
Intergovernmental				
Payments to other governmental units	-	151,342	129,618	2,452
Total Expenditures	<u>163,870</u>	<u>251,086</u>	<u>268,204</u>	<u>41,304</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances (Deficits)	-	-	-	-
Fund Balances (Deficits), Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficits), End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
EDUCATION FUND ACCOUNTS
For the Year Ended June 30, 2017

	<u>RAMPDUP II</u>	<u>Regional Safe Schools</u>	<u>ROE/ISC Operations</u>	<u>School Climate (Bullying)</u>	<u>School Lunch and Breakfast</u>
Revenues					
State sources	\$ -	\$ 33,124	\$ 128,326	\$ -	\$ 232
Federal sources	209,921	-	-	49,956	19,828
Total Revenues	<u>209,921</u>	<u>33,124</u>	<u>128,326</u>	<u>49,956</u>	<u>20,060</u>
Expenditures					
Instructional services					
Salaries	8,233	64,828	90,970	44,138	-
Employee benefits	1,504	-	5,214	6,315	-
Pension expense	2,893	-	5,707	3,565	-
Purchased services	37,864	-	12,312	3,110	-
Supplies and materials	21,764	-	10,822	-	-
Other	4,117	-	203	-	-
Capital outlay	-	-	3,098	-	-
Intergovernmental					
Payments to other governmental units	133,546	-	-	2,284	10,664
Total Expenditures	<u>209,921</u>	<u>64,828</u>	<u>128,326</u>	<u>59,412</u>	<u>10,664</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(31,704)</u>	<u>-</u>	<u>(9,456)</u>	<u>9,396</u>
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances (Deficits)	-	(31,704)	-	(9,456)	9,396
Fund Balances (Deficits), Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,629)</u>	<u>9,220</u>
Fund Balances (Deficits), End of year	<u>\$ -</u>	<u>\$ (31,704)</u>	<u>\$ -</u>	<u>\$ (16,085)</u>	<u>\$ 18,616</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONCLUDED)
EDUCATION FUND ACCOUNTS
For the Year Ended June 30, 2017

	Title I - School Improvement and Accountability	Title II - Teacher Quality	Title II - Teacher Quality Leadership	Truants Alternative/ Optional Education	Total
Revenues					
State sources	\$ -	\$ -	\$ -	\$ 120,000	\$ 281,682
Federal sources	46,451	1,152	3,237	-	1,055,009
Total Revenues	<u>46,451</u>	<u>1,152</u>	<u>3,237</u>	<u>120,000</u>	<u>1,336,691</u>
Expenditures					
Instructional services					
Salaries	9,660	800	-	56,498	441,792
Employee benefits	783	-	-	4,536	59,016
Pension expense	788	-	-	2,316	66,477
Purchased services	4,953	160	3,237	8,354	182,042
Supplies and materials	1,282	192	-	1,300	105,823
Other	-	-	-	-	4,320
Capital outlay	-	-	-	-	3,098
Intergovernmental					
Payments to other governmental units	28,985	-	-	141,040	599,931
Total Expenditures	<u>46,451</u>	<u>1,152</u>	<u>3,237</u>	<u>214,044</u>	<u>1,462,499</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>(94,044)</u>	<u>(125,808)</u>
Other Financing Sources (Uses)					
Transfers in	-	-	-	464	464
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>464</u>	<u>464</u>
Net Change in Fund Balances (Deficits)					
	-	-	-	(93,580)	(125,344)
Fund Balances (Deficits), Beginning of year					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,591</u>
Fund Balances (Deficits), End of year					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (93,580)</u>	<u>\$ (122,753)</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2016 - August 31, 2016)
EDUCATION FUND ACCOUNTS
I-STEM MATH (PROJECT #16-4936-MA)
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 250,000	\$ 250,000	\$ 155,652
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>155,652</u>
Expenditures:			
Instructional services			
Salaries	38,270	38,270	7,752
Employee benefits	17,332	17,332	315
Pension expense	-	-	2,496
Purchased services	27,035	27,035	3,554
Supplies and materials	7,214	7,214	8,296
Intergovernmental			
Payments to other governmental units	160,149	160,149	133,239
Total Expenditures	<u>250,000</u>	<u>250,000</u>	<u>155,652</u>
Net Change in Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	-
Fund Balance (Deficit) - Beginning of Year			-
Fund Balance (Deficit) - End of Year			<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
BUDGETARY COMPARISON SCHEDULE
(For the Period of September 1, 2016 - June 30, 2017)
EDUCATION FUND ACCOUNTS
I-STEM MATH (PROJECT #17-4936-MA)
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 250,000	\$ 250,000	\$ 95,434
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>95,434</u>
Expenditures:			
Instructional services			
Salaries	44,000	44,000	21,879
Employee benefits	14,962	20,377	4,711
Pension expense	-	-	6,250
Purchased services	31,276	25,861	23,990
Supplies and materials	18,301	18,301	20,501
Intergovernmental			
Payments to other governmental units	141,461	141,461	18,103
Total Expenditures	<u>250,000</u>	<u>250,000</u>	<u>95,434</u>
Net Change in Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	-
Fund Balance (Deficit) - Beginning of Year			-
Fund Balance (Deficit) - End of Year			<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2016 - August 31, 2016)
EDUCATION FUND ACCOUNTS
I-STEM SCIENCE (PROJECT #16-4936-SA)
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 250,000	\$ 250,000	\$ 138,094
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>138,094</u>
Expenditures:			
Salaries	38,270	38,270	7,752
Employee benefits	17,332	17,332	315
Pension expense	-	-	2,496
Purchased services	36,794	36,794	6,703
Supplies and materials	11,305	11,305	12,611
Payments to other governmental units	146,299	146,299	108,217
Total Expenditures	<u>250,000</u>	<u>250,000</u>	<u>138,094</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers in	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	-
Fund Balance (Deficit) - Beginning of Year			<u>-</u>
Fund Balance (Deficit) - End of Year			<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
BUDGETARY COMPARISON SCHEDULE
(For the Period of September 1, 2016 - June 30, 2017)
EDUCATION FUND ACCOUNTS
I-STEM SCIENCE (PROJECT #17-4936-SA)
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 250,000	\$ 250,000	\$ 130,110
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>130,110</u>
Expenditures:			
Salaries	38,250	38,250	26,137
Employee benefits	17,129	17,129	4,948
Pension expense	-	-	5,841
Purchased services	29,736	29,736	43,191
Supplies and materials	27,815	27,815	28,592
Payments to other governmental units	137,070	137,070	21,401
Total Expenditures	<u>250,000</u>	<u>250,000</u>	<u>130,110</u>
Net Change in Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	-
Fund Balance (Deficit) - Beginning of Year			-
Fund Balance (Deficit) - End of Year			<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2016 - June 30, 2017)
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS (PROJECT #17-3696-00)
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
State sources	\$ 66,464	\$ 66,464	\$ 33,124
Total Revenues	<u>66,464</u>	<u>66,464</u>	<u>33,124</u>
Expenditures:			
Instructional services			
Salaries	66,464	66,464	64,828
Total Expenditures	<u>66,464</u>	<u>66,464</u>	<u>64,828</u>
Net Change in Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	(31,704)
Fund Balance (Deficit) - Beginning of Year			<u>-</u>
Fund Balance (Deficit) - End of Year			<u>\$ (31,704)</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2016 - August 31, 2016)
EDUCATION FUND ACCOUNTS
ROE/ISC OPERATIONS (PROJECT #16-3730-00)
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 72,583	\$ 72,683	\$ 23,278
Total Revenues	<u>72,583</u>	<u>72,683</u>	<u>23,278</u>
Expenditures			
Instructional services			
Salaries	53,000	45,000	12,582
Employee benefits	5,662	4,662	1,795
Pension expense	-	-	-
Purchased services	8,421	12,521	425
Supplies and materials	2,500	6,500	8,011
Other	-	-	203
Capital outlay	3,000	4,000	262
Total Expenditures	<u>72,583</u>	<u>72,683</u>	<u>23,278</u>
Net Change in Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	-
Fund Balance (Deficit) - Beginning of Year			<u>-</u>
Fund Balance (Deficit) - End of Year			<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2016 - June 30, 2017)
EDUCATION FUND ACCOUNTS
ROE/ISC OPERATIONS (PROJECT #17-3730-00)
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 105,048	\$ 105,048	\$ 105,048
Total Revenues	<u>105,048</u>	<u>105,048</u>	<u>105,048</u>
Expenditures			
Instructional services			
Salaries	74,000	74,000	78,388
Employee benefits	10,458	10,458	3,419
Pension expense	-	-	5,707
Purchased services	11,887	11,887	11,887
Supplies and materials	2,500	2,500	2,811
Other	3,203	3,203	-
Capital outlay	3,000	3,000	2,836
Total Expenditures	<u>105,048</u>	<u>105,048</u>	<u>105,048</u>
Net Change in Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	-
Fund Balance (Deficit) - Beginning of Year			<u>-</u>
Fund Balance (Deficit) - End of Year			<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
BUDGETARY COMPARISON SCHEDULE
(For the Period of May 10, 2017 - June 30, 2017)
EDUCATION FUND ACCOUNTS
TITLE II - TEACHER QUALITY (PROJECT #17-4932-00)
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 1,152	\$ 1,152	\$ 1,152
Total Revenues	<u>1,152</u>	<u>1,152</u>	<u>1,152</u>
Expenditures			
Instructional services			
Salaries	800	800	800
Purchased services	160	160	160
Supplies and materials	192	192	192
Total Expenditures	<u>1,152</u>	<u>1,152</u>	<u>1,152</u>
Net Change in Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	-
Fund Balance (Deficit) - Beginning of Year			<u>-</u>
Fund Balance (Deficit) - End of Year			<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
BUDGETARY COMPARISON SCHEDULE
(For the Period of March 16, 2017 - June 30, 2017)
EDUCATION FUND ACCOUNTS
TITLE II - TEACHER QUALITY LEADERSHIP (PROJECT #17-4935-02)
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 3,237	\$ 3,237	\$ 3,237
Total Revenues	<u>3,237</u>	<u>3,237</u>	<u>3,237</u>
Expenditures			
Instructional services			
Purchased services	3,237	3,237	3,237
Total Expenditures	<u>3,237</u>	<u>3,237</u>	<u>3,237</u>
Net Change in Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	-
Fund Balance (Deficit) - Beginning of Year			<u>-</u>
Fund Balance (Deficit) - End of Year			<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2016 - June 30, 2017)
EDUCATION FUND ACCOUNTS
TRUANTS ALTERNATIVE/OPTIONAL EDUCATION (PROJECT #17-3695-15)
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 213,580	\$ 213,580	\$ 120,000
Total Revenues	<u>213,580</u>	<u>213,580</u>	<u>120,000</u>
Expenditures			
Instructional services			
Salaries	53,100	56,200	56,498
Employee benefits	6,132	5,983	4,536
Pension expense	-	-	2,316
Purchased services	19,001	7,469	8,354
Supplies and materials	1,300	1,300	1,300
Capital outlay	-	-	-
Intergovernmental			
Payments to other governmental units	134,047	142,628	141,040
Total Expenditures	<u>213,580</u>	<u>213,580</u>	<u>214,044</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(94,044)</u>
Other Financing Sources (Uses)			
Transfers in	-	-	464
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>464</u>
Net Change in Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	(93,580)
Fund Balance (Deficit) - Beginning of Year			<u>-</u>
Fund Balance (Deficit) - End of Year			<u>\$ (93,580)</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2017

	Bus Driver Training	General Education Development	Total
Assets			
Cash and cash equivalents	\$ 10,526	\$ 13,499	\$ 24,025
Accounts receivable	-	6	6
Due from other governments	-	108	108
Total Assets	10,526	13,613	24,139
Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 10,526	\$ 13,613	\$ 24,139
Liabilities			
Deferred Inflows of Resources	-	-	-
Fund Balances (Deficits)			
Restricted	10,526	13,613	24,139
Total Fund Balances (Deficits)	10,526	13,613	24,139
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 10,526	\$ 13,613	\$ 24,139

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2017

	Bus Driver Training	General Education Development	Total
Revenues			
Local sources	\$ 2,860	\$ 4,444	\$ 7,304
State sources	1,341	-	1,341
Interest	25	36	61
Total Revenues	<u>4,226</u>	<u>4,480</u>	<u>8,706</u>
Expenditures			
Instructional services			
Purchased services	1,787	-	1,787
Supplies and materials	-	-	-
Other	-	25	25
Total Expenditures	<u>1,787</u>	<u>25</u>	<u>1,812</u>
Net Change in Fund Balances (Deficits)	2,439	4,455	6,894
Fund Balances (Deficits), Beginning of year	<u>8,087</u>	<u>9,158</u>	<u>17,245</u>
Fund Balances (Deficits), End of year	<u>\$ 10,526</u>	<u>\$ 13,613</u>	<u>\$ 24,139</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
June 30, 2017

	<u>Area VI Meetings</u>	<u>Distributive</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 478	\$ 348	\$ 826
Due from other governments	-	6,702,762	6,702,762
	<u>478</u>	<u>6,703,110</u>	<u>6,703,588</u>
Total Assets	<u>\$ 478</u>	<u>\$ 6,703,110</u>	<u>\$ 6,703,588</u>
Liabilities			
Due to other governments	\$ 478	\$ 6,703,110	\$ 6,703,588
	<u>478</u>	<u>6,703,110</u>	<u>6,703,588</u>
Total Liabilities	<u>\$ 478</u>	<u>\$ 6,703,110</u>	<u>\$ 6,703,588</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended June 30, 2017

	<u>Balance</u> <u>June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2017</u>
<u>Area VI Meetings</u>				
Assets				
Cash and cash equivalents	\$ 154	\$ 1,000	\$ 676	\$ 478
Total Assets	<u>\$ 154</u>	<u>\$ 1,000</u>	<u>\$ 676</u>	<u>\$ 478</u>
Liabilities				
Due to other governments	\$ 154	\$ 1,000	\$ 676	\$ 478
Total Liabilities	<u>\$ 154</u>	<u>\$ 1,000</u>	<u>\$ 676</u>	<u>\$ 478</u>
<u>Distributive</u>				
Assets				
Cash and cash equivalents	\$ 114,288	\$ 52,883,087	\$ 52,997,027	\$ 348
Due from other governments	<u>2,740,536</u>	<u>6,702,762</u>	<u>2,740,536</u>	<u>6,702,762</u>
Total Assets	<u>\$ 2,854,824</u>	<u>\$ 59,585,849</u>	<u>\$ 55,737,563</u>	<u>\$ 6,703,110</u>
Liabilities				
Due to other governments	\$ 2,854,824	\$ 59,585,849	\$ 55,737,563	\$ 6,703,110
Total Liabilities	<u>\$ 2,854,824</u>	<u>\$ 59,585,849</u>	<u>\$ 55,737,563</u>	<u>\$ 6,703,110</u>
<u>Total</u>				
Assets				
Cash and cash equivalents	\$ 114,442	\$ 52,884,087	\$ 52,997,703	\$ 826
Due from other governments	<u>2,740,536</u>	<u>6,702,762</u>	<u>2,740,536</u>	<u>6,702,762</u>
Total Assets	<u>\$ 2,854,978</u>	<u>\$ 59,586,849</u>	<u>\$ 55,738,239</u>	<u>\$ 6,703,588</u>
Liabilities				
Due to other governments	\$ 2,854,978	\$ 59,586,849	\$ 55,738,239	\$ 6,703,588
Due to others	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>\$ 2,854,978</u>	<u>\$ 59,586,849</u>	<u>\$ 55,738,239</u>	<u>\$ 6,703,588</u>

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES
DISTRIBUTIVE FUND
For the Year Ended June 30, 2017

Distributions	Carbondale Community Unit #95	Carbondale Community Unit #165	Christian Fellowship DuQuoin #1	Comm. Cons. Community Unit #204	DeSoto Community Unit #86	DuQuoin Community Unit #300
Local Funds						
Distributive Fund Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County School Facility Tax	-	-	4,281	67,862	-	677,382
Total Local Funds	-	-	4,281	67,862	-	677,382
State Funds						
Evidence Based Funding	2,651,000	1,163,875	-	148,482	841,569	6,623,207
Special Ed. Private Facility Tuition	-	1,868	-	-	-	41,175
Fund for Child Requiring Special Ed. Services	153,288	101,244	-	14,203	22,684	150,036
Special Ed. - Personnel	190,942	93,694	-	12,937	32,458	142,817
Special E. - Orphanage	19,768	59,922	-	-	17,523	58,104
Special E. Orphanage - Summer Ind.	-	-	-	-	-	-
Special Ed. - Summer School	-	-	-	-	-	-
Voc. Ed. Career & Technical Ed. Imp.	-	-	-	-	-	-
Voc. Ed. - Agricultural Education	-	-	-	-	-	-
Bilingual Ed.	30,809	142	-	-	-	-
State Free Lunch & Breakfast	4,886	1,783	-	149	410	2,223
Driver Education	-	28,359	-	-	-	15,157
Transportation - Regular & Vocational	354,447	47,122	-	30,248	12,308	122,189
Transportation - Special Education	106,097	115,252	-	-	52,220	45,737
National Board Certification Initiative	-	-	-	-	-	-
ROE School Bus Driver Training	-	-	-	-	-	-
Truants Alternative/Operational Education	-	22,500	-	-	-	-
Regional Safe Schools Program	-	-	-	-	-	-
Early Childhood Block Grant	380,716	117,897	-	-	-	-
ROE/ISC Operations	-	-	-	-	-	-
Orphanage Tuition	-	27,964	-	-	-	-
Total State Funds	3,891,953	1,781,622	-	206,019	979,172	7,200,645
Federal Funds						
Title VI Rural Education Initiative	-	-	-	-	-	29,154
National School Lunch Program	628,695	199,712	-	26,952	37,101	314,433
School Breakfast Program	183,524	83,610	-	9,655	11,636	116,893
Summer Food Service Program	-	-	-	-	-	29,476
Fresh Fruits and Vegetables	-	-	-	-	-	-
NSLP Equipment Assistance Grant	-	-	-	-	-	-
Title I Low Income	975,035	511,060	-	42,210	103,895	490,559
Title IV - 21st Century Comm L.C.	-	-	-	-	-	243,098
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	-	-	-
Fed. - Sp. Ed. - IDEA - Flow Through	-	-	-	-	-	-
Fed. - Sp. Ed. - IDEA - Room & Board	8,246	2,893	-	476	2,287	470
V. E. - Perkins - Title IIC - Secondary	-	-	-	-	-	-
Title III - Language Inst. Program	25,965	-	-	-	-	-
Title II - Teacher Quality	111,747	25,982	-	5,595	2,663	94,708
Title II - Teacher Quality - Leadership	-	-	-	-	-	-
Mathematics & Science Partnerships	-	-	-	-	-	-
Other Federal Programs	8,880	-	-	-	-	-
Total Federal Funds	1,942,092	823,257	-	84,888	157,582	1,318,791
Total Distributions	\$ 5,834,045	\$ 2,604,879	\$ 4,281	\$ 358,769	\$ 1,136,754	\$ 9,196,818

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES (CONTINUED)
DISTRIBUTIVE FUND
For the Year Ended June 30, 2017

Distributions	Education for Employment	Elverado Community Unit #196	Giant City Community Unit #130	Murphysboro Community Unit #186	Pinckneyville Community Unit #50
Local Funds					
Distributive Fund Interest	\$ -	\$ -	\$ -	\$ -	\$ -
County School Facility Tax	-	-	-	-	248,245
Total Local Funds	-	-	-	-	248,245
State Funds					
Evidence Based Funding	-	2,409,260	533,672	8,841,183	1,967,594
Special Ed. Private Facility Tuition	-	-	-	-	-
Fund for Child Requiring Special Ed. Services	-	48,191	22,130	216,790	56,155
Special Ed. - Personnel	-	53,517	30,157	325,415	29,625
Special E. - Orphanage	-	666	-	44,001	18,432
Special E. Orphanage - Summer Ind.	-	-	-	-	-
Special Ed. - Summer School	-	-	-	-	-
Voc. Ed. Career & Technical Ed. Imp.	145,000	-	-	-	-
Voc. Ed. - Agricultural Education	-	-	-	-	-
Bilingual Ed.	-	-	-	214	-
State Free Lunch & Breakfast	-	747	153	4,031	634
Driver Education	-	5,013	-	16,487	-
Transportation - Regular & Vocational	-	74,625	17,687	323,617	61,456
Transportation - Special Education	-	56,328	498	223,063	119,605
National Board Certification Initiative	-	-	-	-	-
ROE School Bus Driver Training	-	-	-	-	-
Truants Alternative/Operational Education	-	-	-	-	-
Regional Safe Schools Program	-	-	-	-	-
Early Childhood Block Grant	-	-	-	3,269,576	-
ROE/ISC Operations	-	-	-	-	-
Orphanage Tuition	-	-	-	-	-
Total State Funds	145,000	2,648,347	604,297	13,264,377	2,253,501
Federal Funds					
Title VI Rural Education Initiative	-	-	-	-	269
National School Lunch Program	-	87,913	28,964	622,957	105,672
School Breakfast Program	-	43,979	5,254	286,341	40,297
Summer Food Service Program	-	-	-	-	-
Fresh Fruits and Vegetables	-	-	-	-	-
NSLP Equipment Assistance Grant	-	-	-	-	-
Title I Low Income	-	196,887	56,355	903,831	155,433
Title IV - 21st Century Comm L C	-	-	-	-	-
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	-	-
Fed. - Sp. Ed. - IDEA - Flow Through	-	-	-	-	-
Fed. - Sp. Ed. - IDEA - Room & Board	-	10,090	-	4,442	-
V. E. - Perkins - Title IIC - Secondary	131,619	-	-	-	-
Title III - Language Inst. Program	-	-	-	-	-
Title II - Teacher Quality	-	27,004	19,087	160,218	43,533
Title II - Teacher Quality - Leadership	-	-	-	-	-
Mathematics & Science Partnerships	-	-	-	-	-
Other Federal Programs	-	-	-	-	-
Total Federal Funds	131,619	365,873	109,660	1,977,789	345,204
Total Distributions	\$ 276,619	\$ 3,014,220	\$ 713,957	\$ 15,242,166	\$ 2,846,950

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES (CONCLUDED)
DISTRIBUTIVE FUND
For the Year Ended June 30, 2017

Distributions	Pinckneyville Community Unit #101	Tamaroa Community Unit #5	Trico Community Unit #176	Tri-County	Regional Office of Education #30	Total
Local Funds						
Distributive Fund Interest	\$ -	\$ -	\$ -	\$ -	\$ 2,070	\$ 2,070
County School Facility Tax	195,561	53,220	93,937	-	-	1,340,488
Total Local Funds	195,561	53,220	93,937	-	2,070	1,342,558
State Funds						
Evidence Based Funding	1,278,597	613,650	2,602,869	-	222,861	29,897,819
Special Ed. Private Facility Tuition	-	-	-	-	-	43,043
Fund for Child Requiring Special Ed. Services	42,526	12,724	94,345	-	-	934,316
Special Ed. - Personnel	37,117	13,013	105,506	867,437	-	1,934,635
Special E. - Orphanage	49,417	-	20,848	52,684	-	341,365
Special E. Orphanage - Summer Ind.	-	-	-	-	-	-
Special Ed. - Summer School	-	-	-	-	-	-
Voc. Ed. Career & Technical Ed. Imp.	-	-	-	-	-	145,000
Voc. Ed. - Agricultural Education	254	-	889	-	-	1,143
Bilingual Ed.	-	-	-	-	-	31,165
State Free Lunch & Breakfast	392	389	1,337	1,505	142	18,781
Driver Education	15,012	-	8,037	-	-	88,065
Transportation - Regular & Vocational	20,528	14,414	227,307	-	-	1,305,948
Transportation - Special Education	58,942	32,119	122,349	27,834	-	960,044
National Board Certification Initiative	-	-	-	-	-	-
ROE School Bus Driver Training	-	-	-	-	2,744	2,744
Truants Alternative/Operational Education	-	-	-	-	78,580	101,080
Regional Safe Schools Program	-	-	-	-	27,565	27,565
Early Childhood Block Grant	-	-	-	-	-	3,768,189
ROE/ISC Operations	-	-	-	-	179,653	179,653
Orphanage Tuition	-	-	-	-	-	27,964
Total State Funds	1,502,785	686,309	3,183,487	949,460	511,545	39,808,519
Federal Funds						
Title VI Rural Education Initiative	-	-	144	-	-	29,567
National School Lunch Program	47,663	49,885	179,877	158,763	14,009	2,502,596
School Breakfast Program	34,229	21,995	75,236	90,441	5,818	1,008,908
Summer Food Service Program	-	-	-	-	-	29,476
Fresh Fruits and Vegetables	-	-	-	4,763	-	4,763
NSLP Equipment Assistance Grant	-	-	-	15,588	-	15,588
Title I Low Income	91,256	45,796	267,940	-	-	3,840,257
Title IV - 21st Century Comm L C	-	-	-	-	-	243,098
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	104,611	-	104,611
Fed. - Sp. Ed. - IDEA - Flow Through	-	-	-	2,812,454	-	2,812,454
Fed. - Sp. Ed. - IDEA - Room & Board	-	-	2,773	-	-	31,677
V. E. - Perkins - Title IIC - Secondary	-	-	-	-	-	131,619
Title III - Language Inst. Program	-	-	-	-	-	25,965
Title II - Teacher Quality	17,664	7,349	46,506	-	-	562,056
Title II - Teacher Quality - Leadership	-	-	-	-	343	343
Mathematics & Science Partnerships	-	-	-	-	494,092	494,092
Other Federal Programs	-	-	-	-	-	8,880
Total Federal Funds	190,812	125,025	572,476	3,186,620	514,262	11,845,950
Total Distributions	\$ 1,889,158	\$ 864,554	\$ 3,849,900	\$ 4,136,080	\$ 1,027,877	\$ 52,997,027

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2017

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION				
passed through Illinois State Board of Education				
Improving Teacher Quality State Grants				
Title II - Teacher Quality	84.367A	17-4932-00		\$ 1,152
Title II - Teacher Quality - Leadership	84.367A	17-4935-02		3,237
passed through Southern Illinois University-Carbondale				
RAMPDUP & Onward	84.367A			209,921
				<u>214,310</u>
passed through Illinois State Board of Education				
Mathematics and Science Partnerships	84.366B	16-4936-MA		155,652 (M)
Mathematics and Science Partnerships	84.366B	17-4936-MA		95,434 (M)
Mathematics and Science Partnerships	84.366B	16-4936-SA		138,094 (M)
Mathematics and Science Partnerships	84.366B	17-4936-SA		130,110 (M)
				<u>519,290</u>
passed through Regional Office of Education #21				
Education for Homeless Children and Youth				
McKinney Education for Homeless Children	84.196A	17-4920-00		41,304
Title I Grants to Local Educational Agencies				
System of Support - Title I - Grants to Local Educational Agencies	84.010A	17-4331-SS		46,451
passed through Regional Office of Education #47				
Special Education - State Personnel Development				
IDEA - Improvement Grants - Part D	84.323A	16-4631-RN		129,597
IDEA - Improvement Grants - Part D	84.323A	17-4631-RN		34,273
				<u>163,870</u>
TOTAL U.S. DEPARTMENT OF EDUCATION				<u>985,225</u>
U.S. DEPARTMENT OF AGRICULTURE				
passed through Illinois State Board of Education				
Child School Nutrition Cluster				
School Breakfast Program	10.553	16-4220-00		1,040
School Breakfast Program	10.553	17-4220-00		503
				<u>1,543</u>
National School Lunch Program				
National School Lunch Program	10.555	16-4210-00		2,488
National School Lunch Program	10.555	17-4210-00		6,633
				<u>9,121</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE				<u>10,664</u>
U.S. DEPARTMENT OF JUSTICE				
passed through Southern Illinois University-Carbondale				
National Insitutie of Justice Research, Evaluation, & Development Grants	16.560	16-18		59,412
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ -</u>	<u>\$ 1,055,301</u>

(M) Program was audited as a major program

The accompanying notes are an integral part of this schedule.

REGIONAL OFFICE OF EDUCATION #30
ALEXANDER, JACKSON, PERRY, PULASKI, AND UNION COUNTIES
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2017

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal grant activity of the Regional Office of Education #30 under programs of the federal government for the year ended June 30, 2017. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Regional Office of Education #30, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Regional Office of Education #30.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Regional Office of Education #30 has elected not to use the 10-percent de Minimis indirect cost rate allowed under the Uniform Guidance.