

**State of Illinois  
ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
FINANCIAL AUDIT  
(In Accordance with the Single Audit Act and  
OMB Circular A-133)  
For the Year Ended June 30, 2011**

**Performed as Special Assistant Auditors  
for the Office of the Auditor General**

ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
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 FOR THE YEAR ENDED  
 JUNE 30, 2011

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ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50

OFFICIALS

Regional Superintendent  
(Acting Effective October 1, 2011)

Mrs. Susan Sarfaty

Assistant Regional Superintendent (Current)

No Current Assistant  
Regional Superintendent

Regional Superintendent  
(During the Audit Period, Acting Effective  
July 1, 2010 through September 30, 2011)

Mr. Brad J. Harriman

Assistant Regional Superintendent  
(During the Audit Period, Acting Effective  
July 1, 2010 through September 30, 2011)

Mrs. Susan Sarfaty

Office is located at:

1000 South Illinois Street  
Belleville, IL 62220

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50

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.

AUDITOR'S REPORTS

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

SUMMARY OF AUDIT FINDINGS

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

An additional matter which is less than a significant deficiency or material weakness but more than inconsequential, has been reported in a Management Letter of Comment to the Regional Superintendent. In prior years, this issue may have been included as an immaterial finding in the auditor's report.

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (GOVERNMENT AUDITING STANDARDS)			
11-1	12a	Inadequate Internal Controls Over Compliance	Significant deficiency
FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)			
11-1	12a	Inadequate Internal Controls Over Compliance	Significant deficiency

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50

COMPLIANCE REPORT SUMMARY

PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

NONE

PRIOR FINDINGS NOT REPEATED (FEDERAL COMPLIANCE)

NONE

INFORMAL EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Agency personnel at an informal exit conference on September 21, 2011. Attending were Brad Harriman, Regional Superintendent, Annabelle Gillespie, Comptroller, and Michelle D. Smith, CPA, Manager, Kemper CPA Group LLP. Brad Harriman retired as Regional Superintendent as of September 30, 2011; responses to the recommendations were provided by Susan Sarfaty, Regional Superintendent as of October 1, 2011.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50

FINANCIAL STATEMENT REPORT

SUMMARY

The audit of the accompanying basic financial statements of the Regional Office of Education #50 was performed by Kemper CPA Group LLP.

Based on their audit, the auditors expressed an unqualified opinion on the Regional Office of Education #50's basic financial statements.





## INDEPENDENT AUDITOR'S REPORT

Honorable William G. Holland  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the St. Clair County Regional Office of Education #50, as of and for the year ended June 30, 2011, which collectively comprise the St. Clair County Regional Office of Education #50's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the St. Clair County Regional Office of Education #50's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the St. Clair County Regional Office of Education #50, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The St. Clair County Regional Office of Education #50 adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* during the year ended June 30, 2011. The statement changed the classifications of governmental fund balances and clarified the definitions of existing fund types. The adoption of this statement had no effect on any of the St. Clair County Regional Office of Education #50's governmental funds' assets or liabilities nor was there any effect to the total amount of any of the St. Clair County Regional Office of Education #50's governmental fund balances as of and for the year ended June 30, 2011.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 28, 2011, on our consideration of the St. Clair County Regional Office of Education #50's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and Illinois Municipal Retirement Fund Schedule of Funding Progress on pages 16a-16i, and 54 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Clair County Regional Office of Education #50's basic financial statements. The combining and individual nonmajor fund financial statements and budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Kemper CPA Group LLP*

*Certified Public Accountants and Consultants*

Evansville, Indiana  
December 28, 2011



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

Honorable William G. Holland  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the St. Clair County Regional Office of Education #50, as of and for the year ended June 30, 2011, which collectively comprise the St. Clair County Regional Office of Education #50's basic financial statements and have issued our report thereon dated December 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the St. Clair County Regional Office of Education #50 is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Regional Office of Education #50's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements and not for the purpose of expressing our opinion on the effectiveness of the St. Clair County Regional Office of Education #50's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Regional Office of Education #50's internal control over financial reporting.

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.

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

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the St. Clair County Regional Office of Education #50's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 11-1.

We also noted certain matters which we have reported to management of the St. Clair County Regional Office of Education #50 in a separate letter dated December 28, 2011.

St. Clair County Regional Office of Education #50's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the St. Clair County Regional Office of Education #50's responses and, accordingly, we express no opinion on them.

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

*Kemper CPA Group LLP*

*Certified Public Accountants and Consultants*

Evansville, Indiana  
December 28, 2011



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable William G. Holland  
Auditor General  
State of Illinois

Compliance

We have audited the St. Clair County Regional Office of Education #50's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the St. Clair County Regional Office of Education #50's major federal programs for the year ended June 30, 2011. The St. Clair County Regional Office of Education #50's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the St. Clair County Regional Office of Education #50's management. Our responsibility is to express an opinion on the St. Clair County Regional Office of Education #50's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Regional Office of Education #50's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the St. Clair County Regional Office of Education #50's compliance with those requirements.

In our opinion, the St. Clair County Regional Office of Education #50 complied, in all material respects, with the 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, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 11-1.

## Internal Control Over Compliance

The management of the St. Clair County Regional Office of Education #50 is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the St. Clair County Regional Office of Education #50's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 St. Clair County Regional Office of Education #50'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.

Our consideration of the 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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying Schedule of Findings and Questioned Costs as item 11-1. *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.

St. Clair County Regional Office of Education #50's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit St. Clair County Regional Office of Education #50's response and, accordingly, we express no opinion on the response.

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

*Kemper CPA Group LLP*

*Certified Public Accountants and Consultants*  
Evansville, Indiana  
December 28, 2011

ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED JUNE 30, 2011

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements**

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? No
- Noncompliance material to financial statements noted? No

**Federal Awards**

Internal control over major programs:

- Material weaknesses identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? No

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

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section .510(a)? Yes

Identification of **major** programs:

<b>CFDA Number(s)</b>	<b>Name of Federal Program or Cluster</b>
84.010 and 84.389	Title I, Part A Cluster, School Improvement & Accountability
84.360	Title I School Dropout Prevention Project
84.410	ARRA Education Jobs Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as a low-risk auditee? Yes

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2011

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**Finding No. 11-1 – Inadequate Internal Controls over Compliance**

Federal Program Name: Mathematics and Science Partnership  
Project #'s: 11-4936-00  
CFDA#: 84.366B  
Passed Through: Illinois State Board of Education  
Federal Agency: U.S. Department of Education

**Criteria/Specific Requirement:**

The Regional Office of Education #50 has several federally funded grant programs. Grant monies can only be used for allowable expenditures as outlined in grant agreements.

**Condition:**

Due to later reimbursements, a program lacked cash to pay for expenditures, resulting in a loan from another program. A review of the amounts due between programs showed a \$2,153 loan from Mathematics and Science Partnership program to the Mental Health Parent Resource program. Loans are not one of the allowed uses of the Mathematics and Science Partnership program.

**Questioned Costs:**

\$2,153

**Context:**

The Mathematics and Partnership grant loaned its funds to the Mental Health Parent Resource program during the year.

**Effect:**

The Regional Office of Education #50 was not in compliance with the Mathematics & Science Partnership grant.

**Cause:**

The bookkeeper that administers this program has many years experience with grant programs, but is fairly new to administering federal grant funds. The comptroller was out of the office when the transaction occurred. The comptroller would normally approve these transactions and the person who approved the transaction overlooked the fact that this was a grant.



ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2011

**SECTION II - FINANCIAL STATEMENT FINDINGS (Concluded)**

**Finding No. 11-1 – Inadequate Internal Controls over Compliance (Concluded)**

**Recommendation:**

Any loans made between funds should only be made from discretionary funds. Each transaction should be examined to ensure that grant funds are not loaned to other programs. All bookkeepers and individuals authorizing funding movement should be aware of the prohibition against loaning restricted funding.

**Management's Response:**

ROE #50 has established procedures to assure that loans between funds are only made from discretionary funds. In October, all bookkeepers and program coordinators/directors were familiarized with the rules which prohibit loans from restricted funds. A procedure on loans was added to the Fiscal Policies & Procedures Manual. This training will be a routine part of orientation for new staff in Finance and for those authorized to approve loans.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2011

**SECTION III – FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:**

**INSTANCES OF NONCOMPLIANCE:**

**Finding No. 11-1 – Inadequate Internal Controls over Compliance** (details on pages 12a-12b)

**MATERIAL WEAKNESSES:**

**None**

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2011

**Corrective Action Plan**

**Finding No. 11-1– Inadequate Internal Controls over Compliance**

**Condition:**

Due to later reimbursements, a program lacked cash to pay for expenditures, resulting in a loan from another program. A review of the amounts due between programs showed a \$2,153 loan from Mathematics and Science Partnership program to the Mental Health Parent Resource program. Loans are not one of the allowed uses of the Mathematics and Science Partnership program.

**Plan:**

ROE #50 has established procedures to assure that loans between funds are only made from discretionary funds. In October, all bookkeepers and program coordinators/directors were familiarized with the rules which prohibit loans from restricted funds. A procedure on loans was added to the Fiscal Policies & Procedures Manual. This training will be a routine part of orientation for new staff in Finance and for those authorized to approve loans.

**Anticipated Date of Completion:**

Immediately upon learning of oversight.

**Name of Contact Person:**

Honorable Susan Sarfaty, Regional Superintendent of Schools

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2011

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
NONE		

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2011

The discussion and analysis of St. Clair County Regional Office of Education #50's (ROE) financial performance provides an overall narrative review of the ROE's financial activities for the year ended June 30, 2011. The intent of this discussion and analysis is to look at the ROE's performance as a whole. Readers should also review the notes to the basic financial statements and the financial statements to enhance their understanding of the ROE's financial performance. Information contained in this section is qualified by the more detailed information contained elsewhere in the financial statements, notes to financial statements and any accompanying materials. To the extent this discussion contains any forward-looking statements of the ROE's plans, objectives, expectations and prospects, the actual results could differ materially from those discussed herein.

During fiscal year 2011 the Regional Office of Education #50 implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which required certain programs and funds to be reclassified and the restatement of beginning fund balances as detailed in Note 13 to the financial statements. Because of these reclassifications the fund analysis is not comparable between fiscal year 2010 and fiscal year 2011.

This section is a summary of the ROE's financial activities based on currently known facts, decisions, or conditions. It is also based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year.

### **2011 FINANCIAL HIGHLIGHTS**

- Total net assets of the ROE's governmental activities are \$1,646,199, an increase of \$96,707 or 6.2% from fiscal year 2010 net assets. This increase was primarily due to the receipt of state grant funds from project year 2010 which had reduced the FY 2010 fund balance. Net assets of the ROE's enterprise fund are \$314,454 a decrease of \$20,187 or 6.0% from fiscal year 2010 net assets. Total net assets for the ROE are \$1,960,653, an increase of \$76,520 from fiscal year 2010.
- General governmental revenues account for \$1,384,657 in revenue, or 24.2% of all governmental revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$4,344,494 or 75.8% of total governmental revenues.
- The ROE governmental activities had \$5,632,444 in expenses; only \$4,344,494 of these expenses were offset by program specific charges for services, grants and contributions. The ROE had adequate unrestricted net assets to provide for the rest of the ROE's expenses.
- Among major funds, the General Fund had \$1,369,321 in revenues and \$1,243,729 in expenditures. The General Fund's fund balance increased \$164,007 or 15.3% over the prior year as restated. This increase was mainly due to the receipt of PY 2010 Regional Safe School grant payments which were received more than 60 days after the end of FY 2010 and were included in revenue in FY 2011.

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2011

- Capital assets purchased during the year totaled \$123,199. In the governmental funds, capital assets net of depreciation increased by \$49,386. Including the Enterprise Fund, capital assets for the ROE increased \$50,705. This increase was due to the purchase of mathematics and science manipulatives for teachers and computers for school coaches.
  
- The ROE has no long-term debt.

## OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the ROE's basic financial statements. The ROE's basic financial statements comprise of three components:

1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the ROE's finances, in a manner similar to a private-sector business. These statements are prepared using the accrual basis of accounting and include all assets and liabilities.

The Statement of Net Assets presents information on all the ROE's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the ROE is improving or deteriorating.

The Statement of Activities presents information showing how the ROE's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years.

The government-wide financial statements outline functions of the ROE that are principally supported by grants, contracts and contributions, and governmental activities. The governmental activities of the ROE include instructional services and administrative expenses. The government-wide financial statements can be found on pages 17– 18 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The ROE uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the ROE can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2011

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the ROE's current financing requirements. Governmental Funds are reported using modified accrual accounting. This method of accounting measures cash and other assets that can be easily converted to cash. The Governmental Fund statements provide a detailed short-term view of the ROE's operations.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the ROE's current financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are on pages 20 and 22, respectively.

The ROE maintains individual governmental funds in accordance with both the Regional Office of Education Accounting Manual and the Accounting Manual for Public School Districts issued by the Illinois State Board of Education. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for all major funds. All non-major funds are combined together and presented in these reports as other non-major funds.

The basic governmental fund financial statements can be found on pages 19 and 21, respectively.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the ROE. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the ROE's own programs. The accrual basis of accounting is used for fiduciary funds. The ROE is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The ROE's fiduciary activities are presented in a separate Statement of Fiduciary Net Assets on page 26.

**Proprietary funds.**

The purpose of the Enterprise Fund is to hold any excess funds collected from Workshops and/or Technology Services. These funds are used solely to offset Workshop and Technology Services incurred due to less than anticipated registrations or more than anticipated materials and services. The ROE's proprietary statements can be found on pages 23 – 25.



ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2011

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 – 52 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the ROE's budget process.

The ROE does not adopt an annual operating budget for the Special Revenue Funds, but does adopt individual budgets for some grants in the General Fund and Education Fund. A budgetary comparison statement has been provided for those grants in the General Fund and Education Fund. This supplementary information can be found on pages 56 and 67 – 85 of this report.

Additionally, a Schedule of Expenditures of Federal Awards is required by OMB Circular A-133 and can be found on pages 90 – 91 of this report.

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net assets.** Net assets may serve over time as a useful indicator of government's financial position. In the case of the ROE, assets exceeded liabilities by \$1,960,653 as of June 30, 2011.

By far the largest portion of the ROE's net assets (78.0%) is unrestricted. However, 10.5% of net assets are related to the Institute Fund, GED fund, and Bus Driver fund and restricted for teacher professional development, GED testing and Bus Driver training. Investment in capital assets (e.g., equipment and furniture) represents 11.5% of the ROE's net assets.

The ROE's financial position is a product of several financial transactions including the net result of activities, the acquisition and disposal of capital assets and the depreciation of capital assets. The following table presents a summary of the ROE's net assets for the fiscal year ended June 30, 2011 compared to prior year.

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2011

Condensed Statement of Net Assets

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	2011	2010	2011	2010	2011
Current Assets	\$ 2,429,474	\$ 2,093,925	\$ 323,102	\$ 300,593	\$ 2,752,576	\$ 2,394,518
Capital Assets	<u>158,397</u>	<u>207,783</u>	<u>16,654</u>	<u>17,973</u>	<u>175,051</u>	<u>225,756</u>
<b>Total Assets</b>	<u>2,587,871</u>	<u>2,301,708</u>	<u>339,756</u>	<u>318,566</u>	<u>2,927,627</u>	<u>2,620,274</u>
Current Liabilities	<u>1,038,379</u>	<u>655,509</u>	<u>5,115</u>	<u>4,112</u>	<u>1,043,494</u>	<u>659,621</u>
<b>Total Liabilities</b>	<u>1,038,379</u>	<u>655,509</u>	<u>5,115</u>	<u>4,112</u>	<u>1,043,494</u>	<u>659,621</u>
Net Assets						
Capital Assets net	158,397	207,783	16,654	17,973	175,051	225,756
Restricted educational purposes	99,298	205,317	-	-	99,298	205,317
Unrestricted	<u>1,291,797</u>	<u>1,233,099</u>	<u>317,987</u>	<u>296,481</u>	<u>1,609,784</u>	<u>\$ 1,529,580</u>
<b>Total Net Assets</b>	\$ 1,549,492	\$ 1,646,199	\$ 334,641	\$ 314,454	\$ 1,884,133	\$ 1,960,653

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2011

**Changes in net assets.** The ROE's total revenues for the fiscal year ended June 30, 2011 were \$5,729,151. The total cost of all programs and services was \$5,632,444. The following table presents a summary of the changes in net assets for the fiscal year ended June 30, 2010 and 2011.

ROE #50 Change in Net Assets  
Year Ended June 30, 2010 and 2011

	Governmental Activities		Business-Type Activities		Total Primary Government		% Change 2010-2011
	2010	2011	2010	2011	2010	2011	
Revenues:							
Program revenues:							
Operating Grants/Contributions	\$5,760,532	\$4,344,494	\$ -	\$ -	\$5,760,532	\$4,344,494	(24.6%)
Charges for Services	-	-	97,775	54,001	97,775	54,001	(44.8%)
General Revenues:							
Local Sources	359,812	376,280	-	-	359,812	376,280	4.6%
On-Behalf payments - Local	304,566	306,127	-	-	304,566	306,127	.5%
State Sources	38,683	338,449	-	-	38,683	338,449	774.9%
Federal Sources	40,708	-	-	-	40,708	-	(100.0%)
On-Behalf payments - State	397,701	356,200	-	-	397,701	356,200	(10.4%)
Interest	2,308	7,601	231	1,295	2,539	8,896	250.4%
Total Revenues	<u>6,904,310</u>	<u>5,729,151</u>	<u>98,006</u>	<u>55,296</u>	<u>7,002,316</u>	<u>5,784,447</u>	<u>(17.4%)</u>
Expenses:							
Instructional Services	6,121,122	4,970,117	-	-	6,121,122	4,970,117	(18.8%)
On-Behalf Payments	702,267	662,327	-	-	702,267	662,327	(5.7%)
Workshop/Testing Expenses	-	-	126,154	75,483	126,154	75,483	(40.2%)
Total Expenses	<u>6,823,389</u>	<u>5,632,444</u>	<u>126,154</u>	<u>75,483</u>	<u>6,949,543</u>	<u>5,707,927</u>	<u>(17.9%)</u>
Increase (Decrease) in Net Assets	80,921	96,707	(28,148)	(20,187)	52,773	76,520	-
Net Assets – Beginning	<u>1,468,571</u>	<u>1,549,492</u>	<u>362,789</u>	<u>334,641</u>	<u>1,831,360</u>	<u>1,884,133</u>	-
Net Assets – Ending	<u>\$1,549,492</u>	<u>1,646,199</u>	<u>\$ 334,641</u>	<u>314,454</u>	<u>\$ 1,884,133</u>	<u>1,960,653</u>	<u>4.1%</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2011

**Governmental activities.** The following table presents the cost of two major ROE functional activities: instructional services and administrative expenses. Administrative expenses include guidance and social work services, operation & maintenance, pupil transportation, food service, planning and evaluation, and fiscal services. The table also shows each function's net cost (total cost less charges for services generated by the activities and grants provided for specific programs). The net cost shows the amount funded by the General Revenues. Both revenues and expenses decreased from the prior year due to fewer grant programs.

	<u>Total Expenses</u>	<u>Net (Expense) Revenue</u>
Instructional Services	\$ 4,970,117	\$ (625,623)
Administrative Expenses	<u>662,327</u>	<u>(662,327)</u>
<b>Total expenses</b>	<b><u>\$ 5,632,444</u></b>	<b><u>\$ (1,287,950)</u></b>

**Enterprise activities.** The following table presents the cost of the ROE's workshop fund. The majority of related expenses are salaries and benefits, contract labor and travel, and supplies and materials for the workshop seminars. The table also shows the fund's net cost (total cost less charges for services generated by the activities). The net revenue is down, charges for services were down, and expenses were increased. This was due to fewer workshops offered for a fee in 2010 while basic services and their expenses continued.

	<u>Total Expenses</u>	<u>Net (Expense) Revenue</u>
Workshop/Testing Costs	\$ 75,483	\$ (21,482)

**FINANCIAL ANALYSIS OF THE ROE'S FUNDS**

As noted earlier, the ROE uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the ROE's governmental funds is to provide information on current inflows, outflows and balances of spendable resources. Such information is useful in assessing the ROE's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the ROE's net resources available for spending at the end of the fiscal year.

The financial performance of the ROE as a whole is reflected in its governmental funds. As the ROE completed the year, its governmental funds reported a combined fund balance of \$1,438,416, which is an increase of \$284,767 over the previous year. This increase was largely due to the receipt of grant payments of \$237,446 from project year 2010 which were received more than 60 days after the end of FY 2010 and were included in revenue in FY 2011.

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2011

The General Fund is the principal operating fund of the ROE. The fund balance in the General Fund for the fiscal year increased by \$164,007. This increase was primarily due to the receipt of grant payments of \$237,446 from project year 2010 which were received more than 60 days after the end of FY 2010 which had reduced the fund balance at June 30, 2010. The fund balance of Other Governmental Funds showed an increase of \$120,760 which was also due primarily to receipt of outstanding payments from the prior year. The fund balance for the Institute Fund increased \$19,355 as more certificate registration fees were paid than expended.

**Enterprise Funds.** The net assets in the Enterprise Fund as of June 30, 2011 were \$314,454, a decrease of \$20,187. The decrease was due to a management decision to offer more workshops free of charge since schools had reduced discretionary funds for staff development. The remaining funds provide a good reserve to insure that the ROE can continue to offer high quality workshops for teachers and administrators and solid technology assistance to schools.

### **BUDGETARY HIGHLIGHTS**

Over the course of the year, the ROE revised the budgets for most grant programs in the Education Fund. These budget adjustments were the result of revisions in the plan to accomplish specific goals and activities outlined in the grant programs.

A schedule showing the original and final budget amounts compared to the ROE's actual financial activity for the Education Fund grants is provided in this report as supplementary information.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** As of June 30, 2011, the ROE's total capital assets at cost for Governmental Activities and Business-type Activities were \$689,689 and \$42,179 respectively, including furniture and equipment. This amount represents an increase of \$86,415 for the Governmental Activities and an increase of \$3,435 for the Business-type Activities from the previous year. Additions and deletions during fiscal year 2011 totaled \$119,764 and \$33,349 respectively for Governmental Activities. Additions for Business-type Activities totaled \$3,435 and there were no deletions in this Fund.

Total accumulated depreciation as of June 30, 2011 for Governmental Activities and Business-type Activities was \$481,906 and \$24,206 respectively, and total depreciation expense for Governmental Activities and Business-type Activities for the fiscal year 2011 was \$70,378 and \$2,116 respectively, and prior depreciation on assets deleted in fiscal year 2011 was \$33,349 for Governmental Activities and none for Business-type Activities, resulting in total Investment in Capital Assets at June 30, 2011 for Governmental Activities and Business Type Activities of \$207,783 and \$17,973. This is an increase of \$49,386 and \$1,319 for Governmental Activities and Business-type Activities, respectively compared to June 30, 2010.

Additional information on the ROE's capital assets can be found in Note 7 on pages 48 - 49 of this report.

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2011

**Debt Administration.** At June 30, 2011, the ROE had no long term debt.

**Current Issues**

The St. Clair County ROE is financially stable. The ROE has committed itself to financial excellence for many years. In addition, the ROE's system of financial planning, budgeting and internal financial controls is well regarded.

The ROE plans to continue its sound fiscal management to meet the challenges of the future and insure that taxpayer dollars are spent properly and in accordance with its mission to provide quality services to students, teachers, administrators, parents and community members.

The coming year will provide new challenges.

The System of Support grant, which serves schools and districts on the academic watch list in sixteen counties, will continue to be a major focus of our efforts. Both the number of schools and the complexity of the problem are projected to increase. However, current funding is expected to be adequate in FY 2012.

The State's fiscal problems, which negatively impact cash flow for state-funded projects, are expected to continue and increase. To reduce our exposure to this problem, the ROE has eliminated most State funded programs which do not directly impact students. We will continue to monitor the State's fiscal problems and plan for contingencies.

The ROE expects to meet these challenges effectively.

**CONTACTING THE ROE'S FINANCIAL MANAGEMENT**

If you have questions about this report, contact the Comptroller's Office of the St. Clair County Regional Office of Education, 1000 South Illinois Street, Belleville, IL 62220 or by phone (618) 825-3935.

**BASIC FINANCIAL STATEMENTS**

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
STATEMENT OF NET ASSETS  
JUNE 30, 2011

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 1,945,812	\$ 280,856	\$ 2,226,668
Accounts receivable	5,368	990	6,358
Due from (to) other funds	(15,237)	15,237	-
Due from other governments:			
Local	13,463	3,510	16,973
State	73,912	-	73,912
Federal	70,607	-	70,607
<b>Total Current Assets</b>	<b>2,093,925</b>	<b>300,593</b>	<b>2,394,518</b>
<b>Noncurrent Assets:</b>			
Capital assets, net of depreciation	207,783	17,973	225,756
<b>TOTAL ASSETS</b>	<b>2,301,708</b>	<b>318,566</b>	<b>2,620,274</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable	101,480	925	102,405
Salary and benefits payable	147,881	3,187	151,068
Unearned revenue	342,441	-	342,441
Due to other governments:			
Local	57,462	-	57,462
State	5,257	-	5,257
Federal	988	-	988
<b>Total Current Liabilities</b>	<b>655,509</b>	<b>4,112</b>	<b>659,621</b>
<b>TOTAL LIABILITIES</b>	<b>655,509</b>	<b>4,112</b>	<b>659,621</b>
<b>NET ASSETS</b>			
Invested in capital assets	207,783	17,973	225,756
Restricted for educational purposes	205,317	-	205,317
Unrestricted	1,233,099	296,481	1,529,580
<b>TOTAL NET ASSETS</b>	<b>\$ 1,646,199</b>	<b>\$ 314,454</b>	<b>\$ 1,960,653</b>

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



ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2011

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activities	Total
Primary Government:						
Governmental Activities:						
Instructional services:						
Salaries and benefits	\$ 2,866,727	\$ -	\$ 2,442,618	\$ (424,109)	\$ -	\$ (424,109)
Purchased services	1,378,440	-	1,224,178	(154,262)	-	(154,262)
Supplies and materials	555,523	-	514,710	(40,813)	-	(40,813)
Other objects	27,328	-	-	(27,328)	-	(27,328)
Depreciation	70,378	-	-	(70,378)	-	(70,378)
Capital outlay	-	-	119,764	119,764	-	119,764
Payments to other governments	71,721	-	43,224	(28,497)	-	(28,497)
Administrative:						
On-behalf payments - State	356,200	-	-	(356,200)	-	(356,200)
On-behalf payments - Local	306,127	-	-	(306,127)	-	(306,127)
Total Governmental Activities	<u>5,632,444</u>	<u>-</u>	<u>4,344,494</u>	<u>(1,287,950)</u>	<u>-</u>	<u>(1,287,950)</u>
Business-Type Activities:						
Registration/Testing fee	75,483	54,001	-	-	(21,482)	(21,482)
Total Business-Type Activities	<u>75,483</u>	<u>54,001</u>	<u>-</u>	<u>-</u>	<u>(21,482)</u>	<u>(21,482)</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 5,707,927</u>	<u>\$ 54,001</u>	<u>\$ 4,344,494</u>	<u>(1,287,950)</u>	<u>(21,482)</u>	<u>(1,309,432)</u>
GENERAL REVENUES:						
Local sources				376,280	-	376,280
On-behalf payments - Local				306,127	-	306,127
State sources				338,449	-	338,449
On-behalf payments - State				356,200	-	356,200
Interest				7,601	1,295	8,896
Total General Revenues				<u>1,384,657</u>	<u>1,295</u>	<u>1,385,952</u>
CHANGE IN NET ASSETS				96,707	(20,187)	76,520
NET ASSETS - BEGINNING				<u>1,549,492</u>	<u>334,641</u>	<u>1,884,133</u>
NET ASSETS - ENDING				<u>\$ 1,646,199</u>	<u>\$ 314,454</u>	<u>\$ 1,960,653</u>

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

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2011

	General Fund	Education Fund	Other Nonmajor Funds	Eliminations	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,247,359	\$ 492,333	\$ 206,120	\$ -	\$ 1,945,812
Accounts receivable	25	4,500	843	-	5,368
Due from other funds	189,969	-	-	(189,969)	-
Due from other governments:					
Local	300	13,163	-	-	13,463
State	24,416	49,496	-	-	73,912
Federal	-	70,607	-	-	70,607
<b>TOTAL ASSETS</b>	<b><u>\$ 1,462,069</u></b>	<b><u>\$ 630,099</u></b>	<b><u>\$ 206,963</u></b>	<b><u>\$ (189,969)</u></b>	<b><u>\$ 2,109,162</u></b>
<b>LIABILITIES</b>					
Accounts payable	\$ 39,940	\$ 61,040	\$ 500	\$ -	\$ 101,480
Salary and benefits payable	49,010	97,725	1,146	-	147,881
Due to other funds	139,755	65,451	-	(189,969)	15,237
Unearned revenue	-	342,441	-	-	342,441
Due to other governments:					
Local	265	57,197	-	-	57,462
State	-	5,257	-	-	5,257
Federal	-	988	-	-	988
<b>TOTAL LIABILITIES</b>	<b><u>228,970</u></b>	<b><u>630,099</u></b>	<b><u>1,646</u></b>	<b><u>(189,969)</u></b>	<b><u>670,746</u></b>
<b>FUND BALANCES</b>					
Restricted	-	-	205,317	-	205,317
Assigned	1,100,210	-	-	-	1,100,210
Unassigned	132,889	-	-	-	132,889
<b>Total Fund Balance</b>	<b><u>1,233,099</u></b>	<b><u>-</u></b>	<b><u>205,317</u></b>	<b><u>-</u></b>	<b><u>1,438,416</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 1,462,069</u></b>	<b><u>\$ 630,099</u></b>	<b><u>\$ 206,963</u></b>	<b><u>\$ (189,969)</u></b>	<b><u>\$ 2,109,162</u></b>

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

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET ASSETS  
GOVERNMENTAL FUNDS  
JUNE 30, 2011

TOTAL FUND BALANCES — GOVERNMENTAL FUNDS \$ 1,438,416

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

Capital assets used in governmental activities that were not  
financial resources and therefore, were not reported in the funds. 207,783

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 1,646,199

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

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2011

	General Fund	Education Fund	Other Nonmajor Funds	Eliminations	Total Governmental Funds
<b>REVENUES</b>					
Local sources	\$ 31,658	\$ 219,131	\$ 125,491	\$ -	\$ 376,280
Local sources-payments made on behalf of region	306,127	-	-	-	306,127
State sources	660,135	478,661	1,873	-	1,140,669
State sources - on-behalf payments	356,200	-	-	-	356,200
Federal sources	15,201	3,764,519	-	-	3,779,720
Total Revenues	<u>1,369,321</u>	<u>4,462,311</u>	<u>127,364</u>	<u>-</u>	<u>5,958,996</u>
<b>EXPENDITURES</b>					
Instructional services:					
Salaries and benefits	398,893	2,437,936	29,898	-	2,866,727
Purchased services	121,847	1,236,022	20,571	-	1,378,440
Supplies and materials	29,058	516,864	9,601	-	555,523
Other objects	540	-	26,788	-	27,328
Payments to other governments	28,465	43,256	-	-	71,721
On-behalf payments	662,327	-	-	-	662,327
Capital outlay	2,599	117,165	-	-	119,764
Total Expenditures	<u>1,243,729</u>	<u>4,351,243</u>	<u>86,858</u>	<u>-</u>	<u>5,681,830</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>					
	<u>125,592</u>	<u>111,068</u>	<u>40,506</u>	<u>-</u>	<u>277,166</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	32,259	-	-	(32,259)	-
Transfers out	(27)	(32,232)	-	32,259	-
Interest	6,183	756	662	-	7,601
Total Other Financing Sources (Uses)	<u>38,415</u>	<u>(31,476)</u>	<u>662</u>	<u>-</u>	<u>7,601</u>
<b>NET CHANGE IN FUND BALANCE</b>					
	164,007	79,592	41,168	-	284,767
<b>FUND BALANCE (DEFICIT) - BEGINNING, RESTATED</b>					
(See note 13)	<u>1,069,092</u>	<u>(79,592)</u>	<u>164,149</u>	<u>-</u>	<u>1,153,649</u>
<b>FUND BALANCE - ENDING</b>					
	<u>\$1,233,099</u>	<u>\$ -</u>	<u>\$ 205,317</u>	<u>\$ -</u>	<u>\$ 1,438,416</u>

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

ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
 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, 2011

NET CHANGE IN FUND BALANCE — GOVERNMENTAL FUNDS \$ 284,767

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

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

Capital outlay	\$ 119,764	
Depreciation expense	(70,378)	49,386

Revenues reported in the Statement of Activities that did not provide current financial resources in the prior year, and were reported in the current year funds.

Deferred revenue		
Local sources	\$ (17,858)	
State sources	(219,588)	(237,446)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 96,707

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
STATEMENT OF NET ASSETS  
PROPRIETARY FUND  
JUNE 30, 2011

	Business-Type Activities - Enterprise Fund	
	Local Workshops	Total
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 280,856	\$ 280,856
Accounts receivable	990	990
Due from other funds	15,237	15,237
Due from other governments:		
Local	3,510	3,510
Total Current Assets	300,593	300,593
Noncurrent Assets:		
Capital assets, net of depreciation	17,973	17,973
TOTAL ASSETS	318,566	318,566
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable	925	925
Salary and benefits payable	3,187	3,187
TOTAL LIABILITIES	4,112	4,112
<b>NET ASSETS</b>		
Invested in capital assets	17,973	17,973
Unrestricted	296,481	296,481
TOTAL NET ASSETS	\$ 314,454	\$ 314,454

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

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUND  
FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities - Enterprise Fund	
	Local Workshops	Total
<b>OPERATING REVENUES</b>		
Registration & tech fees	\$ 54,001	\$ 54,001
Total Operating Revenues	54,001	54,001
<b>OPERATING EXPENSES</b>		
Salaries and benefits	56,927	56,927
Purchased services	14,226	14,226
Supplies and materials	2,214	2,214
Depreciation	2,116	2,116
Total Operating Expenses	75,483	75,483
<b>OPERATING INCOME (LOSS)</b>	(21,482)	(21,482)
<b>NONOPERATING REVENUE</b>		
Interest	1,295	1,295
Total Nonoperating Revenue	1,295	1,295
<b>CHANGE IN NET ASSETS</b>	(20,187)	(20,187)
<b>TOTAL NET ASSETS - BEGINNING</b>	334,641	334,641
<b>TOTAL NET ASSETS - ENDING</b>	\$ 314,454	\$ 314,454

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

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities - Enterprise Fund	
	Local Workshops	Totals
Cash Flows from Operating Activities:		
Receipts from customers	\$ 49,771	\$ 49,771
Payments to suppliers and providers of goods and services	(16,122)	(16,122)
Payments to employees	(58,248)	(58,248)
Net Cash Used for Operating Activities	(24,599)	(24,599)
Cash Flows from Noncapital Financing Activities:		
Cash payments for interfund loans	124,777	124,777
Net Cash Provided by Noncapital Financing Activities	124,777	124,777
Cash Flows from Capital and Related Financing Activities:		
Acquisition of capital assets	(3,435)	(3,435)
Net Cash Used for Capital and Related Financing Activities	(3,435)	(3,435)
Cash Flows from Investing Activities:		
Interest	1,295	1,295
Net Cash Provided by Investing Activities	1,295	1,295
Net Increase in Cash	98,038	98,038
Cash and Cash Equivalents - Beginning	182,818	182,818
Cash and Cash Equivalents - Ending	\$ 280,856	\$ 280,856
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ (21,482)	\$ (21,482)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
(Increase) Decrease in Accounts receivable	(975)	(975)
Depreciation	2,116	2,116
(Increase) Decrease in Due from other governments	(3,255)	(3,255)
Increase (Decrease) in Accounts payable	318	318
Increase (Decrease) in Salary and benefits payable	(1,321)	(1,321)
Net Cash Used for Operating Activities	\$ (24,599)	\$ (24,599)

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



ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
 STATEMENT OF FIDUCIARY NET ASSETS  
 FIDUCIARY FUND  
 JUNE 30, 2011

	<u>Agency Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	<u>\$ 125</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 125</u></u>
<b>LIABILITIES</b>	
Accounts payable	<u>\$ 125</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 125</u></u>

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

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The St. Clair County Regional Office of Education #50 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

In 2011, the Regional Office of Education #50 implemented Governmental Accounting Standards Board (GASB) Statement No.54, *Fund Balance Reporting and Governmental Fund Type Definitions*, GASB Statement No. 59, *Financial Instruments Omnibus*, and GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The Regional Office of Education #50 implemented these standards during the current year; however, GASB Statements No. 59 and 62 had no impact on the financial statements. The implementation of GASB Statement No. 54 changed fund balance reporting for governmental funds by adding some additional fund balance classifications, clarifying governmental fund type definitions, and providing some additional disclosures on how fund balance constraints are imposed and may be modified or eliminated.

A. DATE OF MANAGEMENT'S REVIEW

St. Clair County Regional Office of Education #50 has evaluated subsequent events through December 28, 2011 the date when the financial statements were available to be issued.

B. FINANCIAL REPORTING ENTITY

The Regional Superintendent is charged with 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; examine evidence of indebtedness; file and keep the returns of elections required to be returned to the Regional Superintendent's office; and file and keep the reports and statements returned by school treasurers and trustees.

The Regional Superintendent is also charged with the responsibilities of conducting a special census, when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of the school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education #50's districts; providing township treasurers with a list of district treasurers; to inspect and approve building plans which comply with State law; to perform and report on annual building inspections; investigate bus drivers for valid bus driver permits and take related action as may be required; to maintain a list of unfilled teaching positions and to carry out other related duties required or permitted by law.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FINANCIAL REPORTING ENTITY (Concluded)

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

The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for the districts in the Regional Office of Education #50, 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, 2011, the Regional Office of Education #50 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 #50. Such activities are reported as a single major special revenue fund (Education Fund).

C. SCOPE OF THE REPORTING ENTITY

The Regional Office of Education #50's reporting entity includes all related organizations for which they exercise oversight responsibility.

The Regional Office of Education #50 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the Regional Office of Education #50, 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 #50 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.

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 #50 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education #50 is not aware of any entity, which would exercise such oversight as to result in the Regional Office of Education #50 being considered a component unit of the entity.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities are government-wide financial statements. They report information on all of the Regional Office of Education #50's activities with most of the interfund activities removed.

Governmental activities include programs supported primarily by State and federal grants and other intergovernmental revenues. The Regional Office of Education #50 has one business-type activity that relies on fees and charges for support.

The Regional Office of Education #50's government-wide financial statements include a Statement of Net Assets and a Statement of Activities. These statements present summaries of governmental and business-type activities for the Regional Office of Education #50 accompanied by a total column. These statements are presented on an "economic resources" measurement focus as prescribed by GASB Statement No. 34. All of the Regional Office of Education #50's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Assets. 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 for services, and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function.

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 are reported as separate columns in the fund financial statements.

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 Balance Sheet and proprietary fund Statement of Net Assets and as other resources and other uses on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances and on the proprietary fund Statement of Revenues, Expenses and Changes in Fund Net Assets. All interfund transactions between governmental funds and between governmental funds and internal service funds are eliminated on the government-wide financial statements. Interfund activities between governmental funds and business-type funds remain as due to/due from on the government-wide financial statements. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The purpose of interfund borrowing and permanent transfers is to cover temporary or permanent short falls in cash flow within grant programs and funds.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. PROPRIETARY FUND FINANCIAL STATEMENTS

Proprietary fund financial statements include a Statement of Net Assets, a Statement of Revenues, Expenses and Changes in Fund Net Assets, 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 and liabilities (whether current or noncurrent) are included on the Statement of Net Assets. The Statement of Revenues, Expenses and Changes in Fund Net Assets present increases (revenues) and decreases (expenses) in total net assets. 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 are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses 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 assets and changes in net assets 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. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, typically 60 days. 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. Revenue received after the Regional Office’s availability period are reported as deferred revenue in the fund statements and are reported as current revenue in the Statement of Activities.

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 are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Concluded)

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 and current liabilities are generally included on their balance sheets.

Their reported fund balance (net current assets) 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 assets. 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 #50; 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, St. Clair County Regional Office of Education #50 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 funding resources available to finance the program. It is the St. Clair County Regional Office of Education #50's policy to first apply restricted funds, then unrestricted. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned if any.

H. FUND ACCOUNTING

The Regional Office of Education #50 uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Regional Office of Education #50 uses governmental, proprietary, and fiduciary funds.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically are reported. Governmental funds reporting 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 liabilities 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, liabilities, 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, liabilities, 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 #50 has presented all major funds that met the above qualifications.

The Regional Office of Education #50 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Regional Office of Education #50. It is used to account for the expenditures, which benefit all school districts in the region except those required to be accounted for in other funds. General Fund includes the following:

Educational Service Region (ESR) General Operation Account – This program is used to account for local monies received for, and payment of, expenditures in connection with general administration activities.

Payroll Clearing Fund – This program is used to account for funds received and disbursed by the Regional Superintendent for payroll costs.

Worker Compensation Escrow Fund – This program is used to account for funds received for, and payments of, worker compensation insurance policy premiums.

Young Authors Conference – This program is used to account for monies received for, and payment of, expenditures for the annual Young Authors Conference.

National School Breakfast and Lunch (NSLP) – This program is used to account for State and federal grant monies received for, and payment of, expenditures to provide breakfast and lunch to the Safe School students.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

General State Aid - Sec 18-8 – This program is used to account for grant monies received for, and payment of, expenditures related to any educational purposes consistent with State and local requirements subject to applicable federal requirements.

Regional Safe Schools – This program provides 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.

School Service Account – This program is used to account for interest accrued in the no-longer utilized Distributive fund and payment of staff development expenditures requested by the entity that earned the interest.

Building Fund – This program is used to account for local monies received for, and payment of, expenditures necessary for the operation of the building.

Major Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary and major capital projects) that are legally restricted to expenditures for specified purposes.

Major special revenue funds include the following:

Education Fund – This fund is used to account for various grant and education enhancement programs as follows:

McKinney-Vento Education for Homeless Children & Youth – This program uses federal funds to provide training and technical assistance to school districts in 16 counties to assist school officials in understanding and complying with the McKinney-Vento Act.

Career and Technical Education Improvement – This program is used to account for grant monies received for, and payment of, expenditures for fiscal services provided to the St. Clair County/SWIC Career and Technical Education System.

Title I School Improvement & Accountability – This program uses federal funding to provide assistance to those schools/school districts that do not meet Adequate Yearly Progress (AYP) as defined by the No Child Left Behind Act.



ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Title II Teacher Quality – Leadership Grant – This program is used to account for federal grant monies received for, and payment of, expenditures related to providing professional development services to all schools that failed to make adequate yearly progress on Illinois Standards Achievement Test scores.

Truants Alternative/Optional Education – This program provides funding for services designed to prevent students from dropping out of school.

ARRA Title I School Improvement & Accountability – This program is used to account for grant monies received for, and payment of, expenditures related to providing school improvement support and assistance to schools in year one and two of improvement status.

Adult Education State Basic – This program is used to account for grant monies received for, and payment of, expenditures related to education and literacy for adults, as funded by basic State Grant.

Adult Education State Performance – This program is used to account for grant monies received for, and payment of, expenditures related to education and literacy for adults, as funded by performance monies.

Adult Education Public Assistance – This program is used to account for grant monies received for, and payment of, expenditures related to education and literacy for adults who are Public Aid recipients.

Math and Science Sprouting Stems – This program is used to account for federal grant monies received for, and payment of, expenditures to improve the content knowledge and pedagogical skills of kindergarten through third grade teachers in mathematics and science.

Math and Science Green Stems – This program is used to account for federal grant monies received for, and payment of, expenditures to improve the content knowledge and pedagogical skills of high school teachers in mathematics and science.

Title I School Dropout Prevention Project – This program is used to account for grant monies received for, and payment of, expenditures related to increasing high school graduation rates, decreasing dropouts, improving attendance, and assisting students in credit recovery in order to earn credits to graduate.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Title I Reading First – This program is used to account for federal grant monies received for, and payment of, expenditures related to providing a summer literacy program.

Mental Health Parent Resource – This program is used to account for grant monies received for, and payment of, expenditures related to support truancy intervention and prevention through case coordination, resource linkage, and parent training.

Beginning Teacher Induction and Mentoring – This program is used to account for grant monies received for, and payment of, expenditures to assist school districts in the establishment of "Induction and Mentoring" activities that meet quality standards and are available to beginning teachers.

ROE School Services – This program is used to account for grant monies received for, and payment of, expenditures to assist schools in all areas of school improvement.

Bilingual Education Downstate TPI – This program is used to account for grant monies received for, and payment of, expenditures to teach children for whom English is a second language.

Social Emotional Learning Standards – This program is used to account for grant monies received for, and payment of, expenditures to provide schools with professional development and technical assistance in the area of social emotional learning standards.

Preschool for All – This program is used to account for grant monies received for, and payment of, expenditures to house the Pre-School Accountability Liaison employed by ROE #25.

DHS/Office of Rehabilitation Services Transition – This program is used to account for federal and state grant monies received for, and payment of, expenditures for services to transition high school seniors from school to work.

Principal Mentoring – This program provides support and mentoring to new School District Principals.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Readiness and Emergency Management for Schools (REMS) – This program is used to account for federal grant monies received for, and payment of, expenditures related to improving and strengthening school emergency management plans.

ARRA Education Jobs – This program is used to account for grant monies received for, and payment of, expenditures related to saving or creating education jobs.

Federal Special Education Preschool Discretionary – This fund is used to account for federal grant monies received for, and payment of, expenditures related to services provided to educators, parents, and providers working with children (birth to five) with disabilities.

Teaching American History – 1 High School – This program is used to account for federal grant monies received for, and payment of, expenditures related to improving the content knowledge of high school American History teachers so they can offer effective instruction in their classrooms.

Teaching American History – 2 Grades 4-6 – This program is used to account for federal grant monies received for, and payment of, expenditures related to improving the content knowledge of grades 4-6 American History teachers so they can offer effective instruction in their classrooms.

Pan Flu Outreach Education – This program is used to account for grant monies received for, and payment of, expenditures related to education outreach activities regarding pandemic influenza that can become model programs for the State of Illinois.

Gifted Education Pilot – This program is used to account for grant monies received for, and payment of, expenditures related to increasing academic achievement of gifted students.

Additionally, the Regional Office of Education #50 reports the following nonmajor fund types:

Institute Fund – This program accounts for teacher certificate registration, issuance and evaluation fees for processing certificates, and expenses of meetings of a professional nature. All funds generated remain restricted until expended only on the aforementioned activities.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Concluded)

General Education Development – This program accounts for the receipts and expenses pertaining to the G.E.D./High School Equivalency program for high school dropouts.

Bus Driver Training – This program accounts for State and local receipts and expenses as a result of training school district bus drivers.

PROPRIETARY FUNDS

Proprietary funds are those in which revenues and expenses related to services provided to organizations inside the Regional Office of Education #50 on a cost reimbursement basis are reported. The Regional Office of Education #50 reports its Local Workshop Fund as a major proprietary fund. The Local Workshop Fund is used to account for the workshop fees and fees for technology services of the Regional Office of Education #50.

FIDUCIARY FUNDS

Agency Fund – Agency Fund is used to account for assets held by the Regional Office of Education #50 in a trustee capacity or as an agent for individuals, private organizations, or other governmental units. This funds is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. Agency Fund includes the following:

Employee Activity Fund – This program is used to account for funds raised by employees and used by employees for various health and social activities.

I. GOVERNMENTAL FUND BALANCES

Fund balance is the difference between assets and liabilities in a Governmental Fund. The following types of fund balances are 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 assets that are not available to be spent, either short term or long term, in either form or through legal restrictions. There are no accounts presenting a nonspendable fund balance.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. GOVERNMENTAL FUND BALANCES (Concluded)

Restricted Fund Balance – the portion of a Governmental Fund’s net assets that are subject to external enforceable legal restrictions. The following funds are restricted by Illinois Statute: Institute Fund, General Education Development, and Bus Driver Training.

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

Assigned Fund Balance – the portion of a Governmental Fund’s net assets that denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following fund balances are assigned: General State Aid 18-8, Young Authors Conference, a portion of the School Service Account, National School Breakfast and Lunch and Building Fund.

Unassigned Fund Balance – the portion of a Governmental Fund’s net assets that are expendable financial resources in a governmental fund that are not designated for a specific purpose. The following fund balances are unassigned: ESR General Operation Account and a portion of the School Service Account.

J. NET ASSETS

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

Invested in capital assets – Consists of capital assets, net of accumulated depreciation.

Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets."

K. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of cash on deposit. The Regional Office of Education #50 considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. INVENTORY

Inventory is not recorded. The cost is recorded as an expenditure at the time individual inventory items are purchased.

M. CAPITAL ASSETS

Capital assets purchased or acquired with an original cost of \$500 or more and estimated useful lives of greater than one year are reported at historical cost or estimated historical cost. Contributed assets are reported 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. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Deskjet printers/UPS	3 years
Computer, Laser printers, Fax machines	4 years
Cameras, Projectors, Camcorders, Copiers, Televitions, PA systems	5 years
Software systems	6 years
Furniture and Typewriters	8 years
Refrigerators	10 years

N. COMPENSATED ABSENCES

Non-exempt, full-time employees earn vacation time according to their length of service: 10 days per year for the first four years of service and 15 days per year starting with the fifth year of service. Vacation time is prorated for employees working between 16 and 40 hours per week. Temporary employees, non-exempt employees who work less than 16 hours per week, and exempt employees do not earn vacation days. Vacation time must be used within the same project year in which it was earned and unused vacation time at the end of a project year is forfeited. All projects in which salary expense is incurred have a year-end consistent with the Regional Office of Education #50's year-end of June 30; therefore, no liability is accrued. Employees receive up to 12 sick days annually and the unused portion is accumulated and carried forward. Employee sick leave is recorded when paid. Upon termination, employees do not receive any accumulated sick leave pay and, therefore, no liability is accrued.

O. ESTIMATES

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

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

P. BUDGET INFORMATION

The Regional Office of Education #50 acts as the administrative agent for certain grant programs that are accounted for in the Education Fund. Certain programs have separate budgets and are required to report to the Illinois State Board of Education, Illinois Community College Board, and Department of Human Services; however, none of the annual budgets are required to be or have been legally adopted. Certain programs within the General Fund and Special Revenue Fund do not have separate budgets. Comparisons of budgeted and actual results are presented as supplemental information.

Budget to actual statements have been provided in supplementary schedules for the following funds: McKinney-Vento Education for Homeless Children & Youth, Title I School Improvement and Accountability, Truants Alternative/Optional Education, ARRA Title I School Improvement & Accountability, Math and Science Sprouting Stems, Math and Science Green Stems, Title I School Dropout Prevention Project, Title I - Reading First, Beginning Teacher Induction and Mentoring, ROE School Services, Readiness and Emergency Management for Schools, Regional Safe Schools, Federal Special Education Preschool Discretionary, Teaching American History – 1 High School, Teaching American History – 2 Grades 4 – 6, and Gifted Education Pilot.

NOTE 2 – CASH AND CASH EQUIVALENTS

The Regional Office of Education #50 does not have a formal investment policy. The Regional Office of Education #50 is allowed to invest in securities as authorized by 30 ILCS-235/2 and 6 and 105 ILCS-5/8-7.

A. DEPOSITS

At June 30, 2011, the carrying amount of the Regional Office of Education #50's Government-wide and Agency fund deposits were \$2,226,668 and \$125, respectively, and the bank balances were \$2,311,184 and \$125, respectively. Of the total bank balances as of June 30, 2011, \$250,000 was secured by federal depository insurance and \$1,986,630 was collateralized by securities pledged by the Regional Office of Education #50's financial institution in the name of the Regional Office.

CUSTODIAL CREDIT RISK

Custodial credit risk for deposits with financial institutions is the risk that, in the event of bank failure, the ROE's deposits may not be returned to it. To guard against custodial credit risk for deposits with financial institutions, the St. Clair County Regional Office of Education #50's investment policy requires that deposits with financial institutions in excess of FDIC limits be secured by some form of collateral, by a written agreement, and held at an independent, third-party institution in the name of the St. Clair County Regional Office of Education #50.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 2 – CASH AND CASH EQUIVALENTS (Concluded)

B. INVESTMENTS

The Regional Office of Education #50's, only investments are internally pooled in the Illinois Funds Money Market Fund. As of June 30, 2011, the Regional Office of Education #50 had investments with carrying and fair value of \$74,679 invested in the Illinois Funds Money Market Fund.

CREDIT RISK

At June 30, 2011, the Illinois Funds Money Market Fund had 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 direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provision of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

INTEREST RATE RISK

The Illinois Funds Money Market Fund, created by the Illinois General 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 Funds 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

**Plan Description.** The St. Clair County Regional Office of Education #50'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 St. Clair County Regional Office of Education #50's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. That report may be obtained on line at [www.imrf.org](http://www.imrf.org).



ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Continued)

**Funding Policy.** As set by statute, the St. Clair Regional Office of Education #50's Regular plan members are required to contribute 4.50 percent 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 employer contribution rate for the calendar year 2010 was 8.48 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2010 was 11.62 percent.

The St. Clair Regional Office of Education #50 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Annual Pension Cost.** For calendar year ending December 31, 2010, the Regional Office of Education #50's annual pension cost for the Regular plan was \$84,004. Its required contribution for calendar year 2010 was \$115,109.

THREE YEAR TREND INFORMATION

Actuarial Valuation <u>Date</u>	Annual Pension Cost (APC)	Percentage of APC Contribution	Net Pension Obligation
12/31/10	\$115,109	73%	\$0
12/31/09	54,652	100%	0
12/31/08	77,619	100%	0

The required contribution for 2010 was determined as part of the December 31, 2008 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2008, included (a) 7.50 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the Regional Office of Education #50's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The St. Clair County Regional Office of Education #50's Regular plan's unfunded actuarial accrued liability at December 31, 2008 is being amortized as a level percentage of projected payroll on an open 10 year basis.

**Funded Status and Funding Progress.** As of December 31, 2010, the most recent actuarial valuation date, the Regular plan was 89.72 percent funded. The actuarial accrued liability for benefits was \$2,400,218 and the actuarial value of assets was \$2,153,580, resulting in an underfunded actuarial accrued liability (UAAL) of \$246,638. The covered payroll (annual payroll of active employees covered by the plan) was \$990,611 and the ratio of the UAAL to the covered payroll was 25 percent.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Concluded)

The schedule of funding progress, presented as RSI following the notes to the financial statements, present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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

The St. Clair County Regional Office of Education #50 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multi-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago.

The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The State of Illinois, maintains primary responsibility for funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the system's administration.

TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2011, was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after Jan. 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4% for the years ended June 30, 2010 and 2009.

The State of Illinois makes contributions directly to TRS on behalf of the Regional Office of Education #50's TRS-covered employees.

- **On behalf contributions.** The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #50. For the year ended June 30, 2011, State of Illinois contributions were based on 23.10 percent of creditable earnings not paid from federal funds, and the Regional Office of Education #50 recognized revenue and expenditures of \$119,685 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2010 and 2009, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 23.38 (\$165,762) and 17.08 (\$117,992) percent, respectively.

The Regional Office of Education #50 makes other types of employer contributions directly to TRS.

- **2.2 formula contributions.** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2011 were \$5,655. Contributions for the years ending June 30, 2010, and June 30, 2009, were \$5,131 and \$6,095, respectively.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 4 - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

- **Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the Regional Office of Education #50, there is a statutory requirement for the Regional Office of Education #50 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective in the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS.

For the year ended June 30, 2011, the employer pension contribution was 23.10 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2010 and 2009, the employer contribution was 23.38 and 17.08 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2011, salaries totaling \$648,286 were paid from federal and special trust funds that required employer contributions of \$149,754. For the years ended June 30, 2010 and June 30, 2009, required Regional Office of Education #50 contributions were \$85,811 and \$61,509, respectively.

- **Early Retirement Option.** The Regional Office of Education #50 is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member.

The maximum employer ERO contribution is 117.5 percent and applies when the member is age 55 at retirement.

For the years ended June 30, 2011, 2010, and 2009, the Regional Office of Education #50 paid no contributions to the ERO program.

- **Salary increases over 6 percent and excess sick leave.** If the Regional Office of Education #50 grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the Regional Office of Education #50 makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increase of up to 6 percent.

For the year ended June 30, 2011, the Regional Office of Education #50 paid no employer contributions to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2010 and June 30, 2009, the Regional Office of Education #50 paid no employer contributions on salary increases in excess of 6 percent.

If the Regional Office of Education #50 grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the Regional Office of Education #50 makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary used to calculate final average salary, and the TRS total normal cost

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 4 - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Concluded)

rate (18.03 percent of salary during the year ended June 30, 2011, as recertified pursuant to Public Act 96-1511). For the year ended June 30, 2011, the Regional Office of Education #50 paid no employer contributions to TRS for sick leave days granted in the excess of the normal annual allotment. For the years ended June 30, 2010 and June 30, 2009, the Regional Office of Education #50 paid no employer contributions granted for sick leave days.

**Further information on TRS** TRS financial information, an explanation of TRS benefits, and descriptions of member, employer and State funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2010. The report for the year ended June 30, 2011, is expected to be available in late 2011.

The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, PO Box 19253, 2815 West Washington Street, Springfield, Illinois 62794-9253. The most current report is also available on the TRS Web site at <http://trs.illinois.gov>.

NOTE 5 – OTHER POST EMPLOYMENT BENEFITS

A. TEACHERS' HEALTH INSURANCE SECURITY FUND

The St. Clair County Regional Office of Education #50 participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants may participate in the State administered participating provider option plan or choose from several managed care options.

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 Illinois Department of Healthcare and Family Services (HFS) and the Illinois Department of Central Management Services (CMS) administer the plan with the cooperation of TRS. The director of HFS determines the rates and premiums for annuitants and dependent beneficiaries and establishes the cost-sharing parameters. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to the TRS who are not employees of the State make a contribution to THIS Fund.

The percentage of employer required contributions in the future will be determined by the director of Healthcare and Family Services and will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

- **On behalf contributions.** The State of Illinois makes employer retiree health insurance contributions on behalf of St. Clair County Regional Office of Education #50. State contributions are intended to match contributions to THIS Fund from active members which were 0.88 percent of pay during the year ended June 30, 2011. State of Illinois contributions were \$8,580, and St. Clair County Regional Office of Education #50 recognized revenue and expenditures of this amount during the year.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

**NOTE 5 - OTHER POST EMPLOYMENT BENEFITS (Continued)**

State contributions intended to match active member contributions during the year ended June 30, 2010 was 0.84 percent of pay. State contributions on behalf of the St. Clair County Regional Office of Education #50 employees were \$7,430.

Had the St. Clair County Regional Office of Education #50 recognized revenue and expenditures for State contributions intended to match active member contributions during the year ended June 30, 2009 under the current standards, the contribution match would have been 0.84 percent of pay, or \$8,828.

- **Employer contributions to THIS Fund.** The St. Clair County Regional Office of Education #50 also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.66 percent during the year ended June 30, 2011 and 0.63 percent during the years ended June 30, 2010 and 2009. For the year ended June 30, 2011, the St. Clair County Regional Office of Education #50 paid \$6,435 to the THIS Fund. For the years ended June 30, 2010 and June 30, 2009, the St. Clair County Regional Office of Education #50 paid \$5,573 and \$8,828 to the THIS Fund, respectively, which was 100 percent of the required contribution.

**Further information on THIS Fund.** The publicly available financial report of the THIS Fund may be obtained by writing to the Department of Healthcare and Family Services, 201 S. Grand Ave., Springfield, IL 62763-3838.

**B. EGYPTIAN AREA SCHOOLS EMPLOYEE BENEFIT TRUST**

**Plan Description.** The St. Clair County Regional Office of Education #50 contributes to the Egyptian Area Schools Employee Benefit Trust (the "Trust"), a cost-sharing multiple-employer defined benefit health care plan administered by the Board of Managers of the Trust. The Trust provides medical benefits to active and retired employees of approximately 160 participating employers. The Trust issues a publicly available financial report that includes financial statements and required supplementary information for the Trust. A copy of the report may be obtained by writing to the Egyptian Area Schools Employee Benefit Trust, c/o Meritain Health, 13 Executive Drive, Suite 19, Fairview Heights, IL 62208, or by calling Meritain Health at (866) 588-2431, Option 3 x 6105. The report is also posted on the Trust's website at [www.egtrust.org](http://www.egtrust.org).

**Funding Policy.** The Trust Agreement establishing the Trust provides that contribution rates are established and may be modified by the Board of Managers of the Trust. Contribution rates are normally adjusted as of September 1 each year. As of June 30, 2011, participating employers were contractually required to contribute at the following rates for active and retired employees and dependents.

	Platinum	Gold	Silver	Bronze
	Plan	Plan	Plan	Plan
Employee (Retiree)	\$536	\$484	\$418	\$356
Employee + spouse	\$1,106	\$998	\$866	\$732
Employee + child(ren)	\$1,068	\$963	\$835	\$719
Family	\$1,191	\$1,073	\$932	\$791

ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 5 - OTHER POST EMPLOYMENT BENEFITS (Concluded)

Participating employers may require employees and/or retirees to pay some or all of the required contributions to the employer, but the employer has the legal obligation to pay contributions to the Trust. St. Clair County Regional Office of Education #50 requires retirees to pay 100% of the contribution for coverage for retirees and their dependents.

The Board of Managers of the Trust sets the employer contribution rates each year based on an actuarial valuation. The Trust's actuary has determined that as of June 30, 2011 the Trust had no Unfunded Actuarial Accrued Liability for Other Post Employment Benefits (OPEB) and is not expected to have an Unfunded Actuarial Accrued Liability as of June 30, 2009. That actuary has further determined that current contribution rates exceed the Annual Required Contribution (ARC) determined in accordance with the parameters of GASB Statement 45. The St. Clair County Regional Office of Education #50 contributions to the Trust for the years ending June 30, 2011, June 30, 2010, and June 30, 2009, were \$294,334, \$298,466, and \$321,694, respectively, which equaled the contractually required contributions each year.

NOTE 6 - INTERFUND ACTIVITY

DUE TO/FROM OTHER FUNDS

Interfund due to/from other fund balances at June 30, 2011 consist of the following individual due to/from other funds in the governmental fund Balance Sheet. The balances between governmental funds were eliminated in the government-wide Statement of Net Assets. The balances between governmental and business-type activities were not eliminated in the government-wide Statement of Net Assets.

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 189,969	\$ 139,755
Education Fund	-	65,451
Proprietary Fund	<u>15,237</u>	<u>-</u>
Totals	<u>\$ 205,206</u>	<u>\$ 205,206</u>

TRANSFERS

At the end of the fiscal year, the Regional Office of Education #50 transfers interest income associated with the Education Funds to the ESR General Operation Account as partial reimbursement for expenditures paid by the ESR General Operation Account through the year on behalf of the Education funds. The total interest transferred from the Education Funds to the ESR General Operation Account for the year ended June 30, 2011 was \$689. An additional \$31,543 in local funds that was loaned to start up the DHS/Office of Rehabilitation Services Transition program was transferred back to the ESR General Operations Accounts.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE FINANCIAL STATEMENTS  
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NOTE 6 - INTERFUND ACTIVITY (Concluded)

	Transfer Out	Transfer In
General Fund	\$ 27	\$ 32,259
Education Fund	<u>32,232</u>	<u>-</u>
Totals	<u>\$ 32,259</u>	<u>\$ 32,259</u>

NOTE 7 - CAPITAL ASSET ACTIVITY

In accordance with GASB Statement No. 34, the Regional Office of Education #50 has reported capital assets in the government-wide Statement of Net Assets. Purchases are reported as capital outlay in the governmental fund statements. Purchases of business-type activities are capitalized when purchased. The following table provides a summary of changes in capital assets for the year ended June 30, 2011:

	Balance <u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2011</u>
Governmental Activities				
Equipment	\$ 520,012	\$ 119,764	\$ 30,985	\$ 608,791
Furniture and Fixtures	<u>83,262</u>	<u>-</u>	<u>2,364</u>	<u>80,898</u>
Governmental Activities Total Assets	<u>603,274</u>	<u>119,764</u>	<u>33,349</u>	<u>689,689</u>
Less Accumulated Depreciation	<u>444,877</u>	<u>70,378</u>	<u>33,349</u>	<u>481,906</u>
Governmental Funds Investment in Capital Assets, Net	<u>\$ 158,397</u>	<u>\$ 49,386</u>	<u>\$ -</u>	<u>\$ 207,783</u>
Business Type Activities				
Equipment	\$ 15,412	\$ 3,435	\$ -	\$ 18,847
Furniture and Fixtures	<u>23,332</u>	<u>-</u>	<u>-</u>	<u>23,332</u>
Business-type Activities Total Assets	<u>38,744</u>	<u>3,435</u>	<u>-</u>	<u>42,179</u>
Less Accumulated Depreciation	<u>22,090</u>	<u>2,116</u>	<u>-</u>	<u>24,206</u>
Investment in Capital Assets, Net	<u>\$ 16,654</u>	<u>\$ 1,319</u>	<u>\$ -</u>	<u>\$ 17,973</u>

ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 7 - CAPITAL ASSET ACTIVITY (Concluded)

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended June 30, 2011 of \$70,378 and \$2,116 was charged to governmental activities and business-type activities, respectively, on the government-wide Statement of Activities. Investment in capital assets is the component of net assets that reports capital assets net of accumulated depreciation. The Regional Office's assets are composed of furniture and equipment.

NOTE 8 - RISK MANAGEMENT

The Regional Office of Education #50 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. The Regional Office of Education #50 has purchased commercial insurance to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past three years.

NOTE 9 – ON BEHALF PAYMENTS

St. Clair County provides the St. Clair County Regional Office of Education #50 with staff and pays certain expenditures on behalf of the St. Clair County Regional Office of Education #50. The expenditures paid on the St. Clair County Regional Office of Education #50's behalf for the year ended June 30, 2011, were as follows:

Salaries and benefits	\$ 220,437
Purchased services	<u>85,690</u>
Total	<u>\$ 306,127</u>

The State of Illinois paid the following salaries on behalf of the Regional Office of Education #50:

Regional Superintendent Salary	\$ 100,762
Assistant Regional Superintendent Salary	90,686
Regional Superintendent Fringe Benefit (Includes State paid insurance)	22,302
Assistant Regional Superintendent Fringe Benefit (Includes State paid insurance)	14,185
Regional Superintendent TRS Pension Contribution	23,276
Assistant Regional Superintendent TRS Pension Contribution	20,948
TRS Pension contributions	75,461
THIS contributions	<u>8,580</u>
Total	<u>\$ 356,200</u>



ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
 NOTES TO THE FINANCIAL STATEMENTS  
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NOTE 9 – ON BEHALF PAYMENTS (Concluded)

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 financial statements as State and local revenue and expenditures.

NOTE 10 – DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education #50's General Fund, Education Fund, and Proprietary Fund have funds due from/to various other governmental units which consist of the following:

Due From Other Governments:

General Fund

School Districts	\$ 300
Illinois State Board of Education	24,416

Education Fund

School Districts	13,163
Illinois State Board of Education	49,496
U.S. Department of Education	70,607

Proprietary Fund

School Districts	<u>3,510</u>
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Total	<u>\$161,492</u>
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Due To Other Governments:

Education Fund

Local Governments	\$ 57,197
Illinois State Board of Education	5,257
Federal Government	988

General Fund

Local Governments	<u>265</u>
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Total	<u>\$ 63,707</u>
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ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 11 - OPERATING LEASE

The Regional Office of Education #50 entered into an operating lease for its Belleville office space. Rent expense for the building for fiscal year 2011 totaled \$112,000. Future minimum operating lease commitments are as follows:

Year ending June 30, 2012	2012	<u>\$65,333</u>
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Rental payments of \$9,333 per month are required through January 31, 2012. At that time the terms of the lease may be renegotiated through 2032. St. Clair County provides the Regional Office of Education #50 with rent subsidies under this agreement of \$4,667 per month. This amount has been recorded as rental expense and local revenue on the Statement of Activities. The lease may be cancelled by the Regional Office of Education #50 upon 365 days written notification to the landlord, St. Clair County.

The Regional Office of Education #50 entered into an operating lease for space to operate educational programs. Rent expense for the building for fiscal year 2010 totaled \$51,714. Future minimum operating lease commitments are as follows:

Year ending June 30,		
2012	\$ 51,000	
2013	<u>51,000</u>	
Total	<u>\$102,000</u>	

Monthly rental payments are required through June 30, 2013. Annual rent is \$51,000 plus the published annual Consumer Price Index increase. Rent for 2010 was increased by 1.4%, and it remained constant in 2011. This amount has been recorded as an expense split between the Regional Safe School, General State Aid 18-8, and Truants/Alternative Optional Education funds. The lease may be cancelled by the Regional Office of Education #50 upon 365 days written notification to the landlord, St. Mary's Parish.

NOTE 12 – RECLASSIFICATION

The General State Aid 18-8 and Regional Safe Schools have been reclassified from the education fund to the general fund in fiscal year 2011. The General State Aid 18-8 is not restricted and is used to fund educational endeavors as the Regional Superintendent deems appropriate. General State Aid 18-8 primarily supports the Regional Safe School program for the current fund year. Because the unrestricted funds from General State Aid 1-8 are the primary source of funding for the Regional Safe School, both funds have been reclassified from the education fund to the general fund. National School Breakfast and Lunch has been moved from the education fund to the general fund. This program accounts for payments for and payment of expenditures for providing breakfast and lunch to the Safe School students.

ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 12 – RECLASSIFICATION (Concluded)

Young Authors Conference has been reclassified from the education fund to the general fund in fiscal year 2011. This program accounts for local funds received and expended for the annual Young Authors Conference.

The Payroll Clearing Fund and Worker Compensation Escrow Fund have been reclassified from the agency fund to the general fund. These funds account for monies received and disbursed for the St. Clair County Regional Office of Education #50's payroll costs and worker compensation policy premium.

These reclassifications had the following effect on the beginning fund balance for the general fund and education funds:

	Education Funds
Fund balance, July 1, 2010	\$ 735,109
Reclassification of Young Authors Conference	(1,273)
Reclassification of National School Breakfast and Lunc	(20,477)
Reclassification of General State Aid 18-8	(916,224)
Reclassification of Regional Safe Schools	123,273
Beginning Fund Balance, July, 1, 2010, Reclassified	\$ (79,592)
	General Fund
Fund balance, July 1, 2010	\$ 254,391
Reclassification of Young Authors Conference	1,273
Reclassification of National School Breakfast and Lunc	20,477
Reclassification of General State Aid 18-8	916,224
Reclassification of Regional Safe Schools	(123,273)
Beginning Fund Balance, July, 1, 2010, Reclassified	\$ 1,069,092

**REQUIRED SUPPLEMENTAL INFORMATION**

ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
 ILLINOIS MUNICIPAL RETIREMENT FUND  
 SCHEDULE OF FUNDING PROGRESS  
 (UNAUDITED)  
 June 30, 2011

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Unfunded Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ( (b-a)/c )
12/31/10	\$ 2,153,580	\$ 2,400,218	\$ 246,638	89.72%	\$ 990,611	24.90%
12/31/09	2,305,179	2,745,273	440,094	83.97%	1,268,029	34.71%
12/31/08	2,187,764	2,476,466	288,702	88.34%	1,308,929	22.06%

On a market value basis, the actuarial value of assets as of December 31, 2010 is \$2,331,984.

On a market basis, the funded ratio would be 97.16%.

**SUPPLEMENTAL INFORMATION**

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING SCHEDULE OF ACCOUNTS  
GENERAL FUND  
JUNE 30, 2011

	ESR General Operation Account	Payroll Clearing Fund	Worker Compensation Escrow Fund	Young Authors Conference	National School Breakfast and Lunch	General State Aid 18-8	Regional Safe Schools	School Service Account	Building Fund	TOTALS
<b>ASSETS</b>										
Cash and cash equivalents	\$ 106,417	\$ 12,729	\$ 15,107	\$ 2,069	\$ 23,156	\$ 794,915	\$ 148,349	\$ 90,310	\$ 54,307	\$ 1,247,359
Accounts receivable	-	-	-	-	-	-	-	-	25	25
Due from other funds	32	-	-	-	-	189,937	-	-	-	189,969
Due from other governments										
Local	-	-	-	-	-	-	-	-	300	300
State	6,250	-	-	-	166	-	18,000	-	-	24,416
<b>TOTAL ASSETS</b>	<b>\$ 112,699</b>	<b>\$ 12,729</b>	<b>\$ 15,107</b>	<b>\$ 2,069</b>	<b>\$ 23,322</b>	<b>\$ 984,852</b>	<b>\$ 166,349</b>	<b>\$ 90,310</b>	<b>\$ 54,632</b>	<b>\$ 1,462,069</b>
<b>LIABILITIES</b>										
Accounts payable	\$ 101	\$ 12,464	\$ 15,107	\$ -	\$ -	\$ 12,268	\$ -	\$ -	\$ -	\$ 39,940
Salary and benefits payable	-	-	-	-	-	19,532	26,594	-	2,884	49,010
Due to other funds	-	-	-	-	-	-	139,755	-	-	139,755
Due to other governments										
Local	-	265	-	-	-	-	-	-	-	265
<b>Total Liabilities</b>	<b>101</b>	<b>12,729</b>	<b>15,107</b>	<b>-</b>	<b>-</b>	<b>31,800</b>	<b>166,349</b>	<b>-</b>	<b>2,884</b>	<b>228,970</b>
<b>FUND BALANCE</b>										
Assigned	-	-	-	2,069	23,322	953,052	-	70,019	51,748	1,100,210
Unassigned	112,598	-	-	-	-	-	-	20,291	-	132,889
<b>Total Fund Balance</b>	<b>112,598</b>	<b>-</b>	<b>-</b>	<b>2,069</b>	<b>23,322</b>	<b>953,052</b>	<b>-</b>	<b>90,310</b>	<b>51,748</b>	<b>1,233,099</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>										
<b>\$ 112,699</b>	<b>\$ 12,729</b>	<b>\$ 15,107</b>	<b>\$ 2,069</b>	<b>\$ 23,322</b>	<b>\$ 984,852</b>	<b>\$ 166,349</b>	<b>\$ 90,310</b>	<b>\$ 54,632</b>	<b>\$ 1,462,069</b>	

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GENERAL FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2011

	ESR General Operation Account	Payroll Clearing Fund	Worker Compensation Escrow Fund	Young Authors Conference	National School Breakfast and Lunch	General State Aid 18-8	Regional Safe Schools	School Service Account	Building Fund	TOTALS
REVENUES										
Local sources	\$ 588	\$ -	\$ -	\$ 3,820	\$ 2,500	\$ -	\$ -	\$ -	\$ 24,750	\$ 31,658
Local sources-payments made on behalf of region	306,127	-	-	-	-	-	-	-	-	306,127
State sources	12,500	-	-	-	670	326,675	320,290	-	-	660,135
State sources-payments made on behalf of region	356,200	-	-	-	-	-	-	-	-	356,200
Federal Sources	-	-	-	-	14,826	375	-	-	-	15,201
Total Revenues	<u>675,415</u>	<u>-</u>	<u>-</u>	<u>3,820</u>	<u>17,996</u>	<u>327,050</u>	<u>320,290</u>	<u>-</u>	<u>24,750</u>	<u>1,369,321</u>
EXPENDITURES										
Salaries and benefits	20,079	-	-	-	-	179,678	188,976	-	10,160	398,893
Purchased services	968	-	-	2,360	15,272	86,156	7,899	-	9,192	121,847
Supplies and materials	1,333	-	-	672	-	25,862	142	-	1,049	29,058
Capital outlay	-	-	-	-	-	2,599	-	-	-	2,599
Other objects	540	-	-	-	-	-	-	-	-	540
Payments to Districts	-	-	-	-	-	-	-	28,465	-	28,465
Payments made on behalf of region	662,327	-	-	-	-	-	-	-	-	662,327
Total Expenditures	<u>685,247</u>	<u>-</u>	<u>-</u>	<u>3,032</u>	<u>15,272</u>	<u>294,295</u>	<u>197,017</u>	<u>28,465</u>	<u>20,401</u>	<u>1,243,729</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(9,832)</u>	<u>-</u>	<u>-</u>	<u>788</u>	<u>2,724</u>	<u>32,755</u>	<u>123,273</u>	<u>(28,465)</u>	<u>4,349</u>	<u>125,592</u>
OTHER FINANCING SOURCES (USES)										
Transfers in	32,259	-	-	-	-	-	-	-	-	32,259
Transfers out	-	-	-	-	-	-	(27)	-	-	(27)
Interest	832	-	-	8	121	4,073	27	965	157	6,183
Total Other Financing Sources (Uses)	<u>33,091</u>	<u>-</u>	<u>-</u>	<u>8</u>	<u>121</u>	<u>4,073</u>	<u>-</u>	<u>965</u>	<u>157</u>	<u>38,415</u>
NET CHANGE IN FUND BALANCE	23,259	-	-	796	2,845	36,828	123,273	(27,500)	4,506	164,007
FUND BALANCE (DEFICIT) - BEGINNING, RESTATED (See Note 13)	89,339	-	-	1,273	20,477	916,224	(123,273)	117,810	47,242	1,069,092
FUND BALANCE - ENDING	<u>\$ 112,598</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,069</u>	<u>\$ 23,322</u>	<u>\$ 953,052</u>	<u>\$ -</u>	<u>\$ 90,310</u>	<u>\$ 51,748</u>	<u>\$ 1,233,099</u>



ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2010 to June 30, 2011)  
 GENERAL FUND ACCOUNT  
 REGIONAL SAFE SCHOOLS  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Fund Year 2010	Fund Year 2011	Total Actual
	Original	Final	Actual Amounts	Actual Amounts	Amounts
<b>REVENUES</b>					
State	\$ 197,017	\$ 197,017	\$ 123,273	\$ 197,017	\$ 320,290
Total Revenues	<u>197,017</u>	<u>197,017</u>	<u>123,273</u>	<u>197,017</u>	<u>320,290</u>
<b>EXPENDITURES</b>					
Salaries and benefits	194,744	189,463	-	188,976	188,976
Purchased services	2,156	7,437	-	7,899	7,899
Supplies and materials	117	117	-	142	142
Total Expenditures	<u>197,017</u>	<u>197,017</u>	<u>-</u>	<u>197,017</u>	<u>197,017</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	-	-
Transfers out	-	-	-	(27)	(27)
Interest	-	-	-	27	27
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	123,273	-	123,273
FUND BALANCE (DEFICIT) - BEGINNING	-	-	(123,273)	-	(123,273)
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND  
JUNE 30, 2011

	McKinney-Vento Education for Homeless Children & Youth	Career and Technical Education Improvement	Title I School Improvement & Accountability	Title II Teacher Quality - Leadership Grant	Truants Alternative/ Optional Education
<b>ASSETS</b>					
Cash and cash equivalents	\$ 6,941	\$ 861	\$ 377,568	\$ -	\$ -
Accounts receivable	-	-	-	-	-
Due from other governments					
Local	-	-	-	-	-
State	-	-	-	-	-
Federal	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 6,941</b>	<b>\$ 861</b>	<b>\$ 377,568</b>	<b>\$ -</b>	<b>\$ -</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 276	\$ -	\$ 22,470	\$ -	\$ -
Salary and benefits payable	2,168	861	31,969	-	-
Due to other funds	3	-	-	-	-
Unearned revenue	4,494	-	322,722	-	-
Due to other governments					
Local	-	-	-	-	-
State	-	-	-	-	-
Federal	-	-	407	-	-
Total Liabilities	<b>6,941</b>	<b>861</b>	<b>377,568</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>					
Restricted	-	-	-	-	-
Total Fund Balance	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 6,941</b>	<b>\$ 861</b>	<b>\$ 377,568</b>	<b>\$ -</b>	<b>\$ -</b>

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND  
JUNE 30, 2011

	ARRA Title I School Improvement & Accountability	Adult Education State Basic	Adult Education State Performance	Adult Education Public Assistance	Math & Science Sprouting Stems	Math & Science Green Stems
<b>ASSETS</b>						
Cash and cash equivalents	\$ 2,444	\$ -	\$ -	\$ -	\$ 36,391	\$ -
Accounts receivable	-	-	-	-	-	-
Due from other governments						
Local	-	-	-	-	-	-
State	-	-	-	-	-	10,259
Federal	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 2,444</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,391</b>	<b>\$ 10,259</b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 20,538	\$ 1,842
Salary and benefits payable	2,442	-	-	-	405	-
Due to other funds	2	-	-	-	-	8,061
Unearned revenue	-	-	-	-	15,225	-
Due to other governments						
Local	-	-	-	-	-	-
State	-	-	-	-	223	12
Federal	-	-	-	-	-	344
<b>Total Liabilities</b>	<b>2,444</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,391</b>	<b>10,259</b>
<b>FUND BALANCE</b>						
Restricted	-	-	-	-	-	-
<b>Total Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 2,444</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,391</b>	<b>\$ 10,259</b>

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND  
JUNE 30, 2011

	Title I School Dropout Prevention Project	Title I Reading First	Mental Health Parent Resource	Beginning Teacher Induction and Mentoring	ROE School Services	Bilingual Education Downstate TPI
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ 22	\$ 4,802	\$ -	\$ 227	\$ 45,036
Accounts receivable	-	-	-	-	-	-
Due from other governments						
Local	-	-	4,557	-	-	-
State	-	-	-	-	39,237	-
Federal	46,291	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 46,291</b>	<b>\$ 22</b>	<b>\$ 9,359</b>	<b>\$ -</b>	<b>\$ 39,464</b>	<b>\$ 45,036</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 835	\$ -	\$ -	\$ -	\$ 2,135	\$ 110
Salary and benefits payable	23,697	-	2,184	-	2,067	9,467
Due to other funds	-	-	7,175	-	35,262	21
Unearned revenue	-	-	-	-	-	-
Due to other governments						
Local	21,759	-	-	-	-	35,438
State	-	22	-	-	-	-
Federal	-	-	-	-	-	-
Total Liabilities	46,291	22	9,359	-	39,464	45,036
<b>FUND BALANCE</b>						
Restricted	-	-	-	-	-	-
Total Fund Balance	-	-	-	-	-	-
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 46,291</b>	<b>\$ 22</b>	<b>\$ 9,359</b>	<b>\$ -</b>	<b>\$ 39,464</b>	<b>\$ 45,036</b>

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND  
JUNE 30, 2011

	Social Emotional Learning Standards	Preschool For All	DHS/Office of Rehabilitation Services Transition	Principal Mentoring	Readiness and Emergency Management for Schools	ARRA Education Jobs
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 6,469	\$ 21	\$ -
Accounts receivable	-	-	-	4,500	-	-
Due from other governments						
Local	-	-	-	-	-	-
State	-	-	-	-	-	-
Federal	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,969</b>	<b>\$ 21</b>	<b>\$ -</b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ 10,966	\$ -	\$ -
Salary and benefits payable	-	-	-	-	-	-
Due to other funds	-	-	-	3	-	-
Unearned revenue	-	-	-	-	-	-
Due to other governments						
Local	-	-	-	-	-	-
State	-	-	-	-	-	-
Federal	-	-	-	-	21	-
Total Liabilities	-	-	-	10,969	21	-
<b>FUND BALANCE</b>						
Restricted	-	-	-	-	-	-
Total Fund Balance	-	-	-	-	-	-
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,969</b>	<b>\$ 21</b>	<b>\$ -</b>

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND  
JUNE 30, 2011

	Federal Special Education Preschool Discretionary	Teaching American History - 1 High School	Teaching American History - 2 Grades 4 - 6	Pan Flu Outreach Education	Gifted Education Pilot	TOTALS
<b>ASSETS</b>						
Cash and cash equivalents	\$ 3,915	\$ -	\$ -	\$ 7,636	\$ -	\$ 492,333
Accounts receivable	-	-	-	-	-	4,500
Due from other governments						
Local	-	-	-	8,606	-	13,163
State	-	-	-	-	-	49,496
Federal	13,386	3,070	7,860	-	-	70,607
<b>TOTAL ASSETS</b>	<b>\$ 17,301</b>	<b>\$ 3,070</b>	<b>\$ 7,860</b>	<b>\$ 16,242</b>	<b>\$ -</b>	<b>\$ 630,099</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 315	\$ 190	\$ 45	\$ 1,318	\$ -	\$ 61,040
Salary and benefits payable	16,770	2,880	2,815	-	-	97,725
Due to other funds	-	-	-	14,924	-	65,451
Unearned revenue	-	-	-	-	-	342,441
Due to other governments						
Local	-	-	-	-	-	57,197
State	-	-	5,000	-	-	5,257
Federal	216	-	-	-	-	988
<b>Total Liabilities</b>	<b>17,301</b>	<b>3,070</b>	<b>7,860</b>	<b>16,242</b>	<b>-</b>	<b>630,099</b>
<b>FUND BALANCE</b>						
Restricted	-	-	-	-	-	-
<b>Total Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 17,301</b>	<b>\$ 3,070</b>	<b>\$ 7,860</b>	<b>\$ 16,242</b>	<b>\$ -</b>	<b>\$ 630,099</b>

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
EDUCATION FUND  
FOR THE YEAR ENDED JUNE 30, 2011

	McKinney-Vento Education for Homeless Children & Youth	Career and Technical Education Improvement	Title I School Improvement & Accountability	Title II Teacher Quality - Leadership Grant	Truants Alternative/ Optional Education
<b>REVENUES</b>					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	17,624	-	-	84,785
Federal sources	34,318	-	1,367,140	2,747	-
Total Revenue	<u>34,318</u>	<u>17,624</u>	<u>1,367,140</u>	<u>2,747</u>	<u>84,785</u>
<b>EXPENDITURES</b>					
Salaries and benefits	31,644	17,268	1,022,129	-	69,943
Purchased services	2,172	356	191,918	-	11,360
Supplies and materials	502	-	124,793	2,747	3,482
Capital outlay	-	-	28,300	-	-
Payments to other governments	-	-	-	-	-
Total Expenditures	<u>34,318</u>	<u>17,624</u>	<u>1,367,140</u>	<u>2,747</u>	<u>84,785</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	(25)	-	-	-	(121)
Interest	25	-	-	-	121
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>					
	-	-	-	-	-
<b>FUND BALANCE (DEFICIT) - BEGINNING, RESTATED</b>					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(See Note 13)					
<b>FUND BALANCE - ENDING</b>					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
EDUCATION FUND  
FOR THE YEAR ENDED JUNE 30, 2011

	ARRA Title I School Improvement & Accountability	Adult Education State Basic	Adult Education State Performance	Adult Education Public Assistance	Math & Science Sprouting Stems	Math & Science Green Stems
<b>REVENUES</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	24,480	4,357	8,492	-	-
Federal sources	180,000	-	-	-	288,020	341,301
Total Revenue	<u>180,000</u>	<u>24,480</u>	<u>4,357</u>	<u>8,492</u>	<u>288,020</u>	<u>341,301</u>
<b>EXPENDITURES</b>						
Salaries and benefits	111,198	-	-	-	37,819	24,592
Purchased services	27,277	-	-	-	161,685	136,203
Supplies and materials	17,708	-	-	-	87,608	116,055
Capital outlay	-	-	-	-	908	64,451
Payments to other governments	23,817	-	-	-	-	-
Total Expenditures	<u>180,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>288,020</u>	<u>341,301</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>						
	<u>-</u>	<u>24,480</u>	<u>4,357</u>	<u>8,492</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers out	(21)	-	-	-	-	-
Interest	21	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>						
	-	24,480	4,357	8,492	-	-
<b>FUND BALANCE (DEFICIT) - BEGINNING, RESTATED</b>						
(See Note 13)	<u>-</u>	<u>(24,480)</u>	<u>(4,357)</u>	<u>(8,492)</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>						
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
EDUCATION FUND  
FOR THE YEAR ENDED JUNE 30, 2011

	Title I School Dropout Prevention Project	Title I Reading First	Mental Health Parent Resource	Beginning Teacher Induction and Mentoring	ROE School Services	Bilingual Education Downstate TPI
<b>REVENUES</b>						
Local sources	\$ -	\$ -	\$ 54,585	\$ -	\$ -	\$ 164,216
State sources	-	-	-	99,838	119,531	20,475
Federal sources	475,551	39,386	-	-	-	-
Total Revenue	<u>475,551</u>	<u>39,386</u>	<u>54,585</u>	<u>99,838</u>	<u>119,531</u>	<u>184,691</u>
<b>EXPENDITURES</b>						
Salaries and benefits	318,143	4,190	51,725	-	48,883	130,693
Purchased services	132,878	24,727	1,629	99,838	39,025	32,839
Supplies and materials	5,575	10,469	1,231	-	10,888	684
Capital outlay	18,955	-	-	-	4,551	-
Payments to other governments	-	-	-	-	-	-
Total Expenditures	<u>475,551</u>	<u>39,386</u>	<u>54,585</u>	<u>99,838</u>	<u>103,347</u>	<u>164,216</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>						
	-	-	-	-	16,184	20,475
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers out	-	(29)	-	(68)	(13)	(249)
Interest	-	29	-	68	13	249
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>						
	-	-	-	-	16,184	20,475
<b>FUND BALANCE (DEFICIT) - BEGINNING, RESTATED</b>						
	-	-	-	-	(16,184)	(20,475)
(See Note 13)						
<b>FUND BALANCE - ENDING</b>						
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
EDUCATION FUND  
FOR THE YEAR ENDED JUNE 30, 2011

	Social Emotional Learning Standards	Preschool For All	DHS/Office of Rehabilitation Services Transition	Principal Mentoring	Readiness and Emergency Management for Schools	ARRA Education Jobs
REVENUES						
Local sources	\$ -	\$ -	\$ -	\$ 330	\$ -	\$ -
State sources	6,385	17,858	6,250	13,500	-	-
Federal sources	-	-	16,077	-	51,575	29,744
Total Revenue	<u>6,385</u>	<u>17,858</u>	<u>22,327</u>	<u>13,830</u>	<u>51,575</u>	<u>29,744</u>
EXPENDITURES						
Salaries and benefits	6,204	-	3,104	-	25,957	29,419
Purchased services	181	-	1	11,199	22,500	325
Supplies and materials	-	-	-	2,631	3,118	-
Capital outlay	-	-	-	-	-	-
Payments to other governments	-	-	-	-	-	-
Total Expenditures	<u>6,385</u>	<u>-</u>	<u>3,105</u>	<u>13,830</u>	<u>51,575</u>	<u>29,744</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>17,858</u>	<u>19,222</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(22)	-	(31,543)	(9)	-	-
Interest	22	-	67	9	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(31,476)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	17,858	(12,254)	-	-	-
FUND BALANCE (DEFICIT) - BEGINNING, RESTATED (See Note 13)	<u>-</u>	<u>(17,858)</u>	<u>12,254</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
EDUCATION FUND  
FOR THE YEAR ENDED JUNE 30, 2011

	Federal Special Education Preschool Discretionary	Teaching American History - 1 High School	Teaching American History - 2 Grades 4 - 6	Pan Flu Outreach Education	Gifted Education Pilot	TOTALS
<b>REVENUES</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 219,131
State sources	-	-	-	-	55,086	478,661
Federal sources	491,816	145,192	285,411	16,241	-	3,764,519
Total Revenue	<u>491,816</u>	<u>145,192</u>	<u>285,411</u>	<u>16,241</u>	<u>55,086</u>	<u>4,462,311</u>
<b>EXPENDITURES</b>						
Salaries and benefits	342,455	76,796	76,991	1,722	7,061	2,437,936
Purchased services	111,232	47,946	171,767	7,770	1,194	1,236,022
Supplies and materials	38,129	16,533	21,131	6,749	46,831	516,864
Capital outlay	-	-	-	-	-	117,165
Payments to other governments	-	3,917	15,522	-	-	43,256
Total Expenditures	<u>491,816</u>	<u>145,192</u>	<u>285,411</u>	<u>16,241</u>	<u>55,086</u>	<u>4,351,243</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,068</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers out	-	-	-	-	(132)	(32,232)
Interest	-	-	-	-	132	756
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,476)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-	-	79,592
<b>FUND BALANCE (DEFICIT) - BEGINNING, RESTATED</b> (See Note 13)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(79,592)</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2010 to August 31, 2011)  
 EDUCATION FUND ACCOUNT  
 MCKINNEY-VENTO EDUCATION FOR HOMELESS CHILDREN & YOUTH  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal	\$ 33,693	\$ 38,812	\$ 34,318
Total Revenues	<u>33,693</u>	<u>38,812</u>	<u>34,318</u>
EXPENDITURES			
Salaries and benefits	28,694	33,721	31,644
Purchased services	3,632	4,586	2,172
Supplies and materials	1,367	505	502
Total Expenditures	<u>33,693</u>	<u>38,812</u>	<u>34,318</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	-	-	(25)
Interest	-	-	25
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2010 to August 31, 2011)  
 EDUCATION FUND ACCOUNT  
 TITLE I SCHOOL IMPROVEMENT & ACCOUNTABILITY  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal	\$ 1,667,765	\$ 1,667,765	\$ 1,367,140
Total Revenues	<u>1,667,765</u>	<u>1,667,765</u>	<u>1,367,140</u>
EXPENDITURES			
Salaries and benefits	1,032,372	1,057,622	1,022,129
Purchased services	314,455	348,532	191,918
Supplies and materials	204,438	231,611	124,793
Capital outlay	-	30,000	28,300
Payments to other governments	116,500	-	-
Total Expenditures	<u>1,667,765</u>	<u>1,667,765</u>	<u>1,367,140</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2009 to December 31, 2010)  
 EDUCATION FUND ACCOUNT  
 TRUANTS ALTERNATIVE/OPTIONAL EDUCATION  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts		Total Actual Amounts
	Original	Final	Spent In		
			FY 10	FY 11	
<b>REVENUES</b>					
State	\$ 539,270	\$ 539,270	\$ 430,857	\$ 84,785	\$ 515,642
Total Revenues	539,270	539,270	430,857	84,785	515,642
<b>EXPENDITURES</b>					
Salaries and benefits	477,534	477,534	393,242	69,943	463,185
Purchased services	54,736	54,736	36,401	11,360	47,761
Supplies and materials	7,000	7,000	1,214	3,482	4,696
Total Expenditures	539,270	539,270	430,857	84,785	515,642
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	-	-	-	(121)	(121)
Interest	-	-	-	121	121
Total Other Financing Sources (Uses)	-	-	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-	-
<b>FUND BALANCE - BEGINNING</b>	-	-	-	-	-
<b>FUND BALANCE - ENDING</b>	\$ -	\$ -	\$ -	\$ -	\$ -

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 15, 2010 to June 30, 2011)  
 EDUCATION FUND ACCOUNT  
 ARRA TITLE I SCHOOL IMPROVEMENT & ACCOUNTABILITY  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>REVENUES</b>			
Federal	\$ 180,000	\$ 180,000	\$ 180,000
Total Revenues	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>
<b>EXPENDITURES</b>			
Salaries and benefits	136,551	104,114	111,198
Purchased services	40,307	32,704	27,277
Supplies and materials	3,142	19,907	17,708
Payments to other governments	-	23,275	23,817
Total Expenditures	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	-	-	(21)
Interest	-	-	21
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
<b>FUND BALANCE - BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of May 1, 2010 to September 30, 2010)  
 EDUCATION FUND ACCOUNT  
 MATHEMATICS AND SCIENCE PARTNERSHIP  
 MATH AND SCIENCE SPROUTING STEMS (10-4936-10)  
 FOR THE YEAR ENDED JUNE 30, 2011

	2010 Budgeted Amounts		Actual Amounts		Total Actual Amounts
	Original	Final	Spent In		
			FY 10	FY 11	
REVENUES					
Federal	\$ 180,000	\$ 175,314	\$ 27,957	\$ 146,930	\$ 174,887
Total Revenues	<u>180,000</u>	<u>175,314</u>	<u>27,957</u>	<u>146,930</u>	<u>174,887</u>
EXPENDITURES					
Salaries and benefits	23,169	22,936	-	22,043	22,043
Purchased services	79,286	79,284	4,500	79,758	84,258
Supplies and materials	75,545	71,094	23,457	44,221	67,678
Capital outlay	2,000	2,000	-	908	908
Total Expenditures	<u>180,000</u>	<u>175,314</u>	<u>27,957</u>	<u>146,930</u>	<u>174,887</u>
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of October 1, 2010 to September 30, 2011)  
 EDUCATION FUND ACCOUNT  
 MATHEMATICS AND SCIENCE PARTNERSHIP  
 MATH AND SCIENCE SPROUTING STEMS (11-4936-10)  
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>2011 Budgeted Amounts</u>		<u>Total Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Federal	\$ 250,000	\$ 250,000	\$ 141,090
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>141,090</u>
EXPENDITURES			
Salaries and benefits	41,291	28,393	15,776
Purchased services	135,440	125,867	81,927
Supplies and materials	60,894	73,565	43,387
Payments to other governments	12,375	22,175	-
Total Expenditures	<u>250,000</u>	<u>250,000</u>	<u>141,090</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of October 1, 2009 to August 31, 2010)  
 EDUCATION FUND ACCOUNT  
 MATHEMATICS AND SCIENCE PARTNERSHIP  
 MATH AND SCIENCE GREEN STEMS (10-4936-00)  
 FOR THE YEAR ENDED JUNE 30, 2011

	2010 Budgeted Amounts		Actual Amounts		Total Actual Amounts
	Original	Final	Spent In		
			FY 10	FY 11	
REVENUES					
Federal	\$ 230,182	\$ 230,182	\$ 83,955	\$ 143,450	\$ 227,405
Total Revenues	<u>230,182</u>	<u>230,182</u>	<u>83,955</u>	<u>143,450</u>	<u>227,405</u>
EXPENDITURES					
Salaries and benefits	21,692	21,692	14,970	6,375	21,345
Purchased services	106,018	106,018	65,369	32,403	97,772
Supplies and materials	102,472	43,972	3,616	44,710	48,326
Capital outlay	-	58,500	-	59,962	59,962
Total Expenditures	<u>230,182</u>	<u>230,182</u>	<u>83,955</u>	<u>143,450</u>	<u>227,405</u>
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of September 1, 2010 to August 31, 2011)  
 EDUCATION FUND ACCOUNT  
 MATHEMATICS AND SCIENCE PARTNERSHIP  
 MATH AND SCIENCE GREEN STEMS (11-4936-00)  
 FOR THE YEAR ENDED JUNE 30, 2011

	2011 Budgeted Amounts		Total Actual Amounts
	Original	Final	
REVENUES			
Federal	\$ 250,000	\$ 228,750	\$ 197,851
Total Revenues	<u>250,000</u>	<u>228,750</u>	<u>197,851</u>
EXPENDITURES			
Salaries and benefits	22,512	25,746	18,217
Purchased services	116,690	125,617	103,800
Supplies and materials	108,322	72,416	71,345
Capital outlay	2,476	4,971	4,489
Total Expenditures	<u>250,000</u>	<u>228,750</u>	<u>197,851</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of October 1, 2010 to September 30, 2011)  
 EDUCATION FUND ACCOUNT  
 TITLE I SCHOOL DROPOUT PREVENTION PROJECT  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal	\$ 988,394	\$ 988,394	\$ 475,551
Total Revenues	<u>988,394</u>	<u>988,394</u>	<u>475,551</u>
EXPENDITURES			
Salaries and benefits	774,049	666,557	318,143
Purchased services	169,145	276,637	132,878
Supplies and materials	45,200	45,200	5,575
Capital outlay	-	-	18,955
Total Expenditures	<u>988,394</u>	<u>988,394</u>	<u>475,551</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of March 17, 2010 to August 31, 2010 )  
 EDUCATION FUND ACCOUNT  
 TITLE I - READING FIRST  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal	\$ 56,856	\$ 56,856	\$ 39,386
Total Revenues	<u>56,856</u>	<u>56,856</u>	<u>39,386</u>
EXPENDITURES			
Salaries and benefits	7,000	7,000	4,190
Purchased services	31,656	31,656	24,727
Supplies and materials	18,200	18,200	10,469
Total Expenditures	<u>56,856</u>	<u>56,856</u>	<u>39,386</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	-	-	(29)
Interest	-	-	29
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of October 1, 2009 to August 31, 2010)  
 EDUCATION FUND ACCOUNT  
 BEGINNING TEACHER INDUCTION AND MENTORING (10-3982-00)  
 FOR THE YEAR ENDED JUNE 30, 2011

	2010 Budgeted Amounts		Actual Amounts		Total Actual Amounts
	Original	Final	Spent In		
			FY 10	FY 11	
REVENUES					
State	\$ 127,551	\$ 127,551	\$ 2,945	\$ 99,838	\$ 102,783
Total Revenues	<u>127,551</u>	<u>127,551</u>	<u>2,945</u>	<u>99,838</u>	<u>102,783</u>
EXPENDITURES					
Salaries and benefits	7,913	7,913	-	-	-
Purchased services	117,298	117,298	2,945	99,838	102,783
Supplies and materials	2,340	2,340	-	-	-
Total Expenditures	<u>127,551</u>	<u>127,551</u>	<u>2,945</u>	<u>99,838</u>	<u>102,783</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	-	(68)	(68)
Interest	-	-	-	68	68
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2009 to June 30, 2010)  
 EDUCATION FUND ACCOUNT  
 ROE SCHOOL SERVICES (10-3730-00)  
 FOR THE YEAR ENDED JUNE 30, 2011

	2010 Budgeted Amounts		Actual Amounts Spent In		Total Actual Amounts
	Original	Final	FY10	FY 11	
<b>REVENUES</b>					
State	\$ 63,479	\$ 98,982	\$ 67,663	\$ 29,600	\$ 97,263
Total Revenues	63,479	98,982	67,663	29,600	97,263
<b>EXPENDITURES</b>					
Salaries and benefits	55,017	60,691	60,207	852	61,059
Purchased services	7,912	26,236	21,767	2,171	23,938
Supplies and materials	550	8,055	1,873	5,842	7,715
Capital outlay	-	4,000	-	4,551	4,551
Total Expenditures	63,479	98,982	83,847	13,416	97,263
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	-	-	(5)	-	(5)
Interest	-	-	5	-	5
Total Other Financing Sources (Uses)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	(16,184)	16,184	-
FUND BALANCE (DEFICIT) - BEGINNING	-	-	-	(16,184)	-
FUND BALANCE (DEFICIT) - ENDING	\$ -	\$ -	\$ (16,184)	\$ -	\$ -

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2010 to June 30, 2011)  
 EDUCATION FUND ACCOUNT  
 ROE SCHOOL SERVICES (11-3730-00)  
 FOR THE YEAR ENDED JUNE 30, 2011

	2011 Budgeted Amounts			Total Actual Amounts
	Original	Final	FY 11	
<b>REVENUES</b>				
State	\$ 89,931	\$ 89,931	\$ 89,931	\$ 89,931
Total Revenues	<u>89,931</u>	<u>89,931</u>	<u>89,931</u>	<u>89,931</u>
<b>EXPENDITURES</b>				
Salaries and benefits	53,957	48,332	48,031	48,031
Purchased services	26,926	36,857	36,854	36,854
Supplies and materials	7,048	4,742	5,046	5,046
Capital outlay	2,000	-	-	-
Total Expenditures	<u>89,931</u>	<u>89,931</u>	<u>89,931</u>	<u>89,931</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	(13)	(13)
Interest	-	-	13	13
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE - BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>



ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2010 to August 31, 2010)  
 EDUCATION FUND ACCOUNT  
 READINESS AND EMERGENCY MANAGEMENT FOR SCHOOLS  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal	\$ 75,408	\$ 75,408	\$ 51,575
Total Revenues	<u>75,408</u>	<u>75,408</u>	<u>51,575</u>
EXPENDITURES			
Salaries and benefits	31,728	31,728	25,957
Purchased services	39,178	39,178	22,500
Supplies and materials	4,502	4,502	3,118
Total Expenditures	<u>75,408</u>	<u>75,408</u>	<u>51,575</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2009 to June 30, 2010)  
 EDUCATION FUND ACCOUNT  
 FEDERAL SPECIAL EDUCATION PRESCHOOL DISCRETIONARY (10-4605-00)  
 FOR THE YEAR ENDED JUNE 30, 2011

	2010 Budgeted Amounts		Actual Amounts Spent In		Total Actual Amounts
	Original	Final	FY10	FY 11	
REVENUES					
Federal	\$ 489,250	\$ 489,249	\$ 462,175	\$ 3,092	\$ 465,267
Total Revenues	<u>489,250</u>	<u>489,249</u>	<u>462,175</u>	<u>3,092</u>	<u>465,267</u>
EXPENDITURES					
Salaries and benefits	355,898	332,149	327,019	-	327,019
Purchased services	102,052	122,512	105,946	-	105,946
Supplies and materials	30,100	33,388	28,010	3,092	31,102
Payments to other governments	1,200	1,200	1,200	-	1,200
Total Expenditures	<u>489,250</u>	<u>489,249</u>	<u>462,175</u>	<u>3,092</u>	<u>465,267</u>
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2010 to June 30, 2011)  
 EDUCATION FUND ACCOUNT  
 FEDERAL SPECIAL EDUCATION PRESCHOOL DISCRETIONARY (11-4605-00)  
 FOR THE YEAR ENDED JUNE 30, 2011

	2011 Budgeted Amounts		Total Actual Amounts
	Original	Final	
REVENUES			
Federal	\$ 489,250	\$ 489,250	\$ 488,724
Total Revenues	<u>489,250</u>	<u>489,250</u>	<u>488,724</u>
EXPENDITURES			
Salaries and benefits	360,143	344,335	342,455
Purchased services	110,120	108,120	111,232
Supplies and materials	17,787	35,595	35,037
Payments to other governments	1,200	1,200	-
Total Expenditures	<u>489,250</u>	<u>489,250</u>	<u>488,724</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2010 to June 30, 2011)  
 EDUCATION FUND ACCOUNT  
 TEACHING AMERICAN HISTORY - 1 HIGH SCHOOL  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal	\$ 145,191	\$ 145,191	\$ 145,192
Total Revenues	<u>145,191</u>	<u>145,191</u>	<u>145,192</u>
EXPENDITURES			
Salaries and benefits	70,830	70,830	76,796
Purchased services	56,500	56,500	47,946
Supplies and materials	17,861	17,861	16,533
Payments to other governments	-	-	3,917
Total Expenditures	<u>145,191</u>	<u>145,191</u>	<u>145,192</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2010 to June 30, 2011)  
 EDUCATION FUND ACCOUNT  
 TEACHING AMERICAN HISTORY - 2 GRADES 4 - 6  
 FOR THE YEAR ENDED JUNE 30, 2011

	2011 Budgeted Amounts		Total Actual Amounts
	Original	Final	
<b>REVENUES</b>			
Federal	\$ 431,281	\$ 431,281	\$ 285,411
Total Revenues	<u>431,281</u>	<u>431,281</u>	<u>285,411</u>
<b>EXPENDITURES</b>			
Salaries and benefits	189,478	189,478	76,991
Purchased services	195,820	195,820	171,767
Supplies and materials	44,900	44,900	21,131
Capital outlay	83	83	-
Payments to other governments	1,000	1,000	15,522
Total Expenditures	<u>431,281</u>	<u>431,281</u>	<u>285,411</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
<b>FUND BALANCE - BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

ST. CLAIR COUNTY REGIONAL OFFICE OF EDUCATION #50  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of May 13, 2009 to August 31, 2010)  
 EDUCATION FUND ACCOUNT  
 GIFTED EDUCATION PILOT  
 FOR THE YEAR ENDED JUNE 30, 2011

	2009 Budgeted Amounts		Actual Amounts Spent In		Total Actual Amounts
	Original	Final	FY 10	FY 11	
<b>REVENUES</b>					
State	\$ 128,009	\$ 128,009	\$ 64,019	\$ 55,086	\$ 119,105
Total Revenues	<u>128,009</u>	<u>128,009</u>	<u>64,019</u>	<u>55,086</u>	<u>119,105</u>
<b>EXPENDITURES</b>					
Salaries and benefits	41,014	41,014	30,441	7,061	37,502
Purchased services	5,808	3,891	2,451	1,194	3,645
Supplies and materials	76,187	83,104	31,303	46,831	78,134
Payments to other governments	5,000	-	-	-	-
Total Expenditures	<u>128,009</u>	<u>128,009</u>	<u>64,195</u>	<u>55,086</u>	<u>119,281</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	-	-	-	(132)	(132)
Interest	-	-	176	132	308
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>176</u>	<u>-</u>	<u>176</u>
<b>NET CHANGE IN FUND BALANCE</b>					
	-	-	-	-	-
<b>FUND BALANCE - BEGINNING</b>					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2011

	Institute Fund	General Education Development	Bus Driver Training	TOTALS
<b>ASSETS</b>				
Cash and cash equivalents	\$ 119,537	\$ 73,064	\$ 13,519	\$ 206,120
Accounts receivable	75	-	768	843
<b>TOTAL ASSETS</b>	<u>\$ 119,612</u>	<u>\$ 73,064</u>	<u>\$ 14,287</u>	<u>\$ 206,963</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 244	\$ 80	\$ 176	\$ 500
Salary and benefits payable	715	-	431	1,146
<b>Total Liabilities</b>	<u>959</u>	<u>80</u>	<u>607</u>	<u>1,646</u>
<b>FUND BALANCE</b>				
Restricted	118,653	72,984	13,680	205,317
<b>Total Fund Balance</b>	<u>118,653</u>	<u>72,984</u>	<u>13,680</u>	<u>205,317</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 119,612</u>	<u>\$ 73,064</u>	<u>\$ 14,287</u>	<u>\$ 206,963</u>

ST CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2011

	Institute Fund	General Education Development	Bus Driver Training	TOTALS
REVENUES				
Local sources	\$ 76,517	\$ 42,760	\$ 6,214	\$ 125,491
State sources	-	-	1,873	1,873
Total Revenues	<u>76,517</u>	<u>42,760</u>	<u>8,087</u>	<u>127,364</u>
EXPENDITURES				
Salaries and benefits	17,022	10,069	2,807	29,898
Purchased services	13,638	5,285	1,648	20,571
Supplies and materials	4	9,578	19	9,601
Other objects	26,788	-	-	26,788
Total Expenditures	<u>57,452</u>	<u>24,932</u>	<u>4,474</u>	<u>86,858</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>19,065</u>	<u>17,828</u>	<u>3,613</u>	<u>40,506</u>
OTHER FINANCING SOURCES (USES)				
Interest	290	308	64	662
Total Other Financing Sources (Uses)	<u>290</u>	<u>308</u>	<u>64</u>	<u>662</u>
NET CHANGE IN FUND BALANCE	19,355	18,136	3,677	41,168
FUND BALANCE - BEGINNING	<u>99,298</u>	<u>54,848</u>	<u>10,003</u>	<u>164,149</u>
FUND BALANCE - ENDING	<u>\$ 118,653</u>	<u>\$ 72,984</u>	<u>\$ 13,680</u>	<u>\$ 205,317</u>



ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
 STATEMENT OF FIDUCIARY NET ASSETS  
 AGENCY FUND  
 JUNE 30, 2011

	<u>Employee Activity Fund</u>	<u>Total</u>
<b>ASSETS</b>		
Cash and cash equivalents	<u>\$ 125</u>	<u>\$ 125</u>
Total Assets	<u><u>\$ 125</u></u>	<u><u>\$ 125</u></u>
<b>LIABILITIES</b>		
Accounts payable	<u>\$ 125</u>	<u>\$ 125</u>
Total Liabilities	<u><u>\$ 125</u></u>	<u><u>\$ 125</u></u>

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND  
FOR THE YEAR ENDED JUNE 30, 2011

	<u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2011</u>
<u>EMPLOYEE ACTIVITY FUND</u>				
ASSETS				
Cash and cash equivalents	\$ 359	\$ 2	\$ 236	\$ 125
Total Assets	<u>\$ 359</u>	<u>\$ 2</u>	<u>\$ 236</u>	<u>\$ 125</u>
LIABILITIES				
Accounts payable	\$ 359	\$ 125	\$ 359	\$ 125
Total Liabilities	<u>\$ 359</u>	<u>\$ 125</u>	<u>\$ 359</u>	<u>\$ 125</u>

**FEDERAL COMPLIANCE SECTION**

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2011

Federal Grantor/ Pass-Through Grantor/ <u>Program or Cluster Title</u>	CFDA <u>Number</u>	Project # (1st eight digits) or <u>Contract #</u>	Federal <u>Expenditures</u> <u>7/1/10 - 6/30/11</u>
<b>U.S. Dept. of Education</b>			
Fund for the Improvement of Education -			
Teaching American History	84.215X	U215X070245	\$ 145,192
Teaching American History	84.215X	U215X070245	<u>285,411</u>
Total Fund for the Improvement of Education			<u>430,603</u>
Safe and Drug-Free Schools and Communities National Programs -			
Readiness & Emergency Management for Schools	84.184E	Q184E080420	51,575
High School Graduation Initiative -			
Title I School Dropout Prevention Project	84.360	S360A100078	475,551
			<u>957,729</u>
<b>Total U.S. Dept. of Education</b>			
<b>U.S. Dept. of Education</b>			
<b>passed through Illinois State Board of Education:</b>			
Mathematics and Science Partnership	84.366B	10-4936-00	143,442
Mathematics and Science Partnership	84.366B	11-4936-00	197,859
Mathematics and Science Partnership	84.366B	10-4936-10	147,357
Mathematics and Science Partnership	84.366B	11-4936-10	<u>140,663</u>
Total Mathematics and Science Partnership			<u>629,321</u>
Title I, Part A Cluster - Grants to Local Educational Agencies -			
Title I School Improvement and Accountability	84.010	10-4331-SS	39,514
Title I School Improvement and Accountability	84.010	11-4331-SS	1,327,626
ARRA Title I School Improvement and Accountability	84.389	11-4854-00	<u>180,000</u>
Total Title I Grants to Local Educational Agencies			<u>1,547,140</u>
Title I Reading First State Grants -			
Title I Reading First Part B SEA Funds	84.357A	10-4337-00	<u>39,386</u>
Improving Teacher Quality State Grants -			
Title II Teacher Quality - Leadership Grant	84.367A	10-4935-SS	<u>2,747</u>
Improving Special Education Preschool Grants -			
Federal Special Education Preschool Discretionary	84.173A	10-4605-00	3,091
Federal Special Education Preschool Discretionary	84.173A	11-4605-00	<u>488,725</u>
Total Improving Special Education Preschool Grants			<u>491,816</u>
Education Jobs Fund			
ARRA Education Jobs Fund	84.410	11-4880-93	<u>29,744</u>
<b>U.S. Dept. of Agriculture</b>			
<b>passed through Illinois State Board of Education:</b>			
School Breakfast Program	10.553	11-4220-00	<u>3,079</u>
National School Lunch Program	10.555	11-4210-00	<u>11,747</u>
<b>Total passed through Illinois State Board of Education</b>			<u>3,712,709</u>

The accompanying notes are an integral part of this schedule.

ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2011

Federal Grantor/ Pass-Through Grantor/ <u>Program or Cluster Title</u>	CFDA <u>Number</u>	Project # (1st eight digits) or <u>Contract #</u>	Federal <u>Expenditures</u> <u>7/1/10 - 6/30/11</u>
<b>U.S. Department of Education passed through Illinois Department of Human Services</b>			
Vocational Rehabilitation Grants to States - DHS/Office of Rehabilitation Services Transition	84.126	10CL001214	<u>3,105</u>
<b>Total passed through Illinois Department of Human Services</b>			<u>3,105</u>
<b>U.S. Department of Health &amp; Human Services Center for Disease Control passed through St. Clair County Health Department</b>			
Public Health Emergency Preparedness Pan Flu Outreach Education	93.069	17180050	<u>16,241</u>
<b>Total passed through St. Clair County Health Department</b>			<u>16,241</u>
<b>U.S. Department of Education passed through Bond/Fayette/Effingham Regional Office of Education #3</b>			
Education for Homeless Children & Youth - McKinney-Vento Education for Homeless Children & Youth	84.196A	11-4920-00	<u>34,318</u>
<b>Total passed through Bond/Fayette/Effingham Regional Office of Education #3</b>			<u>34,318</u>
<b>Corporation for National &amp; Community Service passed through Monroe Randolph ROE #45</b>			
Learn and Serve America - School and Community Based Programs Learn and Serve America	94.004	11-4910-00	<u>375</u>
<b>Total passed through Monroe Randolph ROE #45</b>			<u>375</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 3,766,748</u>

The accompanying notes are an integral part of this schedule.

ST. CLAIR COUNTY  
 REGIONAL OFFICE OF EDUCATION #50  
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - REPORTING ENTITY BASIS OF PRESENTATION AND ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of ROE #50 and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented on this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - SUBRECIPIENTS

Of the federal expenditures presented in the schedule, Regional Office of Education #50 provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA #</u>	<u>Amount provided to subrecipients</u>
ARRA Title I School Improvement & Accountability	84.389	\$ 23,817
Teaching American History - 1 High School	84.215X	3,917
Teaching American History - 2 Grades 4 - 6	84.215X	15,522
		<u>\$ 43,256</u>

NOTE 3 - DESCRIPTION OF MAJOR FEDERAL PROGRAM

Title I School Dropout Prevention Project – This program is used to account for grant monies received for, and payment of, expenditures related to increasing high school graduation rates, decreasing dropouts, improving attendance, and assisting students in credit recovery in order to earn credits to graduate.

ARRA Education Jobs – This program is used to account for grant monies received for, and payment of, expenditures related to saving or creating education jobs.

Title I, Part A Cluster –

Title I – School Improvement & Accountability - This program uses federal funding to provide assistance to those schools/school districts that do not meet Adequate Yearly Progress (AYP) as defined by the No Child Left Behind Act.

ARRA – Title I School Improvement & Accountability – This program uses federal funding to provide assistance to those schools/school districts that do not meet Adequate Yearly Progress (AYP) as defined by the No Child Left Behind Act.

ST. CLAIR COUNTY  
REGIONAL OFFICE OF EDUCATION #50  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 4 - NON-CASH ASSISTANCE

None

NOTE 5 - AMOUNT OF INSURANCE

None

NOTE 6 - LOANS OR LOAN GUARANTEES OUTSTANDING

None