

**State of Illinois**  
**WHITESIDE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 55**  
**FINANCIAL AUDIT**

**For the Year Ended June 30, 2012**

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

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

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**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**OFFICIALS**

Regional Superintendent  
(Current and During the Audit Period)

Mr. Robert Sondgeroth

Assistant Regional Superintendent  
(Current and During the Audit Period)

Mr. Chris Palmer

Office is located at:

1001 West 23rd Street  
Sterling, Illinois 61081

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**FINANCIAL REPORT SUMMARY**

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

**AUDITORS' REPORTS**

The auditors' reports do not contain scope limitations, disclaimers, or other significant non-standard language.

**SUMMARY OF AUDIT FINDINGS**

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

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

**SUMMARY OF FINDINGS AND RESPONSES**

<b><u>Item No.</u></b>	<b><u>Page</u></b>	<b><u>Description</u></b>	<b><u>Finding Type</u></b>
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**FINDINGS (GOVERNMENT AUDITING STANDARDS)**

12-1	10	Controls Over Financial Statement Preparation	Material Weakness
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**FINDINGS AND RESPONSES (FEDERAL COMPLIANCE)**

None

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

None

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**FINANCIAL REPORT SUMMARY (CONTINUED)**

**EXIT CONFERENCE**

The Whiteside County Regional Office of Education No. 55 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2012. Throughout the audit, numerous meetings were held between auditors and Regional Office officials to discuss matters contained in this audit report. Responses to the recommendations were provided by Honorable Robert Sondgeroth, Regional Superintendent, on November 13, 2012.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of the Whiteside County Regional Office of Education No. 55 was performed by McGreal & Company, PC.

Based on their audit, the auditors expressed an unqualified opinion on the Whiteside County Regional Office of Education No. 55's basic financial statements.



**INDEPENDENT AUDITORS' REPORT**

Honorable William G. Holland  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Whiteside County Regional Office of Education No. 55, as of and for the year ended June 30, 2012, which collectively comprise the Whiteside County Regional Office of Education No. 55's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Whiteside County Regional Office of Education No. 55'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, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Whiteside County Regional Office of Education No. 55, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2013 on our consideration of Whiteside County Regional Office of Education No. 55'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.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Illinois Municipal Retirement Fund Schedule of Funding Progress on pages 15 through 28 and 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Whiteside County Regional Office of Education No. 55's financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules and the Schedule of Disbursements to School District Treasurers and Other Entities are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules and the Schedule of Disbursements to School District Treasurers and Other Entities are fairly stated in all material respects in relation to the financial statements taken as a whole.

*Mc Greal & Company PC*

June 6, 2013

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

Honorable 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 Whiteside County Regional Office of Education No. 55, as of and for the year ended June 30, 2012, which collectively comprise the Whiteside County Regional Office of Education No. 55's basic financial statements and have issued our report thereon dated June 6, 2013. 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 Whiteside County Regional Office of Education No. 55 is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Whiteside County Regional Office of Education No. 55'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, but not for the purpose of expressing an opinion on the effectiveness of the Whiteside County Regional Office of Education No. 55's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Whiteside County Regional Office of Education No. 55's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Responses, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We considered the deficiency described in finding 12-1 in the accompanying Schedule of Findings and Responses to be a material weakness.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Whiteside County Regional Office of Education No. 55's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Regional Office of Education No. 55's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. We did not audit Whiteside County Regional Office of Education No. 55's response and, accordingly, we express no opinion on it.

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

A handwritten signature in blue ink that reads "Mc Greal & Company PC". The signature is written in a cursive, flowing style.

June 6, 2013

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**SCHEDULE OF FINDINGS AND RESPONSES  
SECTION I – SUMMARY OF AUDITORS' RESULTS  
Year Ended June 30, 2012**

**Financial Statements**

Type of auditor's report issued: *Unqualified*

Internal control over financial reporting:

- Material weakness(es) identified?        X   Yes             No
- Significant deficiency(ies) identified?             Yes        X   None Reported

Noncompliance material to financial statements noted?             Yes        X   No

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**SCHEDULE OF FINDINGS AND RESPONSES  
SECTION II – FINANCIAL STATEMENT FINDINGS  
Year Ended June 30, 2012**

**FINDING 12-1: Controls Over Financial Statement Preparation** (Repeat from 2011 – No. 11-1, 2010 – No. 10-1 and 2009 – No. 09-1)

**CRITERIA / SPECIFIC REQUIREMENT:**

The Regional Office of Education No. 55 is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). Regional Office internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge and expertise to prepare and/or thoroughly review GAAP based financial statements to ensure that they are free of material misstatements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

**CONDITION:**

The Regional Office of Education No. 55 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains their accounting records on the cash basis of accounting. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect and correct financial statement misstatements and disclosure omissions in a timely manner. Auditors, in their review of the Regional Office's accounting records, noted numerous adjustments that were required to present financial statements in accordance with generally accepted accounting principles.

**EFFECT:**

Management or employees in the normal course of performing their assigned functions may not prevent or detect and correct financial statement misstatements and disclosure omissions in a timely manner.

**CAUSE:**

Management's review process did not effectively detect all of the adjustments needed to present the financial statements in accordance with generally accepted accounting principles.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**SCHEDULE OF FINDINGS AND RESPONSES  
SECTION II – FINANCIAL STATEMENT FINDINGS  
Year Ended June 30, 2012**

**FINDING 12-1: Controls Over Financial Statement Preparation** (Repeat from 2011 – No. 11-1, 2010 – No. 10-1 and 2009 – No. 09-1) (Continued)

**RECOMMENDATION:**

As part of its internal control over the preparation of its financial statements, including disclosures, the Regional Office of Education No. 55 should implement a comprehensive preparation and/or review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such procedures should be performed by a properly trained individual(s) possessing a thorough understanding of applicable generally accepted accounting principles, GASB pronouncements, and knowledge of the Regional Office of Education's activities and operations.

**MANAGEMENT'S RESPONSE:**

The Regional Office of Education will continue to maintain its accounting records on the cash basis of accounting. At the present time, the additional cost to the Regional Office of hiring or contracting the services outweighs the benefits. If additional financial resources are made available through the County or State of Illinois, the Regional Office will consider seeking the services of an accountant to review the financial statements and related disclosures for completeness and accuracy.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
Year Ended June 30, 2012**

**FINDING 12-1: Controls Over Financial Statement Preparation** (Repeat from 2011 – No. 11-1, 2010 – No. 10-1 and 2009 – No. 09-1)

**CONDITION:**

The Regional Office of Education No. 55 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains its accounting records on the cash basis of accounting. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect and correct financial statement misstatements and disclosure omissions in a timely manner. Auditors, in their review of the Regional Office's accounting records, noted numerous adjustments that were required to present financial statements in accordance with generally accepted accounting principles.

**PLAN:**

The Regional Office of Education will continue to maintain its accounting records on the cash basis of accounting. A closer review of the financial statements will be completed to prevent another occurrence of this finding. At the present time, the additional cost to the Regional Office of hiring or contracting the services outweighs the benefits. If additional financial resources are made available through the County or State of Illinois, the Regional Office will consider seeking the services of an accountant to review the financial statements and related disclosures for completeness and accuracy.

**ANTICIPATED COMPLETION DATE:**

Immediately

**CONTACT PERSON RESPONSIBLE FOR CORRECTIVE ACTION:**

Honorable Robert Sondgeroth, Regional Superintendent



**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
June 30, 2012**

<b><u>Finding Number</u></b>	<b><u>Condition</u></b>	<b><u>Current Status</u></b>
11-1	Controls Over Financial Statement Preparation	Repeated

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

The Whiteside County Regional Office of Education No. 55 provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2012. We encourage readers to consider this information in conjunction with the Whiteside County Regional Office of Education No. 55's financial statements, which follow.

**2012 FINANCIAL HIGHLIGHTS**

- General Fund revenues decreased from \$539,141 in 2011 to \$527,495 in 2012 mainly due to lower on-behalf payments. The Whiteside County Regional Office of Education No. 55 showed an increase in General Fund's fund balance from \$290,871 in fiscal year 2011 to \$343,683 in fiscal year 2012 due to a net change in fund balance of \$52,812.
- The Institute Fund's fund balance increased from \$49,435 in 2011 to \$59,465 in 2012. The main reason for the increase is due to continuing to reverse the trend of expenditures above revenue to support various programs offered by the Regional Office.
- The Education Fund's fund balance decreased from \$53,402 in 2011 to \$34,248 in 2012. The Education Fund is made up of grants that the Regional Office receives and these can vary greatly from year to year as some programs have decreased funding or are discontinued while others see a funding increase.

**USING THIS ANNUAL REPORT**

The annual report consists of a series of financial statements and other information as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of Whiteside County Regional Office of Education No. 55's financial activities.

The Government-wide Financial Statements consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of Whiteside County Regional Office of Education No. 55 as a whole and present an overall view of Whiteside County Regional Office of Education No. 55's finances.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report Whiteside County Regional Office of Education No. 55's operations in more detail than the government-wide statements by providing information about the most significant funds.

Notes to financial statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplemental Information further explains and supports the financial statements with information about the Illinois Municipal Retirement Fund Schedule of Funding Progress.

Other Supplemental Information provides detailed information about the major and nonmajor funds.

Figure A-1 summarizes the major features of Whiteside County Regional Office of Education No. 55's financial statements, including the portion of Whiteside County Regional Office of Education No. 55's activities they cover and the types of information they contain.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

**Figure A-1:  
Major Features of the Government-wide and Fund Financial Statements**

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Regional Office of Education No. 55 (except fiduciary funds)	The activities of Regional Office of Education No. 55 that are not proprietary or fiduciary, such as grants and statutory funds	Activities Regional Office of Education No. 55 operates similar to private businesses: workshops	Instances in which Regional Office of Education No. 55 administers resources on behalf of someone else, such as the distributive fund, the payroll fund, and the public aid fund.
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of Net Assets</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Net Assets</li> <li>• Statement of Revenues, Expenses, and Changes in Fund Net Assets</li> <li>• Statement of Cash Flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Fiduciary Net Assets</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year expenditures when goods or services have been received and the related liability is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

**REPORTING WHITESIDE COUNTY REGIONAL OFFICE OF EDUCATION NO. 55'S FINANCIAL ACTIVITIES**

*Government-wide Financial Statements*

The government-wide financial statements report information about Whiteside County Regional Office of Education No. 55 as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Assets includes all of Whiteside County Regional Office of Education No. 55's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide financial statements report Whiteside County Regional Office of Education No. 55's net assets and how they have changed. Net assets - the difference between Whiteside County Regional Office of Education No. 55's assets and liabilities - are one way to measure Whiteside County Regional Office of Education No. 55's financial health or financial position. Over time, increases or decreases in Whiteside County Regional Office of Education No. 55's net assets are an indicator of whether financial position is improving or deteriorating. To assess Whiteside County Regional Office of Education No. 55's overall health, additional non-financial factors, such as changes in Whiteside County Regional Office of Education No. 55's grant funding and the condition of facilities need to be considered.

In the government-wide financial statements, Whiteside County Regional Office of Education No. 55's activities are divided into two categories:

- *Governmental activities:* Most of Whiteside County Regional Office of Education No. 55's basic services are included here, such as grants and statutory funds. Federal and state grant proceeds finance most of these activities.
- *Business-type activities:* Whiteside County Regional Office of Education No. 55 charges fees to help cover the costs of certain services it provides.

*Fund Financial Statements*

The fund financial statements provide more detailed information about Whiteside County Regional Office of Education No. 55's funds, focusing on its most significant or "major" funds - not Whiteside County Regional Office of Education No. 55 as a whole. Funds are accounting devices Whiteside County Regional Office of Education No. 55 uses to keep track of specific sources of funding and spending on particular programs.

Some funds are required by state law. Whiteside County Regional Office of Education No. 55 establishes other funds to control and manage money for particular purposes, such as accounting for special revenue funds, or to show that it is properly using certain revenues, such as federal grants.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

Whiteside County Regional Office of Education No. 55 has three kinds of funds:

- 1) *Governmental funds*: Most of Whiteside County Regional Office of Education No. 55's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance Whiteside County Regional Office of Education No. 55's programs.

Whiteside County Regional Office of Education No. 55's governmental funds include the General Fund and Special Revenue Funds.

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

- 2) *Proprietary funds*: Services for which Whiteside County Regional Office of Education No. 55 charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. Whiteside County Regional Office of Education No. 55's Enterprise Funds are the same as its business-type activities, but provide more detail and additional information, such as cash flows.

The required financial statements for proprietary funds include a Statement of Net Assets; a Statement of Revenues, Expenses, and Changes in Fund Net Assets; and a Statement of Cash Flows.

- 3) *Fiduciary funds*: Whiteside County Regional Office of Education No. 55 is the trustee for assets that belong to others. These funds include the Agency Funds.

- Agency Funds - These are funds through which Whiteside County Regional Office of Education No. 55 administers and accounts for certain federal and/or state grants on behalf of others.

Whiteside County Regional Office of Education No. 55 is responsible for ensuring the assets reported in the fiduciary funds are used only for their intended purposes and by those to whom the assets belong. Whiteside County Regional Office of Education No. 55 excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

The required financial statements for fiduciary funds include a Statement of Fiduciary Net Assets.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

Reconciliations between the government-wide financial statements and the fund financial statements follow the fund financial statements.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net assets may serve, over time, as a useful indicator of a government's financial position. In the case of Whiteside County Regional Office of Education No. 55, assets exceeded liabilities by \$519,487 as of June 30, 2012.

A portion of Whiteside County Regional Office of Education No. 55's net assets (10%) reflects its investment in capital assets (e.g., buildings, furniture, and equipment). Although Whiteside County Regional Office of Education No. 55's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Whiteside County Regional Office of Education No. 55's financial position is the product of several financial transactions including the net results of activities, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table presents a summary of Whiteside County Regional Office of Education No. 55's net assets for the fiscal years ended June 30, 2012 and 2011.

<u>2012</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Current assets	\$ 504,983	\$ 14,630	\$ 519,613
Capital assets, net of accumulated depreciation	<u>49,387</u>	<u>-</u>	<u>49,387</u>
Total assets	<u>554,370</u>	<u>14,630</u>	<u>569,000</u>
Current liabilities	45,398	-	45,398
Noncurrent liabilities	<u>4,115</u>	<u>-</u>	<u>4,115</u>
Total liabilities	<u>49,513</u>	<u>-</u>	<u>49,513</u>
Net assets			
Invested in capital assets, net of related debt	42,757	-	42,757
Unrestricted	343,683	14,630	358,313
Restricted for educational purposes	<u>118,417</u>	<u>-</u>	<u>118,417</u>
<b>Total net assets</b>	<u>\$ 504,857</u>	<u>\$ 14,630</u>	<u>\$ 519,487</u>



**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

**2011**

	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>
Current assets	\$ 495,157	\$ 7,486	\$ 502,643
Capital assets, net of accumulated depreciation	59,537	-	59,537
Total assets	<u>554,694</u>	<u>7,486</u>	<u>562,180</u>
Current liabilities	47,129	-	47,129
Noncurrent liabilities	6,630	-	6,630
Total liabilities	<u>53,759</u>	<u>-</u>	<u>53,759</u>
Net assets			
Invested in capital assets, net of related debt	50,673	-	50,673
Unrestricted	304,704	7,486	312,190
Restricted for educational purposes	<u>145,558</u>	<u>-</u>	<u>145,558</u>
<b>Total net assets</b>	<u>\$ 500,935</u>	<u>\$ 7,486</u>	<u>\$ 508,421</u>

The largest portion of Whiteside County Regional Office of Education No. 55's net assets is unrestricted. Unrestricted net assets are the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements. Unrestricted net assets were \$358,313 for the year ended June 30, 2012. In addition, net assets related to the Institute Fund and Education Fund are considered restricted for educational purposes.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

**Changes in net assets.** Whiteside County Regional Office of Education No. 55's total revenue for the fiscal year ended June 30, 2012 was \$1,331,925. The total cost of all programs and services was \$1,320,859. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2012 and 2011.

**2012**

	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>
<b>Revenues:</b>			
Program revenues			
Charges for services	\$ -	\$ 26,326	\$ 26,326
Operating grants and contributions	825,818	-	825,818
General revenues			
Local sources	157,025	41	157,066
State sources	92,453	-	92,453
On-behalf payments	230,262	-	230,262
	<u>1,305,558</u>	<u>26,367</u>	<u>1,331,925</u>
<b>Expenses:</b>			
Instructional services			
Salaries and benefits	802,356	-	802,356
Purchased services	195,477	16,900	212,377
Supplies and materials	60,975	2,323	63,298
Payments to other governments	-	-	-
Capital outlay	1,984	-	1,984
Other objects	432	-	432
Depreciation	10,150	-	10,150
Administrative			
On-behalf payments	230,262	-	230,262
	<u>1,301,636</u>	<u>19,223</u>	<u>1,320,859</u>
<b>Change in net assets</b>	3,922	7,144	11,066
<b>Net assets, beginning of year</b>	<u>500,935</u>	<u>7,486</u>	<u>508,421</u>
<b>Net assets, end of year</b>	<u>\$ 504,857</u>	<u>\$ 14,630</u>	<u>\$ 519,487</u>

Operating grants and contributions account for 62% of the total revenue. Whiteside County Regional Office of Education No. 55's expenses primarily relate to instructional services, which account for 83% of the total expenses.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

<u>2011</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
<b>Revenues:</b>			
Program revenues			
Charges for services	\$ -	\$ 12,104	\$ 12,104
Operating grants and contributions	923,477	-	923,477
General revenues			
Local sources	118,894	29	118,923
State sources	64,230	-	64,230
On-behalf payments	293,374	-	293,374
	<u>1,399,975</u>	<u>12,133</u>	<u>1,412,108</u>
<b>Expenses:</b>			
Instructional services			
Salaries and benefits	744,049	1,041	745,090
Purchased services	168,067	6,609	174,676
Supplies and materials	63,125	646	63,771
Payments to other governments	42,557	-	42,557
Capital outlay	270	-	270
Other objects	1,933	-	1,933
Depreciation	10,300	-	10,300
Administrative			
On-behalf payments	293,374	-	293,374
	<u>1,323,675</u>	<u>8,296</u>	<u>1,331,971</u>
<b>Excess before transfers</b>	76,300	3,837	80,137
<b>Transfers</b>	8,000	(8,000)	-
<b>Change in net assets</b>	84,300	(4,163)	80,137
<b>Net assets, beginning of year</b>	416,635	11,649	428,284
<b>Net assets, end of year</b>	<u>\$ 500,935</u>	<u>\$ 7,486</u>	<u>\$ 508,421</u>

Operating grants and contributions account for 65% of the total revenue. Whiteside County Regional Office of Education No. 55's expenses primarily relate to instructional services, which account for 78% of the total expenses.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

**Governmental Activities**

Revenues for governmental activities were \$1,305,558 and \$1,407,975 and expenses were \$1,301,636 and \$1,323,675 for 2012 and 2011, respectively.

The following tables present the cost of Whiteside County Regional Office of Education No. 55's functional governmental activities. The tables also show each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and Whiteside County Regional Office of Education No. 55's residents by each of these functions.

<b><u>2012</u></b>	<b><u>Total Expenses</u></b>	<b><u>Net (Expenses) Revenues</u></b>
Instructional services		
Salaries and benefits	\$ 802,356	\$ (177,982)
Purchased services	195,477	(43,362)
Supplies and materials	60,975	(13,526)
Payments to other governments	-	-
Capital outlay	1,984	(440)
Other objects	432	(96)
Depreciation	10,150	(10,150)
Administrative		
On-behalf payments	<u>230,262</u>	<u>(230,262)</u>
<b>Total expenses</b>	<b><u>\$ 1,301,636</u></b>	<b><u>\$ (475,818)</u></b>

<b><u>2011</u></b>	<b><u>Total Expenses</u></b>	<b><u>Net (Expenses) Revenues</u></b>
Instructional services		
Salaries and benefits	\$ 744,049	\$ (81,845)
Purchased services	168,067	(16,721)
Supplies and materials	63,125	(6,944)
Payments to other governments	42,557	(4,681)
Capital outlay	270	13,880
Other objects	1,933	(213)
Depreciation	10,300	(10,300)
Administrative		
On-behalf payments	<u>293,374</u>	<u>(293,374)</u>
<b>Total expenses</b>	<b><u>\$ 1,323,675</u></b>	<b><u>\$ (400,198)</u></b>

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

- The cost of all governmental activities was \$1,301,636 and \$1,323,675 for 2012 and 2011, respectively.
- Federal and state governments subsidized certain governmental activities with grants and contributions of \$825,818 and \$923,477 for 2012 and 2011, respectively.

Net cost of governmental activities (\$475,818), was financed by general revenues, which are made up of primarily local sources (\$157,025), state sources (\$92,453), and on-behalf payments (\$230,262) for 2012.

Net cost of governmental activities (\$400,198), was financed by general revenues, which are made up of primarily local sources (\$118,894), state sources (\$64,230), and on-behalf payments (\$293,374) for 2011.

**Business-Type Activities**

Revenues for business-type activities were \$26,367 and \$4,133 and expenses were \$19,223 and \$8,296 for 2012 and 2011, respectively. Whiteside County Regional Office of Education No. 55's business-type activities include the Meeting the Challenge Workshops and other non-major funds. Revenues of these activities were comprised of charges for service.

**INDIVIDUAL FUND ANALYSIS**

As previously noted, Whiteside County Regional Office of Education No. 55 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The financial performance of Whiteside County Regional Office of Education No. 55 as a whole is reflected in its governmental funds, as well. As Whiteside County Regional Office of Education No. 55 completed the year, its governmental funds reported a combined fund balance of \$462,100, above last year's ending fund balance of \$415,806.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

**Governmental Fund Highlights**

The General Fund's fund balance increased from \$290,871 in 2011 to \$343,683 in 2012. The main reason for the increase is due to an effort to reduce costs by the Regional Office.

The Institute Fund's fund balance increased from \$49,435 in 2011 to \$59,465 in 2012. The main reason for the increase is due to continuing to reverse the trend of expenditures above revenue to support various programs offered by the Regional Office.

The Education Fund's fund balance decreased from \$53,402 in 2011 to \$34,248 in 2012. The Education Fund is made up of grants that the Regional Office receives and these can vary greatly from year to year as some programs are discontinued or cut back while others see a funding increase.

**Proprietary Fund Highlights**

Proprietary Fund net assets increased from \$7,486 at June 30, 2011 to \$14,630 at June 30, 2012, representing an increase of approximately 95%. The main reason for the increase was a reduction in cash and due from other funds.

**BUDGETARY HIGHLIGHTS**

Whiteside County Regional Office of Education No. 55 is not required to create a budget for overall operations. They are required to prepare budgets for most of the grants they receive. Over the course of the year, Whiteside County Regional Office of Education No. 55 amended several of the grant budgets within the Education Fund. Budgets for grant programs are adjusted because of an increase or decrease in funding due to changes at the state level or to better allocate funds received to meet the needs of the program.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

**Capital Assets**

As of June 30, 2012, Whiteside County Regional Office of Education No. 55 had invested \$49,387 in capital assets, including furniture and equipment. This amount was \$10,150 lower when compared to 2011. Total depreciation expense for the year was \$10,150.

The following schedule presents capital asset balances net of depreciation for the fiscal year ended June 30, 2012.

	<b>Governmental Activities</b>
Furniture and equipment	\$ 12,052
Building improvement	37,335
Total capital assets	\$ 49,387

The following schedule presents capital asset balances net of depreciation for the fiscal year ended June 30, 2011.

	<b>Governmental Activities</b>
Furniture and equipment	\$ 19,249
Building improvement	40,288
Total capital assets	\$ 59,537

Additional information on Whiteside County Regional Office of Education No. 55's capital assets can be found in Note 7 on page 58 of this report.

**ECONOMIC FACTORS BEARING ON WHITESIDE COUNTY REGIONAL OFFICE OF EDUCATION NO. 55'S FUTURE**

At the time these financial statements were prepared and audited, Whiteside County Regional Office of Education No. 55 was aware of several existing circumstances that could significantly affect its financial health in the future.

Since the Regional Office depends on a majority of funding from the State of Illinois, significant delays in the receipt of that funding will have a definite bearing on the financial health of the Office.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

**CONTACTING WHITESIDE COUNTY REGIONAL OFFICE OF EDUCATION NO. 55'S  
FINANCIAL MANAGEMENT**

This financial report is designed to provide Whiteside County Regional Office of Education No. 55's citizens, taxpayers, and customers with a general overview of Whiteside County Regional Office of Education No. 55's finances and to demonstrate Whiteside County Regional Office of Education No. 55's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Whiteside County Regional Office of Education No. 55, 1001 West 23rd Street, Sterling, Illinois 61081.



## **BASIC FINANCIAL STATEMENTS**

**WHITESIDE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 55**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2012**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 371,259	\$ 10,044	\$ 381,303
Due from other funds	(4,445)	4,445	-
Due from other governments	138,169	141	138,310
Total current assets	<u>504,983</u>	<u>14,630</u>	<u>519,613</u>
Non-current assets			
Capital assets, being depreciated, net	49,387	-	49,387
	-	-	-
<b>TOTAL ASSETS</b>	<u>554,370</u>	<u>14,630</u>	<u>569,000</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accrued Expenses	4,368	-	4,368
Due to other governments	14,432	-	14,432
Deferred revenue	24,083	-	24,083
Lease payable	2,515	-	2,515
Total current liabilities	<u>45,398</u>	<u>-</u>	<u>45,398</u>
Non-current liabilities			
Lease payable	4,115	-	4,115
<b>TOTAL LIABILITIES</b>	<u>49,513</u>	<u>-</u>	<u>49,513</u>
<b>NET ASSETS</b>			
Investment in capital assets, net of related debt	42,757	-	42,757
Unrestricted	343,683	14,630	358,313
Restricted for educational purposes	118,417	-	118,417
<b>Total net assets</b>	<u>\$ 504,857</u>	<u>\$ 14,630</u>	<u>\$ 519,487</u>

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

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2012**

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities	
Primary government:						
Governmental activities:						
Education:						
Salaries and benefits	\$ 802,356	\$ -	\$ 624,374	\$ (177,982)	\$ -	\$ (177,982)
Purchased services	195,477	-	152,115	(43,362)	-	(43,362)
Supplies and materials	60,975	-	47,449	(13,526)	-	(13,526)
Payments to other governments	-	-	-	-	-	-
Capital outlay	1,984	-	1,544	(440)	-	(440)
Other objects	432	-	336	(96)	-	(96)
Depreciation	10,150	-	-	(10,150)	-	(10,150)
Administrative:						
On-behalf payments		-	-	(230,262)	-	(230,262)
Total governmental activities						
	230,262					
Business-type activities:	1,301,636		825,818	(475,818)	-	(475,818)
Professional development			-	-		7,103
<b>Total primary government</b>	<b>\$ 1,320,859</b>	<b>\$ 6,326,326</b>	<b>\$ 825,818</b>			
					7,103	(468,715)
General revenues:				(475,818)		
Local sources				157,025	7,103	41
State sources				92,453	-	-
On-behalf payments				230,262	-	-
Total general revenues				479,740	41	479,781
<b>CHANGE IN NET ASSETS</b>				3,922	7,144	11,066
<b>NET ASSETS, BEGINNING OF YEAR</b>				500,935	7,486	508,421
<b>NET ASSETS, END OF YEAR</b>				<u>\$ 504,857</u>	<u>\$ 14,630</u>	<u>\$ 519,487</u>

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

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012**

	<u>Special Revenue</u>				<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Institute Fund</u>	<u>Education Fund</u>	<u>Other Nonmajor Funds</u>	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 96,383	\$ 63,155	\$ 186,262	\$ 25,459	\$ 371,259
Due from other governments	46,381	-	91,788	-	138,169
Due from other funds	453,322	520	-	10	453,852
<b>TOTAL ASSETS</b>	<u>\$ 596,086</u>	<u>\$ 63,675</u>	<u>\$ 278,050</u>	<u>\$ 25,469</u>	<u>\$ 963,280</u>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>LIABILITIES</b>					
Accrued expenses	\$ -	\$ 4,108	\$ 260	\$ -	\$ 4,368
Due to other governments	483	102	13,847	-	14,432
Due to other funds	251,920	-	205,612	765	458,297
Deferred revenue	-	-	24,083	-	24,083
Total liabilities	<u>252,403</u>	<u>4,210</u>	<u>243,802</u>	<u>765</u>	<u>501,180</u>
<b>FUND BALANCE</b>					
Restricted	-	59,465	43,833	25,469	128,767
Assigned	23,511	-	-	-	23,511
Unassigned	320,172	-	(9,585)	(765)	309,822
Total fund balance	<u>343,683</u>	<u>59,465</u>	<u>34,248</u>	<u>24,704</u>	<u>462,100</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 596,086</u>	<u>\$ 63,675</u>	<u>\$ 278,050</u>	<u>\$ 25,469</u>	<u>\$ 963,280</u>

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

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2012**

**Total fund balance of governmental funds (page 32)** \$ 462,100

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

Capital assets used in governmental activities are not  
financial resources and, therefore, are not reported  
in the funds. 49,387

Capital lease obligations are not due and payable in the  
current period and therefore are not reported as  
liabilities in the funds. (6,630)

**Net assets of governmental activities (page 30)** \$ 504,857

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

**WHITESIDE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 55**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2012**

	<u>Special Revenue</u>				<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Institute Fund</u>	<u>Education Fund</u>	<u>Other Nonmajor Funds</u>	
<b>REVENUES:</b>					
Local sources	\$ 127,072	\$ 19,365	\$ 396	\$ 8,453	\$ 155,286
State sources	170,161	-	570,758	596	741,515
Federal sources	-	-	212,951	-	212,951
On-behalf payments	230,262	-	-	-	230,262
Total revenues	<u>527,495</u>	<u>19,365</u>	<u>784,105</u>	<u>9,049</u>	<u>1,340,014</u>
<b>EXPENDITURES:</b>					
Education					
Salaries and benefits	193,699	1,709	606,948	-	802,356
Purchased services	39,535	7,234	147,543	3,399	197,711
Supplies and materials	9,268	392	48,271	3,044	60,975
Payments to other governments	-	-	-	-	-
Other objects	425	-	7	-	432
On-behalf payments	230,262	-	-	-	230,262
Capital outlay	1,494	-	490	-	1,984
Total expenditures	<u>474,683</u>	<u>9,335</u>	<u>803,259</u>	<u>6,443</u>	<u>1,293,720</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	52,812	10,030	(19,154)	2,606	46,294
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>290,871</u>	<u>49,435</u>	<u>53,402</u>	<u>22,098</u>	<u>415,806</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 343,683</u>	<u>\$ 59,465</u>	<u>\$ 34,248</u>	<u>\$ 24,704</u>	<u>\$ 462,100</u>

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

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012**

**Net change in fund balance (page 34)** **\$ 46,294**

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	\$ -	
Depreciation	(10,150)	(10,150)

Repayment of long-term capital lease obligations  
is reported as an expenditure in the  
governmental funds, but the repayment  
reduced long-term liabilities in the Statement  
of Net Assets.

2,234

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

Fiscal year 2011 deferred revenue recognized in fiscal year 2012	(34,456)	
Fiscal year 2012 deferred revenue	-	
		(34,456)

**Change in net assets of governmental activities (page 31)** **\$ 3,922**

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

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2012**

		<b>Business-Type Activities <u>Enterprise Funds</u> Other Nonmajor <u>Funds</u></b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$	10,044
Due from other funds		23,353
Due from other governmental units		141
		33,538
<b>TOTAL ASSETS</b>		<b>33,538</b>
<b>LIABILITIES</b>		
Current liabilities:		
Due to other funds		18,908
		18,908
<b>NET ASSETS</b>		
Unrestricted	\$	14,630
		<b>14,630</b>

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



**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2012**

	<u>Business-Type Activities Enterprise Funds Other Nonmajor Funds</u>
<b>OPERATING REVENUES:</b>	
Local sources	\$ <u>26,326</u>
<b>OPERATING EXPENSES:</b>	
Purchased services	16,900
Supplies and materials	<u>2,323</u>
Total operating expenses	<u>19,223</u>
<b>OPERATING INCOME</b>	7,103
<b>NONOPERATING REVENUES</b>	
Interest revenue	<u>41</u>
<b>INCREASE IN NET ASSETS</b>	7,144
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>7,486</u>
<b>NET ASSETS, END OF YEAR</b>	<u><u>\$ 14,630</u></u>

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

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
STATEMENT OF CASH FLOWS  
PROPRIETY FUNDS  
YEAR ENDED JUNE 30, 2012**

	<b>Business-Type Activities Enterprise Funds Other Nonmajor Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts for workshops and services	\$ 26,185
Payments to suppliers and providers of goods and services	(19,223)
Net cash provided by operating activities	6,962
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Interfund loans	(16,011)
Net cash (used in) noncapital financing activities	(16,011)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest	41
<b>NET (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(9,008)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	19,052
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 10,044
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 7,103
Adjustments to reconcile operating income to net cash provided by operating activities:	
Effects of changes in assets and liabilities: (Increase) in due from other governments	(141)
<b>Net cash provided by operating activities</b>	\$ 6,962

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

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2012**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash (overdrafts) and cash equivalents	\$ (11,488)
Due from other governments	<u>11,995</u>
<b>TOTAL ASSETS</b>	<u><u>507</u></u>
<b>LIABILITIES</b>	
Due to other governments	<u><u>\$ 507</u></u>

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

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

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

**Reporting Entity**

The Whiteside County Regional Office of Education No. 55 operates under the School Code (105 ILCS 5/3 and 5/3A). A Regional Superintendent of Schools serves as chief administrative officer of the Regional Office of Education No. 55 and is elected pursuant to 105 ILCS 5/3 and 5/3A of the School Code. The principal financial duty of the Regional Superintendent is to receive and distribute monies due to school districts from general state aid, state categorical grants, and various other sources.

The Whiteside County Regional Office of Education No. 55's reporting entity includes all related organizations for which the Regional Office of Education No. 55 exercises oversight responsibility in accordance with Statement No. 14 of the Governmental Accounting Standards Board.

The Regional Superintendent's responsibilities for administering the school educational service region programs include, but are not limited to, providing directions to teachers and school officials on science, art and teaching methods; implementing the State Board of Education's Policy Programs; encouraging camaraderie among teachers through the teachers' institute; making public notice of unfilled teaching positions within the region; and ensuring of the safety, health, and welfare of the students in the region by periodically inspecting the school buildings and ensuring that the bus drivers have valid driving licenses and are properly trained to operate the school buses. Further, the superintendent receives an allocation of school funds from the State Board of Education and apportions these funds to the school districts in accordance with the State Board of Education's formula.

The Superintendent has developed criteria to determine whether outside agencies with activities which benefit the citizens served by the Regional Office of Education No. 55 should be included within its financial reporting entity. The criteria includes, but is not limited to whether the Superintendent (1) selects the governing authority or management, (2) has the ability to significantly influence operations, or (3) has accountability for fiscal matters (i.e., financial budget approval, management of assets, etc.). The Superintendent has determined that no outside agency meets the above criteria and, therefore, no agency has been included as a component unit in the financial statements. In addition, the Superintendent is not aware of any entity which would exercise such oversight which would result in the Regional Office of Education No. 55 being considered a component unit of the entity.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

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

**Basis of Presentation**

**Government-wide Financial Statements** - The Statement of Net Assets and the Statement of Activities report information on all of the activities of Whiteside County Regional Office of Education No. 55. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by intergovernmental and local revenues.

The Statement of Net Assets presents Whiteside County Regional Office of Education No. 55's nonfiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

*Invested in capital assets, net of related debt* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for any debt attributable to the acquisition, construction or improvement of those assets.

*Restricted net assets* result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net assets* consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

**Fund Financial Statements** - Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are consolidated into a single column within the governmental funds in the financial section of the basic financial statements and are detailed in the supplemental information.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

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

Whiteside County Regional Office of Education No. 55 reports the following major governmental funds:

General Fund - The General Fund is used to account for resources traditionally associated with government which are not required, legally or by sound financial management, to be accounted for and reported in another fund. The General Fund is always considered a major fund. The following account are included in the General Fund:

General Operations - this fund accounts for the monies received and expenditures related to general administration of the Regional Office.

Technology Training - this fund accounts for receipts and expenses by the Regional Superintendent for technology training workshops.

Learning Technology Center - this fund accounts for receipts and expenses for establishing a statewide support system for information, professional development, technical assistance, network design, technology planning, leadership, and information exchange.

Regional Safe Schools - these are alternative programs for disruptive youths in grades 6-12. Students eligible for this program must have been suspended or expelled by a local school district.

Major Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Major special revenue funds include the following:

Institute Fund - This fund 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.

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

Administrator's Academy - this program is used for providing staff development training to administrators in school improvement.

Scientific Literacy - this program provides funding for school improvement plans in the areas of math and science and to coordinate teacher development in math and science.

Title I - School Improvement & Accountability - this program assists schools that qualify for school-wide planning through staff development training.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

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

Title II - Eisenhower Leadership Grants - this program provides leadership workshops.

Mathematics & Science Partnerships - this program supports the Illinois Math & Science Programs.

Retired Professional Service Corps - this program places retired educators in schools to assist with special projects.

Adult Education and Family Literacy Grant - this program provides for education and literacy programs for adults.

Career Awareness and Development - this program provides students the opportunity to learn more about career options available to them.

Truants Alternative/Optional Education - this program assists in prevention of truancy within the Alternative School.

School to Work (DOL) - this program supports the School to Work Program.

ROE/ISC Technology - this program is designed to support learning technology services to the local school districts.

Even Start - this program is for developing and operating programs to promote family literacy.

Early Childhood Parenting Program - this program supports the Early Childhood Block Program.

ROE/ISC School Improvement Grant - this program provides training and reading workshops for local teachers.

Learning Standards - this program is associated with providing services and funding activities as specified in the Illinois Learning Standards Implementation Plan.

Early Childhood - Block Grant (0-3) - this program supports the Early Childhood Block Program for ages 0-3.

Early Childhood - Block Grant (3-5) - this program supports the Early Childhood Block Program for ages 3-5.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

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

Early Childhood - Block Grant (Prevention Initiative) - this program supports the Early Childhood Block Program for prevention.

Illinois Century Network - this program supports the Department of Central Management Services' Illinois Century Network program.

Tobacco Settlement Recovery Fund/Prevention - this program is used for tobacco prevention education.

Early Childhood - Block Grant (3705-50) - this program supports the Early Childhood Block Prekindergarten At-risk Program.

Reading Improvement Statewide/Professional Development - this program supports the Reading Improvement Program.

Title IV - Community Service - this program is used to support teachers in the use of service to the community as a teaching method.

Title I - Reading First Part B SEA Funds - this program assists K-2 teachers with professional development and the 5 essential components of early reading instruction.

Secretary of State Family Literacy Grant - this program supports literacy activities from the Secretary of State.

Education Outreach Program - this program is associated with workforce investment activities that are designed to increase educational and occupational skill attainment by participants.

State Free Lunch & Breakfast - this program supports the State Free Lunch and Breakfast programs.

National School Lunch Program - this program supports the National School Lunch program.

School Breakfast Program - this program supports the School Breakfast program.

Standards Aligned Classroom - this program provides standards aligned classroom initiatives, coaching, and support teams.

Education Technology Grant - this program assists school districts in planning for, implementing, assessing results and educating school staff in the use of technology and telecommunications in curricular, instructional and administrative functions.



**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

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

System of Support RESPRO - this program provides support to schools and school districts which are on the academic watch list.

English Language Learners - this program provides education to people learning the English language.

Sterling Truants Alternative Program - this program assists in prevention of truancy within the Alternative School in the Sterling area.

Kindergarten Standards - this program is used to educate teachers in the areas they teach on a daily basis.

McKinney Homeless Grant - this program is used to ensure that all homeless children and youth have equal access to the same free, appropriate public education available to other children.

Dollar General - this program provides family literacy services to families who have young children, and in which the adults are learning the English language or working towards their GED.

Gifted Education - this program provides professional development for teachers in the gifted areas.

Title II Teacher Quality Leadership - this program provides resources for hiring, retaining, and recruiting highly qualified teachers and for training teachers and paraprofessionals. Funds are focused on districts/schools which were in status.

ARRA Education Jobs - this program provides assistance to states to save or create education jobs for the 2010-2011 school year.

ROE/ISC Operations - this fund accounts for the state grant that provides the funding for the Regional Office of Education No. 55.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

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

The Regional Office of Education No. 55 reports the following nonmajor governmental funds:

Nonmajor Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Nonmajor special revenue funds include the following:

General Educational Development - this fund accounts for the receipts and expenses pertaining to the GED/High School Equivalency program for high school dropouts.

Bus Driver Training - this fund accounts for state and local receipts and expenses as a result of training school district bus drivers.

Supervisory - this fund accounts for proceeds provided to the Regional Superintendent by the Illinois State Board of Education to be used for travel and related purposes.

Proprietary funds are those in which revenues and expenses related to services provided to organizations inside the Regional Office of Education No. 55 on a cost reimbursement basis are reported.

Other Nonmajor Funds - used to account for revenues and expenses related to the following funds:

Meeting the Challenge Workshops – this fund is used to account for the workshop fees and expenses of the Regional Office of Education No. 55.

Computer Workshops - this fund accounts for workshops conducted by the Regional Office of Education No. 55 related to information technology and computer literacy.

Courses Fund - this fund accounts for receipts from area teachers and payments made to Northern Illinois University for registration in courses offered locally by the University.

Non-Grant Workshops - this fund accounts for the conducting of series of non-grant workshops for various school districts.

IARSS Website Development - this fund accounts for local revenues and disbursements related to the Illinois Association of Regional Superintendent of School website development program.

Miscellaneous Local Fees - this fund accounts for various programs and services performed for local school districts, such as, local fees for spelling bees, laminate/books, computer repair, and ISS dinner.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

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

Illinois Principal Mentoring - this fund accounts for the Illinois Principal Mentoring.

The Regional Office of Education No. 55 also reports the following agency funds:

Agency Funds are used to account for assets held by the Regional Office of Education No. 55 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency funds include the following:

Distributive Fund - this fund distributes money received from the State out to the school districts and other entities.

Payroll Fund - this fund accounts for payroll costs.

Public Aid Fund - this fund is used to account for funds received from the State for public aid recipients whose children are truants. The money is given to these public aid recipients after meeting with the Regional Superintendent's staff.

The school district boards within the Regional Office of Education No. 55 have signed formal agreements that allow the Regional Office of Education No. 55 to retain any interest earned during the year.

**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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Revenues received more than 60 days after the end of the current period are deferred in the governmental fund financial statements but are recognized as current revenues in the government-wide financial statements.

Intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the Whiteside County Regional Office of Education No. 55.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

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

Whiteside County Regional Office of Education No. 55 records on-behalf payments made by the State to the Teachers' Retirement System as revenue and expenditures.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Capital asset acquisitions are reported as expenditures in governmental funds.

Under the terms of grant agreements, Whiteside County Regional Office of Education No. 55 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 Whiteside County Regional Office of Education No. 55's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues. It is the Regional Office of Education No. 55's policy to first apply restricted funds, then unrestricted. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned if any.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Whiteside County Regional Office of Education No. 55's enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Whiteside County Regional Office of Education No. 55 maintains its financial records on the cash basis. The financial statements of Whiteside County Regional Office of Education No. 55 are prepared by making memorandum adjusting entries to the cash basis financial records.

**Assets, Liabilities and Fund Equity**

The following accounting policies are followed in preparing the balance sheet:

Cash and cash equivalents - The cash and cash equivalent balances of Whiteside County Regional Office of Education No. 55 are valued at cost.

For purposes of the Statement of Cash Flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

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

Due from other governments - Due from other governments represents amounts due from the Illinois State Board of Education and other local governments.

Capital assets - Capital assets, which include property, furniture and equipment, are reported in the government-wide Statement of Net Assets. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by Whiteside County Regional Office of Education No. 55 as assets with an initial, individual cost in excess of \$5,000 and estimated useful lives in excess of two years. Capital assets are depreciated using the sum-of-the-years method over 3-40 years.

The Whiteside County Regional Office of Education No. 55 reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

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 35 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 Whiteside County Regional Office of Education No. 55's year-end of June 30, and therefore, no liability is accrued.

Employees receive 10 sick days and 2 personal business 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.

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

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

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

Fund Balance is the difference between assets and liabilities in a Governmental Fund. The following types of fund balances may be presented in the Governmental Funds Balance Sheet and Governmental Funds Combining Schedule of Accounts:

*Nonspendable Fund Balance* - the portion of a Governmental Fund's net 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 committed fund balance.

*Restricted Fund Balance* - the portion of a Governmental Fund's net assets that are subject to external enforceable legal restrictions. The following fund balances are considered restricted by grant agreements or contracts: Title I - School Improvement & Accountability, Title II - Eisenhower - Leadership Grants, Mathematics & Science Partnerships, Retired Professional Service Corps, Truants Alternative/Optional Education, School to Work (DOL), ROE/ISC Technology, Even Start, Early Childhood Parenting Program, Learning Standards, Early Childhood - Block Grant (0-3), Early Childhood - Block Grant (Prevention Initiative), Illinois Century Network, Tobacco Settlement Recovery Fund/Prevention, Early Childhood - Block Grant (3705-50), Reading Improvement Statewide/Professional Development, Title I - Reading First Part B SEA Funds, Secretary of State Family Literacy Grant, Education Outreach Program, National School Lunch Program, School Breakfast Program, Standards Aligned Classroom, Education Technology Grant, English Language Learners, Sterling Truants Alternative Program, McKinney Homeless Grant, and Dollar General. The following fund balances are restricted by Illinois State Statute: Institute Fund, General Educational 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 to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The fund balance for Technology Training is considered assigned.

*Unassigned Fund Balance* - available expendable financial resources in a governmental fund that are not designated for a specific purpose. The following fund balances are considered unassigned: General Operations, Learning Technology Center, Regional Safe Schools, Administrator's Academy, Scientific Literacy, Adult Education and Family Literacy Grant, Career Awareness and Development, ROE/ISC School Improvement Grant, Early Childhood - Block Grant (3-5), Title IV - Community Service, State Free Lunch & Breakfast, System of Support RESPRO, Kindergarten Standards, Gifted Education, Title II Teacher Quality Leadership, ARRA Education Jobs, ROE/ISC Operations, and Supervisory.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

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

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

*Invested in Capital Assets* - represents the Regional Office of Education's total investment in capital assets. There is a lease payable which represents the debt related to these assets for fiscal year 2012.

*Restricted Net Assets* - represents net assets that are restricted due to constraints placed on the net asset use that are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted Net Assets* - represents resources used for transactions relating to the general operations of the Regional Office of Education and may be used at the discretion of management to meet expenses for any purpose.

**Budgets and Budgetary Accounting**

The Whiteside County Regional Office of Education No. 55 did not formally adopt a budget for the year ended June 30, 2012 and is not legally required to do so. The Illinois State Board of Education and other federal grantors require budgets for certain state and federal programs. Funds with budgets include the Regional Safe Schools, Truants Alternative/Optional Education, Even Start, Early Childhood - Block Grant (0-3), Early Childhood - Block Grant (3-5), Secretary of State Family Literacy Grant, Education Outreach Program, System of Support RESPRO, McKinney Homeless Grant, and ROE/ISC Operations.

**Subsequent Events**

Management has evaluated subsequent events through June 6, 2013, the date the financial statements were available to be issued.

**NOTE 2 - INTERGOVERNMENTAL AGREEMENT**

On August 17, 1998, Whiteside County Regional Office of Education No. 55 entered into an Intergovernmental Agreement executed pursuant to the provisions of the Intergovernmental Cooperation Clause of the Illinois Constitution as well as the provisions of the Intergovernmental Cooperation Act of 1973 and the Illinois Admin. Code 525.110.

The name of the Intergovernmental Agreement is known as the Lee/Ogle/Whiteside Intergovernmental Agreement. Membership is made up of the following Regional Offices of Education: Whiteside County Regional Office of Education No. 55 and Lee/Ogle Counties Regional Office of Education No. 47. The Lee/Ogle Counties Regional Office of Education No. 47 was designated as Administrative Agent.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 2 - INTERGOVERNMENTAL AGREEMENT (CONTINUED)**

Whiteside County Regional Office of Education No. 55 flows their state and federal funds for regional services to Lee/Ogle Counties Regional Office of Education No. 47 for administration and performance of accounting procedures that conform to all applicable rules and regulations of the Illinois State Board of Education.

The following programs were assigned to the Lee/Ogle/Whiteside Intergovernmental Agreement: Administrator's Academy, Scientific Literacy, Title I - School Improvement and Accountability, Title II - Eisenhower Leadership Grants, Career Awareness and Development, and Learning Standards.

**NOTE 3 - CASH AND CASH EQUIVALENTS**

The deposit of Whiteside County Regional Office of Education No. 55 monies is governed by the provisions of the Illinois Compiled Statutes.

Deposits

At June 30, 2012, the carrying amount of Whiteside County Regional Office of Education No. 55's deposits was \$369,815 and the bank balance was \$606,672.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, Whiteside County Regional Office of Education No. 55's deposits may not be returned. Whiteside County Regional Office of Education No. 55 does not have a deposit policy for custodial credit risk. As of June 30, 2012, all of Whiteside County Regional Office of Education No. 55 's deposits were either covered by FDIC insurance or covered by collateral held by the financial institution in Whiteside County Regional Office of Education No. 55's name.

A reconciliation of cash as shown on the Statement of Net Assets for the primary government is as follows:

	<b><u>Carrying Amount</u></b>
Cash - Governmental Funds	\$ 371,259
Cash - Enterprise Funds	10,044
Cash - Agency	<u>(11,488)</u>
<b>Total</b>	<b><u>\$ 369,815</u></b>



**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 4 - ON-BEHALF PAYMENTS**

Salaries of the Regional Superintendent and his assistant are paid by the State of Illinois. All other salaries are paid by Whiteside County. Pension plan contributions associated with these salaries are also paid respectively, by the State of Illinois and Whiteside County.

A breakdown of the on-behalf payments are as follows:

Regional Superintendent - salary	\$ 100,128
Regional Superintendent - benefits (includes state paid insurance)	20,198
Assistant Regional Superintendent – salary	30,040
Assistant Regional Superintendent - benefits (includes state paid insurance)	8,423
TRS on-behalf payments	70,141
THIS on-behalf payments	<u>1,332</u>
<b>Total on-behalf payments</b>	<b><u>\$ 230,262</u></b>

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

**NOTE 5 - EMPLOYEE BENEFIT PLAN**

Whiteside County Regional Office of Education No. 55's employees are covered under the Illinois Municipal Retirement Fund. Contributions to the Fund are made by Whiteside County and the Whiteside County Regional Office of Education No. 55 through grant monies on behalf of the Whiteside County Regional Office of Education No. 55 staff employees and grant coordinators.

Whiteside County is a participating member of the Illinois Municipal Retirement Fund whose coverage includes all Whiteside County Regional Office of Education No. 55 employees who:

- a. Occupy a job normally requiring 600 hours or more per year;
- b. Are paid on a regular payroll from Whiteside County or Whiteside County Regional Office of Education No. 55 funds;
- c. Were under age sixty when first entering employment; and
- d. Are not covered by another state created retirement system for the same service.

Employees not qualifying above are considered "nonparticipating employees" and are covered under Social Security.

The Regional Superintendent and Assistant Regional Superintendent of Whiteside County Regional Office of Education No. 55 are paid by the State of Illinois. Certain staff employees of Whiteside County Regional Office of Education No. 55's office are employed and paid by Whiteside County (other support staff and grant coordinators are paid by Whiteside County Regional Office of Education No. 55 through grant monies). Whiteside County Regional Office of Education No. 55 has no separate employee benefit plan.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 5 - EMPLOYEE BENEFIT PLAN (CONTINUED)**

Illinois Municipal Retirement Fund

*Plan Description.* The Regional Office of Education No. 55'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 employer 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).

*Funding Policy.* As set by statute, the Regional Office of Education No. 55's regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require 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 calendar year 2011 was 12.45 percent of annual covered payroll. The Regional Office of Education No. 55 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.* The required contribution for calendar year 2011 was \$64,184.

**TREND INFORMATION**

<b>Calendar Year Ending</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
12/31/11	\$ 64,184	100%	\$ -
12/31/10	56,474	100%	-
12/31/09	50,797	100%	-

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 5 - EMPLOYEE BENEFIT PLAN (CONTINUED)**

The required contribution for 2011 was determined as part of the December 31, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.5 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% 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 No. 55'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 Regional Office of Education No. 55's Regular plan's unfunded actuarial accrued liability at December 31, 2009 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, 2011, the most recent actuarial valuation date, the Regular plan was 80.50 percent funded. The actuarial accrued liability for benefits was \$978,752 and the actuarial value of assets was \$787,847, resulting in an underfunded actuarial accrued liability (UAAL) of \$190,905. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$515,534 and the ratio of the UAAL to the covered payroll was 37 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents 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 6 - RETIREMENT PLANS**

Teachers' Retirement System of the State of Illinois

The Regional Office of Education participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The state of Illinois maintains primary responsibility for the funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the system's administration.

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2012, was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing services is on or after January 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 percent for the years ended June 30, 2011 and 2010.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 6 - RETIREMENT PLANS (CONTINUED)**

The State of Illinois makes contributions directly to TRS on behalf of the Regional Office of Education No. 55's TRS-covered employees.

**On-behalf Contributions**

The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education No. 55. For the year ended June 30, 2012, the State of Illinois contributions were based on 24.91 percent of creditable earnings not paid from federal funds, and the Regional Office of Education No. 55 recognized revenue and expenditures of \$70,141 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2011 and June 30, 2010, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 23.10 percent (\$77,641) and 23.38 percent (\$47,211), respectively.

Whiteside County Regional Office of Education No. 55 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, 2012 were \$878. Contributions for the years ending June 30, 2011 and June 30, 2010, were \$887 and \$1,171, respectively.

**Federal and Trust Fund Contributions**

When TRS members are paid from federal and special trust funds administered by the Regional Office of Education No. 55, there is a statutory requirement for the Regional Office of Education No. 55 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, 2012, the employer pension contribution was 24.91 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2011 and 2010, the employer pension contribution was 23.10 and 23.38 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2012, salaries totaling \$38,613 were paid from federal and special trust funds that required employer contributions of \$9,617. For the years ended June 30, 2011 and June 30, 2010, required contributions were \$8,660 and \$8,507, respectively.

**Early Retirement Option (ERO)**

The Regional Office of Education No. 55 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, 2012, June 30, 2011 and June 30, 2010, the Regional Office Education No. 55 paid no ERO contributions.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 6 - RETIREMENT PLANS (CONTINUED)**

**Salary increases over 6 percent and excess sick leave**

If an employer grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the employer makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent. For the years ended June 30, 2012, June 30, 2011, and June 30, 2010, the Regional Office of Education No. 55 did not make any contributions to TRS for salary increases in excess of 6 percent.

If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary rate reported by the granting employer during the four-year sick leave review period, and the TRS total normal cost rate (17.83 percent of salary during the year ended June 30, 2012). For the years ended June 30, 2012, June 30, 2011, and June 30, 2010, the Regional Office of Education No. 55 did not make any contributions to TRS for sick leave days granted in excess of the normal annual allotment.

TRS financial information, an explanation of TRS benefits, and descriptions of member, employer and state funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2011. The report for the year ended June 30, 2012, is expected to be available in late 2012. The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, 2815 West Washington Street, P.O. Box 19253, Springfield, IL 62794-9253. The most current report is also available on the TRS Web site at [www.trs.illinois.gov](http://www.trs.illinois.gov).

Teachers Health Insurance Security Fund

The Regional Office of Education No. 55 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. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by CMS with the cooperation of TRS. 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.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 6 - RETIREMENT PLANS (CONTINUED)**

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

**On-behalf Contributions**

The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office of Education No. 55. 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, 2012. State of Illinois contributions were \$1,332, and the Regional Office of Education No. 55 recognized revenue and expenditures of this amount during the year. State contributions intended to match active member contributions during the years ended June 30, 2011 and 2010, were 0.88 percent and 0.84 percent of pay, respectively. State contributions on behalf of Regional Office of Education No. 55 employees were \$1,345 and \$1,696, respectively.

**Employer Contributions**

The Regional Office of Education No. 55 also makes contributions to THIS Fund. The employer THIS fund contribution was 0.66 percent during the years ended June 30, 2012 and June 30, 2011, and .63 percent for the year ended June 30, 2010. For the year ended June 30, 2012, the Regional Office of Education No. 55 paid \$999 to the THIS Fund. For the years ended June 30, 2011 and June 30, 2010, the Regional Office of Education No. 55 paid \$1,009 and \$1,272 to the THIS Fund, respectively, which was 100 percent of the required contribution.

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.

**NOTE 7 - CAPITAL ASSETS**

A summary of changes in capital assets for the year ended June 30, 2012 is as follows:

	<b>Balance June 30, 2011</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2012</b>
Governmental activities:				
Furniture and equipment	\$ 108,457	\$ -	\$ -	\$ 108,457
Building improvements	92,279	-	-	92,279
	<u>200,736</u>	<u>-</u>	<u>-</u>	<u>200,736</u>
Less: accumulated depreciation	(141,199)	(10,150)	-	(151,349)
Total capital assets, net	<u>\$ 59,537</u>	<u>(10,150)</u>	<u>-</u>	<u>\$ 49,387</u>

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 7 - CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged as follows:

Governmental activities:	
Education:	
Depreciation	\$ 10,150

**NOTE 8 - LEASE PAYABLE**

The Regional Office of Education No. 55 entered into a lease agreement as a lessee for financing the acquisition of a copier. The lease agreement qualifies as a capital lease for accounting purposes, and therefore, has been recorded at the present value of the future minimum lease payments as of the inception date in the capital assets account. The amortized cost of the copier at June 30, 2012 is \$3,013 consisting of a cost of \$11,903 with accumulated depreciation of \$8,890.

The future minimum lease obligations and the net present value of the lease payments as of June 30, 2012 were as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2013	\$ 3,171
2014	3,171
2015	<u>1,321</u>
Total minimum lease payments	7,663
Less: amount representing interest	<u>(1,033)</u>
Present value of minimum lease payments	<u>\$ 6,630</u>

**NOTE 9 - NOTE PAYABLE**

The Regional Office of Education No. 55 obtained a line of credit on May 25, 2010 with a credit limit of \$180,000 for the purpose of providing financing to offset delays in the receipt of funding from the State of Illinois. The line of credit has an interest rate of 5.25 percent. Monthly payments for accrued interest are required. This note expired and a new line of credit was obtained on January 5, 2012 with a limit of \$100,000. The current line of credit has an interest rate of 5.25 percent with required monthly payments of all accrued unpaid interest. The balance at June 30, 2012 is \$0. Total interest expense incurred during the year was \$0.

**NOTE 10 - DISPOSITION OF DISTRIBUTIVE FUND INTEREST**

The school district boards within the Regional Office of Education No. 55 have signed formal agreements that allow the Regional Office of Education No. 55 to retain any interest earned during the year.

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 11 - DEFICIT FUND BALANCES**

At June 30, 2012, the following funds had deficit fund balances. They are expected to correct themselves in 2013 through payments from the State and transfers from local funds.

Education Fund	
Administrator's Academy	\$ (155)
Scientific Literacy	(159)
Adult Education and Family Literacy Grant	(3,288)
Career Awareness and Development	(693)
ROE/ISC School Improvement Grant	(745)
Early Childhood Block Grant (3-5)	(832)
Title IV - Community Service	(65)
State Free Lunch & Breakfast	(12)
System of Support RESPRO	(778)
Kindergarten Standards	(8)
Gifted Education	(2,156)
Title II Teacher Quality Leadership	(74)
ARRA Education Jobs	(126)
ROE/ISC Operations	(494)
Nonmajor Special Revenue Fund	
Supervisory	(765)
Nonmajor Proprietary Fund	
Non-Grant Workshops	(18,162)
IARSS Website Development	(196)

**NOTE 12 - DUE FROM/TO OTHER GOVERNMENTS**

The Whiteside County Regional Office of Education No. 55's General, Special Revenue, Proprietary, and Agency Funds have funds due to and due from various other governmental units which consist of the following:

Due from other governments	
General fund	
Local governments	\$ 17,313
Education fund	
Local governments	16,871
Illinois State Board of Education	74,917
Agency fund	
Local governments	11,995
Nonmajor Proprietary fund	
Local governments	<u>141</u>
Total due from other governments	<u>\$ 121,237</u>



**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 12 - DUE FROM/TO OTHER GOVERNMENTS (CONTINUED)**

Due to other governments		
General fund		
Local governments	\$	483
Institute fund		
Local School Districts		102
Education fund		
Local governments		13,847
Agency fund		<u>507</u>
Total due to other governments	\$	<u>14,939</u>

**NOTE 13 - DUE FROM/TO OTHER FUNDS**

Interfund receivables and payables at June 30, 2012 were:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General fund		
General Operations	\$ 255,876	\$ 215,520
Technology Training	-	-
Learning Technology Center	-	-
Regional Safe Schools	197,446	36,400
Education fund		
Administrator's Academy	-	155
Scientific Literacy	-	159
Adult Education and Family Literacy Grant	-	700
Career Awareness and Development	-	693
Truant Alternative/Optional Education	-	19,200
Even Start	-	9,900
ROE/ISC School improvement Grant	-	748
Early Childhood - Block Grant (0-3)	-	34,000
Early Childhood - Block Grant (3-5)	-	92,130
Title IV - Community Service	-	213
Secretary of State Family Literacy Grant	-	6,734
Education Outreach Program	-	15,073
State Free Lunch & Breakfast	-	93
Sterling Truants Alternative Program	-	4,000
Kindergarten Standards	-	8
Gifted Education	-	2,156
Title II Teacher Quality Leadership	-	74
ARRA Education Jobs	-	126
ROE/ISC Operations	-	19,450

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**NOTES TO FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 13 - DUE FROM/TO OTHER FUNDS (CONTINUED)**

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
Nonmajor Special Revenue funds		
General Education Development	\$ 10	\$ -
Supervisory	-	765
Institute fund	520	-
Proprietary fund		
Meeting the Challenge Workshops	17,964	-
Computer Workshops	4,191	-
Non-Grant Workshops	-	18,303
IARSS Website Development	-	196
Miscellaneous Local Fees	<u>1,198</u>	<u>409</u>
Total	<u>\$ 477,205</u>	<u>\$ 477,205</u>

**NOTE 14 - TRANSFERS**

There were no interfund transfers for the year ended June 30, 2012.

**NOTE 15 - RISK MANAGEMENT**

Whiteside County Regional Office of Education No. 55 is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. These risks are covered by the purchase of commercial insurance. Whiteside County Regional Office of Education No. 55 assumes liability for any deductibles and claims in excess of coverage limitations. There has been no significant reduction in insurance coverage from the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage during the year.

**NOTE 16 – NEW PRONOUNCEMENTS**

In 2012, Whiteside County Regional Office of Education No. 55 adopted Governmental Accounting Standards Board (GASB) Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans* and GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions*. The Regional Office of Education No. 55 implemented these standards during the current year; however, there was no significant impact on the financial statements.

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

**REQUIRED SUPPLEMENTAL INFORMATION**  
**(Other than Management's Discussion and Analysis)**

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55**

**SCHEDULE OF FUNDING PROGRESS –  
ILLINOIS MUNICIPAL RETIREMENT FUND  
(Unaudited)  
June 30, 2012**

**ILLINOIS MUNICIPAL RETIREMENT  
FUND SCHEDULE OF FUNDING  
PROGRESS**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
12/31/11	\$ 787,847	\$ 978,752	\$ 190,905	80.50%	\$ 515,534	37.03%
12/31/10	726,462	874,295	147,833	83.09%	519,536	28.45%
12/31/09	624,361	828,546	204,185	75.36%	563,780	36.22%

On a market value basis, the actuarial value of assets as of December 31, 2011 is \$752,734. On a market basis, the funded ratio would be 76.91%.

**SUPPLEMENTAL INFORMATION**

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF ACCOUNTS  
GENERAL FUND ACCOUNTS  
JUNE 30, 2012**

	<u>General Operations</u>	<u>Technology Training</u>	<u>Learning Technology Center</u>	<u>Regional Safe Schools</u>	<u>Total</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 936	\$ 10,559	\$ 84,888	\$ 96,383
Due from other governments	17,313	-	12,016	17,052	46,381
Due from other funds	<u>255,876</u>	<u>-</u>	<u>-</u>	<u>197,446</u>	<u>453,322</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 273,189</u></u>	<u><u>\$ 936</u></u>	<u><u>\$ 22,575</u></u>	<u><u>\$ 299,386</u></u>	<u><u>\$ 596,086</u></u>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>LIABILITIES</b>					
Due to other governments	\$ 483	\$ -	\$ -	\$ -	\$ 483
Due to other funds	215,520	-	-	36,400	251,920
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>216,003</u>	<u>-</u>	<u>-</u>	<u>36,400</u>	<u>252,403</u>
<b>FUND BALANCE</b>					
Assigned	-	936	22,575	-	23,511
Unassigned	<u>57,186</u>	<u>-</u>	<u>-</u>	<u>262,986</u>	<u>320,172</u>
Total fund balance	<u>57,186</u>	<u>936</u>	<u>22,575</u>	<u>262,986</u>	<u>343,683</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><u>\$ 273,189</u></u>	<u><u>\$ 936</u></u>	<u><u>\$ 22,575</u></u>	<u><u>\$ 299,386</u></u>	<u><u>\$ 596,086</u></u>

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GENERAL FUND ACCOUNTS  
YEAR ENDED JUNE 30, 2012**

	<u>General Operations</u>	<u>Technology Training</u>	<u>Learning Technology Center</u>	<u>Regional Safe Schools</u>	<u>Total</u>
<b>REVENUES</b>					
Local sources	\$ 70,337	\$ 1	\$ 37,824	\$ 18,910	\$ 127,072
State sources	-	-		170,161	170,161
On-behalf payments	230,262	-	-	-	230,262
Total revenues	<u>300,599</u>	<u>1</u>	<u>37,824</u>	<u>189,071</u>	<u>527,495</u>
<b>EXPENDITURES</b>					
Education					
Salaries	45,502	-	-	119,762	165,264
Benefits	9,405	-	-	19,030	28,435
Purchased services	17,811	-	-	21,724	39,535
Supplies and materials	2,248	-	-	7,020	9,268
Capital outlay	-	-	-	1,494	1,494
Other objects	-	-	-	425	425
On-behalf payments	230,262	-	-	-	230,262
Total expenditures	<u>305,228</u>	<u>-</u>	<u>-</u>	<u>169,455</u>	<u>474,683</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(4,629)	1	37,824	19,616	52,812
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>61,815</u>	<u>935</u>	<u>(15,249)</u>	<u>243,370</u>	<u>290,871</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 57,186</u>	<u>\$ 936</u>	<u>\$ 22,575</u>	<u>\$ 262,986</u>	<u>\$ 343,683</u>

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND ACCOUNTS  
YEAR ENDED JUNE 30, 2012**

	<b>Regional Safe Schools Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Local sources	\$ -	\$ -	\$ 18,910	\$ 18,910
State sources	<u>66,243</u>	<u>66,243</u>	<u>170,161</u>	<u>103,918</u>
Total revenues	66,243	66,243	189,071	122,828
<b>EXPENDITURES</b>				
Education				
Salaries	55,500	55,500	119,762	(64,262)
Benefits	9,234	9,234	19,030	(9,796)
Purchased services	1,145	1,145	21,724	(20,579)
Supplies and materials	364	364	7,020	(6,656)
Capital outlay	-	-	1,494	(1,494)
Other objects	<u>-</u>	<u>-</u>	<u>425</u>	<u>(425)</u>
Total expenditures	66,243	66,243	169,455	(103,212)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>19,616</u>	<u>\$ 19,616</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>243,370</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 262,986</u>	



**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS  
JUNE 30, 2012**

	<u>Administrator's Academy</u>	<u>Scientific Literacy</u>	<u>Title I - School Improvement &amp; Accountability</u>	<u>Title II - Eisenhower Leadership Grants</u>	<u>Mathematics &amp; Science Partnerships</u>	<u>Retired Professional Service Corps</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ -	\$ 233	\$ 283	\$ 3,082	\$ 28
Due from other governments	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233</u>	<u>\$ 283</u>	<u>\$ 3,082</u>	<u>\$ 28</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	230	-	-	-
Due to other funds	155	159	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	<u>155</u>	<u>159</u>	<u>230</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT)</b>						
Restricted	-	-	3	283	3,082	28
Unassigned	(155)	(159)	-	-	-	-
Total fund balance (deficit)	<u>(155)</u>	<u>(159)</u>	<u>3</u>	<u>283</u>	<u>3,082</u>	<u>28</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233</u>	<u>\$ 283</u>	<u>\$ 3,082</u>	<u>\$ 28</u>

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS  
JUNE 30, 2012

	<u>Adult Education and Family Literacy Grant</u>	<u>Career Awareness and Development</u>	<u>Truants Alternative/ Optional Education</u>	<u>School to Work (DOL)</u>	<u>ROE/ISC Technology</u>	<u>Even Start</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 903	\$ -	\$ 3,261	\$ 905	\$ 6	\$ 11,992
Due from other governments	<u>2,500</u>	<u>-</u>	<u>17,688</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>\$ 3,403</u>	<u>\$ -</u>	<u>\$ 20,949</u>	<u>\$ 905</u>	<u>\$ 6</u>	<u>\$ 11,992</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accrued expenses	\$ -	\$ -	\$ 260	\$ -	\$ -	\$ -
Due to other governments	-	-	-	895	-	-
Due to other funds	700	693	19,200	-	-	9,900
Deferred revenue	<u>5,991</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>6,691</u>	<u>693</u>	<u>19,460</u>	<u>895</u>	<u>-</u>	<u>9,900</u>
<b>FUND BALANCE (DEFICIT)</b>						
Restricted	-	-	1,489	10	6	2,092
Unassigned	<u>(3,288)</u>	<u>(693)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance (deficit)	<u>(3,288)</u>	<u>(693)</u>	<u>1,489</u>	<u>10</u>	<u>6</u>	<u>2,092</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 3,403</u>	<u>\$ -</u>	<u>\$ 20,949</u>	<u>\$ 905</u>	<u>\$ 6</u>	<u>\$ 11,992</u>

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS  
JUNE 30, 2012

	Early Childhood Parenting Program	ROE/ISC School Improvement Grant	Learning Standards	Early Childhood - Block Grant (0-3)	Early Childhood - Block Grant (3-5)	Early Childhood - Block Grant (Prevention Initiative)
<b>ASSETS</b>						
Cash and cash equivalents	\$ 23,643	\$ 3	\$ 67	\$ 2,749	\$ 66,977	\$ 73
Due from other governments	-	-	-	32,833	24,321	-
<b>TOTAL ASSETS</b>	<u>\$ 23,643</u>	<u>\$ 3</u>	<u>\$ 67</u>	<u>\$ 35,582</u>	<u>\$ 91,298</u>	<u>\$ 73</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-	-	72
Due to other funds	-	748	-	34,000	92,130	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>748</u>	<u>-</u>	<u>34,000</u>	<u>92,130</u>	<u>72</u>
<b>FUND BALANCE (DEFICIT)</b>						
Restricted	23,643	-	67	1,582	-	1
Unassigned	-	(745)	-	-	(832)	-
Total fund balance (deficit)	<u>23,643</u>	<u>(745)</u>	<u>67</u>	<u>1,582</u>	<u>(832)</u>	<u>1</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 23,643</u>	<u>\$ 3</u>	<u>\$ 67</u>	<u>\$ 35,582</u>	<u>\$ 91,298</u>	<u>\$ 73</u>

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS  
JUNE 30, 2012

	<u>Illinois Century Network</u>	<u>Tobacco Settlement Recovery Fund/ Prevention</u>	<u>Early Childhood - Block Grant (3705-50)</u>	<u>Reading Improvement Statewide/ Professional Development</u>	<u>Title IV Community Service</u>	<u>Title I Reading First Part B SEA Funds</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 1,609	\$ 14	\$ 243	\$ 8	\$ -	\$ 4,160
Due from other governments	-	-	-	-	148	-
<b>TOTAL ASSETS</b>	<u>\$ 1,609</u>	<u>\$ 14</u>	<u>\$ 243</u>	<u>\$ 8</u>	<u>\$ 148</u>	<u>\$ 4,160</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-	-	-
Due to other funds	-	-	-	-	213	-
Deferred revenue	-	-	-	-	-	4,092
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>213</u>	<u>4,092</u>
<b>FUND BALANCE (DEFICIT)</b>						
Restricted	1,609	14	243	8	-	68
Unassigned	-	-	-	-	(65)	-
Total fund balance (deficit)	<u>1,609</u>	<u>14</u>	<u>243</u>	<u>8</u>	<u>(65)</u>	<u>68</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 1,609</u>	<u>\$ 14</u>	<u>\$ 243</u>	<u>\$ 8</u>	<u>\$ 148</u>	<u>\$ 4,160</u>

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS  
JUNE 30, 2012

	Secretary of State Family Literacy Grant	Education Outreach Program	State Free Lunch & Breakfast	National School Lunch Program	School Breakfast Program	Standards Aligned Classroom
<b>ASSETS</b>						
Cash and cash equivalents	\$ 6,857	\$ 2,828	\$ -	\$ 3,589	\$ 1,785	\$ 631
Due from other governments	-	14,217	81	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 6,857</b>	<b>\$ 17,045</b>	<b>\$ 81</b>	<b>\$ 3,589</b>	<b>\$ 1,785</b>	<b>\$ 631</b>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-	-	-
Due to other funds	6,734	15,073	93	-	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	6,734	15,073	93	-	-	-
<b>FUND BALANCE (DEFICIT)</b>						
Restricted	123	1,972	-	3,589	1,785	631
Unassigned	-	-	(12)	-	-	-
Total fund balance (deficit)	123	1,972	(12)	3,589	1,785	631
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<b>\$ 6,857</b>	<b>\$ 17,045</b>	<b>\$ 81</b>	<b>\$ 3,589</b>	<b>\$ 1,785</b>	<b>\$ 631</b>

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS  
JUNE 30, 2012

	<u>Education Technology Grant</u>	<u>System of Support RESPRO</u>	<u>English Language Learners</u>	<u>Sterling Truants Alternative Program</u>	<u>Kindergarten Standards</u>	<u>McKinney Homeless Grant</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 20	\$ 872	\$ 289	\$ 18,119	\$ -	\$ 36
Due from other governments	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 20</u>	<u>\$ 872</u>	<u>\$ 289</u>	<u>\$ 18,119</u>	<u>\$ -</u>	<u>\$ 36</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	1,650	-	11,000	-	-
Due to other funds	-	-	-	4,000	8	-
Deferred revenue	-	-	-	2,000	-	-
Total liabilities	<u>-</u>	<u>1,650</u>	<u>-</u>	<u>17,000</u>	<u>8</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT)</b>						
Restricted	20	-	289	1,119	-	36
Unassigned	-	(778)	-	-	(8)	-
Total fund balance (deficit)	<u>20</u>	<u>(778)</u>	<u>289</u>	<u>1,119</u>	<u>(8)</u>	<u>36</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 20</u>	<u>\$ 872</u>	<u>\$ 289</u>	<u>\$ 18,119</u>	<u>\$ -</u>	<u>\$ 36</u>

**WHITESIDE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 55**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**EDUCATION FUND ACCOUNTS**  
**YEAR ENDED JUNE 30, 2012**

	<u>Administrator's Academy</u>	<u>Scientific Literacy</u>	<u>Title I - School Improvement &amp; Accountability</u>	<u>Title II - Eisenhower Leadership Grants</u>	<u>Mathematics &amp; Science Partnerships</u>	<u>Retired Professional Service Corps</u>
<b>REVENUES</b>						
Local sources	\$ -	\$ -	\$ -	\$ 1	\$ 2	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>2</u>	<u>-</u>
<b>EXPENDITURES</b>						
Education						
Salaries	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-
Supplies and materials	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other objects	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	-	-	-	1	2	-
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>(155)</u>	<u>(159)</u>	<u>3</u>	<u>282</u>	<u>3,080</u>	<u>28</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ (155)</u>	<u>\$ (159)</u>	<u>\$ 3</u>	<u>\$ 283</u>	<u>\$ 3,082</u>	<u>\$ 28</u>

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
YEAR ENDED JUNE 30, 2012

	Adult Education and Family Literacy Grant	Career Awareness and Development	Truants Alternative/ Optional Education	School to Work (DOL)	ROE/ISC Technology	Even Start
<b>REVENUES</b>						
Local sources	\$ 10	\$ -	\$ 12	\$ 1	\$ -	\$ 16
State sources	16,000	-	91,007	-	-	-
Federal sources	-	-	-	-	-	10,397
Total revenues	<u>16,010</u>	<u>-</u>	<u>91,019</u>	<u>1</u>	<u>-</u>	<u>10,413</u>
<b>EXPENDITURES</b>						
Education						
Salaries	14,598	-	53,239	-	-	15,825
Benefits	3,500	-	10,547	-	-	3,181
Purchased services	322	-	26,868	-	-	5,167
Supplies and materials	-	-	415	-	-	716
Capital outlay	-	-	-	-	-	-
Other objects	-	-	-	-	-	-
Total expenditures	<u>18,420</u>	<u>-</u>	<u>91,069</u>	<u>-</u>	<u>-</u>	<u>24,889</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	(2,410)	-	(50)	1	-	(14,476)
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>(878)</u>	<u>(693)</u>	<u>1,539</u>	<u>9</u>	<u>6</u>	<u>16,568</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ (3,288)</u>	<u>\$ (693)</u>	<u>\$ 1,489</u>	<u>\$ 10</u>	<u>\$ 6</u>	<u>\$ 2,092</u>



WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
YEAR ENDED JUNE 30, 2012

	Early Childhood Parenting Program	ROE/ISC School Improvement Grant	Learning Standards	Early Childhood - Block Grant (0-3)	Early Childhood - Block Grant (3-5)	Early Childhood - Block Grant (Prevention Initiative)
<b>REVENUES</b>						
Local sources	\$ 45	\$ -	\$ -	\$ 26	\$ 179	\$ -
State sources	-	-	-	175,526	152,461	-
Federal sources	-	-	-	-	-	-
Total revenues	<u>45</u>	<u>-</u>	<u>-</u>	<u>175,552</u>	<u>152,640</u>	<u>-</u>
<b>EXPENDITURES</b>						
Education						
Salaries	369	-	-	128,914	93,848	-
Benefits	74	-	-	25,125	15,814	-
Purchased services	55	-	-	14,463	30,473	-
Supplies and materials	5,221	-	-	7,285	12,935	-
Capital outlay	-	-	-	-	-	-
Other objects	-	-	-	-	7	-
Total expenditures	<u>5,719</u>	<u>-</u>	<u>-</u>	<u>175,787</u>	<u>153,077</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	(5,674)	-	-	(235)	(437)	-
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>29,317</u>	<u>(745)</u>	<u>67</u>	<u>1,817</u>	<u>(395)</u>	<u>1</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 23,643</u>	<u>\$ (745)</u>	<u>\$ 67</u>	<u>\$ 1,582</u>	<u>\$ (832)</u>	<u>\$ 1</u>

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
YEAR ENDED JUNE 30, 2012

	Illinois Century Network	Tobacco Settlement Recovery Fund/ Prevention	Early Childhood - Block Grant (3705-50)	Reading Improvement Statewide/ Professional Development	Title IV Community Service	Title I Reading First Part B SEA Funds
<b>REVENUES</b>						
Local sources	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ 7
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Total revenues	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>
<b>EXPENDITURES</b>						
Education						
Salaries	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-
Supplies and materials	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other objects	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	3	-	-	-	-	7
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>1,606</u>	<u>14</u>	<u>243</u>	<u>8</u>	<u>(65)</u>	<u>61</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 1,609</u>	<u>\$ 14</u>	<u>\$ 243</u>	<u>\$ 8</u>	<u>\$ (65)</u>	<u>\$ 68</u>

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
YEAR ENDED JUNE 30, 2012

	Secretary of State Family Literacy Grant	Education Outreach Program	State Free Lunch & Breakfast	National School Lunch Program	School Breakfast Program	Standards Aligned Classroom
<b>REVENUES</b>						
Local sources	\$ 8	\$ 7	\$ -	\$ 2	\$ 1	\$ -
State sources	30,555	-	143	-	-	-
Federal sources	-	177,445	-	2,712	1,798	-
Total revenues	<u>30,563</u>	<u>177,452</u>	<u>143</u>	<u>2,714</u>	<u>1,799</u>	<u>-</u>
<b>EXPENDITURES</b>						
Education						
Salaries	21,751	104,590	-	-	-	-
Benefits	4,297	25,151	-	-	-	-
Purchased services	2,676	35,655	-	-	-	-
Supplies and materials	1,940	11,574	-	2,109	1,499	-
Capital outlay	-	490	-	-	-	-
Other objects	-	-	-	-	-	-
Total expenditures	<u>30,664</u>	<u>177,460</u>	<u>-</u>	<u>2,109</u>	<u>1,499</u>	<u>-</u>
<b>NET CHANGE IN</b>						
<b>FUND BALANCE (DEFICIT)</b>	(101)	(8)	143	605	300	-
<b>FUND BALANCE (DEFICIT),</b>						
<b>BEGINNING OF YEAR</b>	<u>224</u>	<u>1,980</u>	<u>(155)</u>	<u>2,984</u>	<u>1,485</u>	<u>631</u>
<b>FUND BALANCE (DEFICIT),</b>						
<b>END OF YEAR</b>	<u>\$ 123</u>	<u>\$ 1,972</u>	<u>\$ (12)</u>	<u>\$ 3,589</u>	<u>\$ 1,785</u>	<u>\$ 631</u>

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
YEAR ENDED JUNE 30, 2012

	Education Technology Grant	System of Support RESPRO	English Language Learners	Sterling Truants Alternative Program	Kindergarten Standards	McKinney Homeless Grant
<b>REVENUES</b>						
Local sources	\$ -	\$ 1	\$ -	\$ 48	\$ -	\$ -
State sources	-	41,923	-	31,000	-	-
Federal sources	-	-	-	-	-	20,492
Total revenues	<u>-</u>	<u>41,924</u>	<u>-</u>	<u>31,048</u>	<u>-</u>	<u>20,492</u>
<b>EXPENDITURES</b>						
Education						
Salaries	-	16,787	-	24,383	-	9,790
Benefits	-	3,328	-	4,823	-	1,932
Purchased services	-	25,530	-	1,480	-	4,193
Supplies and materials	-	-	-	-	-	4,577
Capital outlay	-	-	-	-	-	-
Other objects	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>45,645</u>	<u>-</u>	<u>30,686</u>	<u>-</u>	<u>20,492</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	-	(3,721)	-	362	-	-
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>20</u>	<u>2,943</u>	<u>289</u>	<u>757</u>	<u>(8)</u>	<u>36</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 20</u>	<u>\$ (778)</u>	<u>\$ 289</u>	<u>\$ 1,119</u>	<u>\$ (8)</u>	<u>\$ 36</u>

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
YEAR ENDED JUNE 30, 2012

	<u>Dollar General</u>	<u>Gifted Education</u>	<u>Title II Teacher Quality Leadership</u>	<u>ARRA Education Jobs</u>	<u>ROE/ISC Operations</u>	<u>Total</u>
<b>REVENUES</b>						
Local sources	\$ 3	\$ -	\$ -	\$ -	\$ 24	\$ 396
State sources	-	(2,055)	-	-	34,198	570,758
Federal sources	-	-	-	107	-	212,951
Total revenues	<u>3</u>	<u>(2,055)</u>	<u>-</u>	<u>107</u>	<u>34,222</u>	<u>784,105</u>
<b>EXPENDITURES</b>						
Education						
Salaries	-	-	-	-	21,205	505,299
Benefits	-	-	-	107	3,770	101,649
Purchased services	-	-	-	-	661	147,543
Supplies and materials	-	-	-	-	-	48,271
Capital outlay	-	-	-	-	-	490
Other objects	-	-	-	-	-	7
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>107</u>	<u>25,636</u>	<u>803,259</u>
<b>NET CHANGE IN</b>						
<b>FUND BALANCE (DEFICIT)</b>	3	(2,055)	-	-	8,586	(19,154)
<b>FUND BALANCE (DEFICIT),</b>						
<b>BEGINNING OF YEAR</b>	<u>38</u>	<u>(101)</u>	<u>(74)</u>	<u>(126)</u>	<u>(9,080)</u>	<u>53,402</u>
<b>FUND BALANCE (DEFICIT),</b>						
<b>END OF YEAR</b>	<u>\$ 41</u>	<u>\$ (2,156)</u>	<u>\$ (74)</u>	<u>\$ (126)</u>	<u>\$ (494)</u>	<u>\$ 34,248</u>

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2012**

	<b>Truants Alternative/Optional Education</b>				<b>Even Start</b>			
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget</b>	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>			<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>								
Local sources	\$ -	\$ -	\$ 12	\$ 12	\$ -	\$ -	\$ 16	\$ 16
State sources	64,858	64,858	91,007	26,149	-	-	-	-
Federal sources	-	-	-	-	110,000	134,500	10,397	(124,103)
<b>Total revenues</b>	<u>64,858</u>	<u>64,858</u>	<u>91,019</u>	<u>26,161</u>	<u>110,000</u>	<u>134,500</u>	<u>10,413</u>	<u>(124,087)</u>
<b>EXPENDITURES</b>								
Education								
Salaries	43,650	43,650	53,239	(9,589)	61,015	80,535	15,825	64,710
Benefits	8,731	8,731	10,547	(1,816)	11,452	18,602	3,181	15,421
Purchased services	7,958	7,958	26,868	(18,910)	32,983	34,338	5,167	29,171
Supplies and materials	300	300	415	(115)	4,550	1,025	716	309
Capital outlay	-	-	-	-	-	-	-	-
Other objects	4,219	4,219	-	4,219	-	-	-	-
<b>Total expenditures</b>	<u>64,858</u>	<u>64,858</u>	<u>91,069</u>	<u>(26,211)</u>	<u>110,000</u>	<u>134,500</u>	<u>24,889</u>	<u>109,611</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(50)</u>	<u>\$ (50)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(14,476)</u>	<u>\$ (14,476)</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			<u>1,539</u>				<u>16,568</u>	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			<u>\$ 1,489</u>				<u>\$ 2,092</u>	

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2012

	Early Childhood - Block Grant (0-3)				Early Childhood - Block Grant (3-5)			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Local sources	\$ -	\$ -	\$ 26	\$ 26	\$ -	\$ -	\$ 179	\$ 179
State sources	190,000	190,000	175,526	(14,474)	145,000	145,000	152,461	7,461
Federal sources	-	-	-	-	-	-	-	-
Total revenues	<u>190,000</u>	<u>190,000</u>	<u>175,552</u>	<u>(14,448)</u>	<u>145,000</u>	<u>145,000</u>	<u>152,640</u>	<u>7,640</u>
<b>EXPENDITURES</b>								
Education								
Salaries	144,343	144,343	128,914	15,429	91,674	86,866	93,848	(6,982)
Benefits	28,976	28,976	25,125	3,851	15,473	14,874	15,814	(940)
Purchased services	14,396	14,396	14,463	(67)	30,604	34,465	30,473	3,992
Supplies and materials	2,285	2,285	7,285	(5,000)	7,249	8,795	12,935	(4,140)
Capital outlay	-	-	-	-	-	-	-	-
Other objects	-	-	-	-	-	-	7	(7)
Total expenditures	<u>190,000</u>	<u>190,000</u>	<u>175,787</u>	<u>14,213</u>	<u>145,000</u>	<u>145,000</u>	<u>153,077</u>	<u>(8,077)</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(235)</u>	<u>\$ (235)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(437)</u>	<u>\$ (437)</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			<u>1,817</u>				<u>(395)</u>	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			<u>\$ 1,582</u>				<u>\$ (832)</u>	

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2012

	Secretary of State Family Literacy Grant				Education Outreach Program (EOP)			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Local sources	\$ -	\$ -	\$ 8	\$ 8	\$ -	\$ -	\$ 7	\$ 7
State sources	29,750	30,555	30,555	-	-	-	-	-
Federal sources	-	-	-	-	216,820	216,820	177,445	(39,375)
Total revenues	<u>29,750</u>	<u>30,555</u>	<u>30,563</u>	<u>8</u>	<u>216,820</u>	<u>216,820</u>	<u>177,452</u>	<u>(39,368)</u>
<b>EXPENDITURES</b>								
Education								
Salaries	19,845	21,525	21,751	(226)	91,770	91,770	104,590	(12,820)
Benefits	4,506	4,935	4,297	638	22,025	22,025	25,151	(3,126)
Purchased services	1,250	1,250	2,676	(1,426)	90,025	90,025	35,655	54,370
Supplies and materials	950	1,875	1,940	(65)	12,500	12,500	11,574	926
Capital outlay	-	-	-	-	500	500	490	10
Other objects	3,199	970	-	970	-	-	-	-
Total expenditures	<u>29,750</u>	<u>30,555</u>	<u>30,664</u>	<u>(109)</u>	<u>216,820</u>	<u>216,820</u>	<u>177,460</u>	<u>39,360</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(101)</u>	<u>\$ (101)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(8)</u>	<u>\$ (8)</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			<u>224</u>				<u>1,980</u>	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			<u>\$ 123</u>				<u>\$ 1,972</u>	



WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2012

	System of Support RESPRO				McKinney Homeless Grant			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Local sources	\$ -	\$ -	\$ 1	\$ 1	\$ -	\$ -	\$ -	\$ -
State sources	43,015	43,015	41,923	(1,092)	-	-	-	-
Federal sources	-	-	-	-	19,492	20,492	20,492	-
Total revenues	<u>43,015</u>	<u>43,015</u>	<u>41,924</u>	<u>(1,091)</u>	<u>19,492</u>	<u>20,492</u>	<u>20,492</u>	<u>-</u>
<b>EXPENDITURES</b>								
Education								
Salaries	14,800	14,800	16,787	(1,987)	9,800	9,790	9,790	-
Benefits	2,000	2,000	3,328	(1,328)	1,967	1,928	1,932	(4)
Purchased services	26,215	25,178	25,530	(352)	5,691	6,195	4,193	2,002
Supplies and materials	-	1,037	-	1,037	2,034	2,579	4,577	(1,998)
Capital outlay	-	-	-	-	-	-	-	-
Other objects	-	-	-	-	-	-	-	-
Total expenditures	<u>43,015</u>	<u>43,015</u>	<u>45,645</u>	<u>(2,630)</u>	<u>19,492</u>	<u>20,492</u>	<u>20,492</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(3,721)</u>	<u>\$ (3,721)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			<u>2,943</u>				<u>36</u>	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			<u>\$ (778)</u>				<u>\$ 36</u>	

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2012

	ROE/ISC Operations				Total			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Local sources	\$ -	\$ -	\$ 24	\$ 24	\$ -	\$ -	\$ 273	\$ 273
State sources	25,636	25,636	34,198	8,562	498,259	499,064	525,670	26,606
Federal sources	-	-	-	-	346,312	371,812	208,334	(163,478)
Total revenues	<u>25,636</u>	<u>25,636</u>	<u>34,222</u>	<u>8,586</u>	<u>844,571</u>	<u>870,876</u>	<u>734,277</u>	<u>(136,599)</u>
<b>EXPENDITURES</b>								
Education								
Salaries	21,236	21,205	21,205	-	498,133	514,484	465,949	48,535
Benefits	4,000	3,770	3,770	-	99,130	105,841	93,145	12,696
Purchased services	400	661	661	-	209,522	214,466	145,686	68,780
Supplies and materials	-	-	-	-	29,868	30,396	39,442	(9,046)
Capital outlay	-	-	-	-	500	500	490	10
Other objects	-	-	-	-	7,418	5,189	7	5,182
Total expenditures	<u>25,636</u>	<u>25,636</u>	<u>25,636</u>	<u>-</u>	<u>844,571</u>	<u>870,876</u>	<u>744,719</u>	<u>126,157</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>8,586</u>	<u>\$ 8,586</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,442)</u>	<u>\$ (10,442)</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			<u>(9,080)</u>				<u>\$ 15,632</u>	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			<u>\$ (494)</u>				<u>\$ 5,190</u>	

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2012**

	<b>General Education Development</b>	<b>Bus Driver Training</b>	<b>Supervisory</b>	<b>Totals</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 18,381	\$ 7,078	\$ -	\$ 25,459
Due from other funds	10	-	-	10
<b>TOTAL ASSETS</b>	<b>\$ 18,391</b>	<b>\$ 7,078</b>	<b>\$ -</b>	<b>\$ 25,469</b>
 <b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>				
<b>LIABILITIES</b>				
Due to other funds	\$ -	\$ -	\$ 765	\$ 765
<b>FUND BALANCE (DEFICIT)</b>				
Restricted	18,391	7,078	-	25,469
Unassigned	-	-	(765)	(765)
Total fund balance (deficit)	18,391	7,078	(765)	24,704
<b>TOTAL FUND BALANCE AND FUND BALANCE (DEFICIT)</b>	<b>\$ 18,391</b>	<b>\$ 7,078</b>	<b>\$ -</b>	<b>\$ 25,469</b>

**WHITESIDE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 55**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2012**

	<u>General Education Development</u>	<u>Bus Driver Training</u>	<u>Supervisory</u>	<u>Totals</u>
<b>REVENUES:</b>				
Local sources	\$ 7,406	\$ 1,046	\$ 1	\$ 8,453
State sources	-	596	-	596
Total revenues	<u>7,406</u>	<u>1,642</u>	<u>1</u>	<u>9,049</u>
<b>EXPENDITURES</b>				
Education:				
Purchased services	2,137	1,262	-	3,399
Supplies and materials	3,039	5	-	3,044
Total expenditures	<u>5,176</u>	<u>1,267</u>	<u>-</u>	<u>6,443</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	2,230	375	1	2,606
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>16,161</u>	<u>6,703</u>	<u>(766)</u>	<u>22,098</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 18,391</u>	<u>\$ 7,078</u>	<u>\$ (765)</u>	<u>\$ 24,704</u>

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING STATEMENT OF NET ASSETS  
NONMAJOR PROPRIETARY FUNDS  
JUNE 30, 2012**

	<u>Meeting the Challenge Workshops</u>	<u>Computer Workshops</u>	<u>Courses Fund</u>	<u>Non-Grant Workshops</u>	<u>IARSS Website Development</u>	<u>Miscellaneous Local Fees</u>	<u>Illinois Principal Mentoring</u>	<u>Total</u>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 2,370	\$ 1,626	\$ 22	\$ -	\$ -	\$ 3,061	\$ 2,965	\$ 10,044
Due from other funds	17,964	4,191	-	-	-	1,198	-	23,353
Due from other governmental units	-	-	-	141	-	-	-	141
<b>TOTAL ASSETS</b>	<u>20,334</u>	<u>5,817</u>	<u>22</u>	<u>141</u>	<u>-</u>	<u>4,259</u>	<u>2,965</u>	<u>33,538</u>
<b>LIABILITIES</b>								
Due to other funds	-	-	-	18,303	196	409	-	18,908
<b>NET ASSETS</b>								
Unrestricted	<u>\$ 20,334</u>	<u>\$ 5,817</u>	<u>\$ 22</u>	<u>\$ (18,162)</u>	<u>\$ (196)</u>	<u>\$ 3,850</u>	<u>\$ 2,965</u>	<u>\$ 14,630</u>

**WHITESIDE COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 55**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**NONMAJOR PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2012**

	<b>Meeting the Challenge Workshops</b>	<b>Computer Workshops</b>	<b>Courses Fund</b>	<b>Non-Grant Workshops</b>	<b>IARSS Website Development</b>	<b>Miscellaneous Local Fees</b>	<b>Illinois Principal Mentoring</b>	<b>Total</b>
<b>OPERATING REVENUES</b>								
Local sources	\$ -	\$ -	\$ -	\$ 20,112	\$ 1,000	\$ 3,714	\$ 1,500	\$ 26,326
<b>OPERATING EXPENSES</b>								
Purchased services	-	-	-	11,634	2,074	3,192	-	16,900
Supplies and materials	-	-	-	2,163	-	160	-	2,323
Total operating expenses	-	-	-	13,797	2,074	3,352	-	19,223
<b>OPERATING INCOME</b>	-	-	-	6,315	(1,074)	362	1,500	7,103
<b>NONOPERATING REVENUES</b>								
Interest revenue	27	7	-	-	1	4	2	41
<b>INCREASE (DECREASE) IN NET ASSETS</b>	27	7	-	6,315	(1,073)	366	1,502	7,144
<b>NET ASSETS (DEFICIT), BEGINNING OF YEAR</b>	20,307	5,810	22	(24,477)	877	3,484	1,463	7,486
<b>NET ASSETS (DEFICIT), END OF YEAR</b>	<u>\$ 20,334</u>	<u>\$ 5,817</u>	<u>\$ 22</u>	<u>\$ (18,162)</u>	<u>\$ (196)</u>	<u>\$ 3,850</u>	<u>\$ 2,965</u>	<u>14,630</u>

WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2012

	Meeting the Challenge Workshops	Computer Workshops	Courses Fund	Non-Grant Workshops	IARSS Website Development	Miscellaneous Local Fees	Illinois Principal Mentoring	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>								
Receipts for workshops and services	\$ -	\$ -	\$ -	\$ 19,971	\$ 1,000	\$ 3,714	\$ 1,500	\$ 26,185
Payments to suppliers and providers of goods and services	-	-	-	(13,797)	(2,074)	(3,352)	-	(19,223)
Net cash provided by (used in) operating activities	-	-	-	6,174	(1,074)	362	1,500	6,962
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>								
Interfund loans	(4,644)	(4,191)	-	(6,174)	196	(1,198)	-	(16,011)
Net cash provided by (used in) noncapital financing activities	(4,644)	(4,191)	-	(6,174)	196	(1,198)	-	(16,011)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>								
Interest	27	7	-	-	1	4	2	41
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(4,617)	(4,184)	-	-	(877)	(832)	1,502	(9,008)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	6,987	5,810	22	-	877	3,893	1,463	19,052
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 2,370	\$ 1,626	\$ 22	\$ -	\$ -	\$ 3,061	\$ 2,965	\$ 10,044
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>								
Operating income (loss)	-	-	-	6,315	(1,074)	362	1,500	7,103
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Effects of changes in assets and liabilities:								
(Increase) in due from other governments	-	-	-	(141)	-	-	-	(141)
<b>Net cash provided by (used in) operating activities</b>	\$ -	\$ -	\$ -	\$ 6,174	\$ (1,074)	\$ 362	\$ 1,500	\$ 6,962

**WHITESIDE COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 55  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 AGENCY FUNDS  
 JUNE 30, 2012**

	<u>Distributive Fund</u>	<u>Payroll Fund</u>	<u>Public Aid Fund</u>	<u>Total</u>
<b>ASSETS</b>				
Cash (overdrafts) and cash equivalents	\$ 90	\$ (11,995)	\$ 417	\$ (11,488)
Due from other governments	<u>-</u>	<u>11,995</u>	<u>-</u>	<u>11,995</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 90</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 417</u></u>	<u><u>\$ 507</u></u>
<b>LIABILITIES</b>				
Due to other governments	<u><u>\$ 90</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 417</u></u>	<u><u>\$ 507</u></u>



**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
COMBINING STATEMENT OF CHANGES IN  
ASSETS AND LIABILITIES  
AGENCY FUNDS  
YEAR ENDED JUNE 30, 2012**

	<u>Balance June 30, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2012</u>
<b>DISTRIBUTIVE FUND</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 80	\$ 4,121,502	\$ 4,121,492	\$ 90
<b>LIABILITIES</b>				
Due to other governments	\$ 80	\$ 10	\$ -	\$ 90
<b>PAYROLL FUND</b>				
<b>ASSETS</b>				
Cash (overdrafts) and cash equivalents	\$ (11,995)	\$ 499,896	\$ 499,896	\$ (11,995)
Due from other governments	11,995	-	-	11,995
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ 499,896</u>	<u>\$ 499,896</u>	<u>\$ -</u>
<b>LIABILITIES</b>				
Due to other governments	\$ -	\$ -	\$ -	\$ -
<b>PUBLIC AID FUND</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 417	\$ -	\$ -	\$ 417
<b>LIABILITIES</b>				
Due to other governments	\$ 417	\$ -	\$ -	\$ 417
<b>TOTAL ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash (overdrafts) and cash equivalents	\$ (11,498)	\$ 4,621,398	\$ 4,621,388	\$ (11,488)
Due from other governments	11,995	-	-	11,995
<b>TOTAL ASSETS</b>	<u>497</u>	<u>4,621,398</u>	<u>4,621,388</u>	<u>\$ 507</u>
<b>LIABILITIES</b>				
Due to other governments	\$ 497	\$ 10	\$ -	\$ 507

**WHITESIDE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 55  
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT  
TREASURERS AND OTHER ENTITIES  
DISTRIBUTIVE FUND  
YEAR ENDED JUNE 30, 2012**

	<b>Regional Superintendent of Schools</b>	<b>Bi-County Special Education Coop</b>	<b>Total</b>
Early Childhood Block Grant	\$ 284,431	\$ -	\$ 284,431
Even Start	12,914	-	12,914
Regional Safe Schools	175,730	-	175,730
Truants Alternative/Optional Education	107,597	-	107,597
ROE/ISC Operations	53,198	-	53,198
General State Aid	6,500	-	6,500
National Lunch	2,712	13,817	16,529
School Bus Driver Training	596	-	596
School Breakfast	1,798	-	1,798
State Free Lunch & Breakfast	165	471	636
Special Education IDEA	-	2,311,890	2,311,890
Special Education Personnel	-	901,081	901,081
Special Education Preschool	-	87,963	87,963
ARRA Special Education IDEA	-	131,409	131,409
ARRA Special Education Preschool	-	5,935	5,935
ARRA Education Jobs Fund Program	107	-	107
Title II - Teacher Quality - Leadership	23,146	-	23,146
Interest	32	-	32
	<b>\$ 668,926</b>	<b>\$ 3,452,566</b>	<b>\$ 4,121,492</b>