

**State of Illinois
CLAY/ CRAWFORD/JASPER
LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
FINANCIAL AUDIT
For the Year Ended June 30, 2010**

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 TABLE OF CONTENTS
 JUNE 30, 2010

TABLE OF CONTENTS

	<u>PAGE</u>
Agency Officials	1
Financial Report Summary	2-3
Financial Statement Report Summary	4
 FINANCIAL SECTION	
Independent Auditor’s Report	5-6
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	7-8
Schedule of Findings and Responses	
Section I - Summary of Auditor’s Results	9
Section II – Financial Statement Findings.....	10
Summary Schedule of Prior Audit Findings	11
Management’s Discussion and Analysis	12a-12g
 BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Assets	13
Statement of Activities	14
Fund Financial Statements	
Balance Sheet - Governmental Funds	15
Reconciliation of the Balance Sheet to the Statement of Net Assets – Governmental Funds	16
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities – Governmental Funds	18

Statement of Net Assets – Proprietary Fund	19
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Fund	20
Statement of Cash Flows – Proprietary Fund	21
Statement of Fiduciary Net Assets – Fiduciary Fund	22
Notes to the Financial Statements	23-45

REQUIRED SUPPLEMENTARY INFORMATION

Illinois Municipal Retirement Fund Schedule of Funding Progress	46
---	----

OTHER SUPPLEMENTAL INFORMATION

Combining Schedule of Accounts General Fund	47
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - General Fund Accounts	48
Budgetary Comparison Schedule General Fund ROE/ISC Operations	49

Combining Schedule of Accounts Education Fund	50-51
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Education Fund Accounts	52-53
Budgetary Comparison Schedules Education Fund Truants Alternative/Optional Education	54
Early Childhood Block Grant	55
Title IV – Safe and Drug Free Schools	56
Technology for Success	57
Regional Safe Schools	58
Early Childhood – Preschool for All	59

Combining Balance Sheet Non-major Special Revenue Funds	60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Special Revenue Funds	61

Combining Statement of Fiduciary Net Assets Agency Funds	62
Combining Statement of Changes in Assets and Liabilities Agency Funds	63-64

Schedule of Disbursements to School District Treasurers and Other Entities - Distributive Fund	65-66
---	-------

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
JUNE 30, 2010

OFFICIALS

Regional Superintendent
(Current and During the Audit Period)

Ms. Carol S. Steinman

Assistant Regional Superintendent
(During the Audit Period, Acting Effective
August 17, 2009 through December 15, 2009)

Mr. Lyle Rusk

Assistant Regional Superintendent
(During the Audit Period, Acting Effective
January 1, 2010 through June 15, 2010)

Mr. Larry Miller

Offices are located at:

CLAY
P.O. Box 97
Louisville, IL 62858

CRAWFORD
301 S. Cross, Suite 11
Robinson, IL 62454

JASPER
204 W. Washington, Suite 3
Newton, IL 62448

LAWRENCE
1100 State St.
Lawrenceville, IL 62439

RICHLAND
103 W. Main
Olney, IL 62450

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
JUNE 30, 2010

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

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	0	1
Repeated audit findings	0	0
Prior recommendations implemented or not repeated	1	2

SUMMARY OF FINDINGS AND RESPONSES

Item No. Page Description Finding Type

FINDINGS (*GOVERNMENT AUDITING STANDARDS*)

None

PRIOR FINDINGS NOT REPEATED (*GOVERNMENT AUDITING STANDARDS*)

09-1 11 Lack of Segregation of Duties

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
JUNE 30, 2010

FINANCIAL REPORT SUMMARY (Concluded)

EXIT CONFERENCE

An informal exit conference was held on September 16, 2010. There were no audit findings to discuss. Attending were Carol Steinman, Regional Superintendent of Schools, Crystal Smith, Controller, and Tami Knight, Partner, Kemper CPA Group LLP.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
JUNE 30, 2010

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Clay/Crawford/Jasper/Lawrence/Richland Counties Regional Office of Education #12 was performed by Kemper CPA Group LLP, Certified Public Accountants and Consultants.

Based on their audit, the auditors expressed an unqualified opinion on the Regional Office of Education #12's basic financial statements.



INDEPENDENT AUDITOR'S REPORT

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Regional Office of Education #12, as of and for the year ended June 30, 2010, which collectively comprise the Regional Office of Education #12's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Regional Office of Education #12's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Regional Office of Education #12, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated February 14, 2011 on our consideration of the Regional Office of Education #12's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and Illinois Municipal Retirement Fund Schedule of Funding Progress on pages 12a through 12g and 46 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Regional Office of Education #12's basic 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 – Distributive Fund are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules and Schedule of Disbursements to School District Treasurer's and Other Entities – Distributive Fund have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Kemper CPA Group LLP

*Certified Public Accountants
and Consultants*

Mattoon, Illinois
February 14, 2011



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

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Regional Office of Education #12, as of and for the year ended June 30, 2010, which collectively comprise the Regional Office of Education #12's basic financial statements and have issued our report thereon dated February 14, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Regional Office of Education #12'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 Regional Office of Education #12's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Regional Office of Education #12's internal control over financial reporting.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Regional Office of Education #12'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*.

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

Kemper CPA Group LLP

*Certified Public Accountants
and Consultants*

Mattoon, Illinois
February 14, 2011

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 SCHEDULE OF FINDINGS AND RESPONSES
 JUNE 30, 2010

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
● Material weakness(es) identified?	No
● Significant deficiency(ies) identified that are not considered to be material weakness(es)?	No
● Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
● Material weakness(es) identified?	N/A
● Significant deficiency(ies) identified that are not considered to be material weakness(es)?	N/A
Type of auditor's report issued on compliance for major programs:	N/A
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)?	N/A
Identification of major programs:	
CFDA Number(s)	Name of Federal Program or Cluster
N/A	N/A
Dollar threshold used to distinguish between Type A and Type B programs:	N/A
Auditee qualified as a low-risk auditee?	N/A

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2010

SECTION II – FINANCIAL STATEMENT FINDINGS

There are no audit findings for the year ended June 30, 2010.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
SCHEDULE OF FINDINGS AND RESPONSES
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
09-1	Lack of Segregation of Duties	Corrected

MANAGEMENT'S DISCUSSION AND ANALYSIS

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2010

The Regional Office of Education #12 (ROE #12) for the counties of Clay, Crawford, Jasper, Lawrence and Richland 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, 2010. Readers are encouraged to consider the information in conjunction with the Regional Office's financial statements that follow.

2010 Financial Highlights

- Within the Governmental Funds, the General Fund revenues increased by \$42,640 from \$801,528 in FY09 to \$844,168 in FY10. Revenues from both local sources and on-behalf payments increased. General Fund expenditures decreased by \$454 from \$860,500 in FY09 to \$860,046 in FY10. Salaries and benefits and purchased services decreased while on-behalf payments increased.
- Within the Governmental Funds, the Special Revenue Funds revenue decreased by \$505,974 from \$2,269,551 in FY09 to \$1,763,577 in FY10. The Special Revenue Funds expenditures decreased by \$344,241 from \$2,080,210 in FY09 to \$1,735,969 in FY10. Revenue and expenditures from Title IV Safe & Drug Free decreased by approximately \$200,000 in FY10. Funding for the majority of grants decreased in FY10. Expenditures for salaries and benefits, purchased services and supplies and materials all decreased in FY10.

Using This Report

This 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 the Regional Office's financial activities.
- The Government-wide financial statements consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of the Regional Office of Education as a whole and present an overall view of the Office's finances.
- Fund financial statements report the Regional Office's operations in more detail than the government-wide statements by providing information about the most significant funds.
- Notes to the financial statements provide additional information that is needed for a full understanding of the data provided in the basic financial statements.
- Required supplementary information further explains and supports the financial statements and supplementary information provides detailed information about the non-major funds.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2010

Reporting the Office as a Whole

The Statement of Net Assets and the Statement of Activities

The Government-wide statements report information about the Regional Office of Education #12 as a whole. The Statement of Net Assets includes all of the assets and liabilities. All of the current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid, using accounting methods similar to those used by private-sector companies.

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

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

The Government-wide financial statements present all of the Office's activities as governmental and business-type activities. Local, State and federal monies finance most of these activities.

The fund financial statements provide detailed information about the Regional Office's funds, focusing on its most significant or "major" funds. Funds are accounting devices that allow the tracking of specific sources of funding and spending on particular programs. Some funds are required by state law. The Regional Office of Education #12 established other funds to control and manage money for particular purposes.

The Office has three kinds of funds:

1. Governmental funds account for all of the Office's services. These focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer resources that can be spent in the near future to finance the Office's programs. The Office's Governmental Funds include: the General Fund and the Special Revenue Funds.

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2010

Reporting the Office as a Whole (Concluded)

2. Proprietary funds are used to report the same functions presented as business-type activities in the Government-wide financial statements, only in more detail.

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

3. Fiduciary funds are used to account for assets held by the Regional Office of Education #12 in a trust capacity or as an agent for individuals and private or governmental organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation.

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

A summary reconciliation between the Government-wide financial statements and the fund financial statements follows the fund financial statements.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as one indicator of the financial position of the Regional Office. The net assets at the end of FY10 totaled \$1,396,043. At the end of FY09, the net assets were \$1,161,675. The analysis that follows provides a summary of the Office's net assets at June 30, 2010 and 2009.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED JUNE 30, 2010

Government-Wide Financial Analysis (Continued)

CONDENSED STATEMENT OF NET ASSETS

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Current assets	\$ 1,493,752	\$ 1,154,747	\$ 42,980	\$ 19,843	\$ 1,536,732	\$ 1,174,590
Capital assets, net	60,176	92,571	-	-	60,176	92,571
Total assets	<u>1,553,928</u>	<u>1,247,318</u>	<u>42,980</u>	<u>19,843</u>	<u>1,596,908</u>	<u>1,267,161</u>
Current liabilities	200,640	104,104	225	1,382	200,865	105,486
Total liabilities	<u>200,640</u>	<u>104,104</u>	<u>225</u>	<u>1,382</u>	<u>200,865</u>	<u>105,486</u>
Net assets:						
Invested in capital assets	60,176	92,571	-	-	60,176	92,571
Restricted for teacher professional development	84,824	87,906	-	-	84,824	87,906
Unrestricted, restated	1,208,288	962,737	42,755	18,461	1,251,043	981,198
Total net assets	<u>\$ 1,353,288</u>	<u>\$ 1,143,214</u>	<u>\$ 42,755</u>	<u>\$ 18,461</u>	<u>\$ 1,396,043</u>	<u>\$ 1,161,675</u>

The Regional Office of Education's net assets increased \$234,368 from FY09 to FY10. Governmental activities net assets increased net assets by \$210,074. Business-type activities net assets increased by \$24,294. In addition, net assets related to the Teacher Institute Fund are considered restricted for teacher professional development.

The following analysis shows the changes in net assets for the years ended June 30, 2010 and 2009.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED JUNE 30, 2010

Government-Wide Financial Analysis (Continued)

CHANGES IN NET ASSETS

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenues:						
Program revenues:						
Operating grants and contributions	\$ 1,522,540	\$ 1,917,653	\$ -	\$ -	\$ 1,522,540	\$ 1,917,653
General revenues:						
Local sources	444,212	418,697	-	-	444,212	418,697
State sources	359,562	305,370	-	-	359,562	305,370
Federal sources	89,065	88,530	-	-	89,065	88,530
On-behalf payments	411,977	340,829	-	-	411,977	340,829
Loss on disposal of assets	(2,574)	-	-	-	(2,574)	-
Charges for services	-	-	59,120	117,968	59,120	117,968
Interest	11,128	15,321	58	316	11,186	15,637
Total revenues	<u>2,835,910</u>	<u>3,086,400</u>	<u>59,178</u>	<u>118,284</u>	<u>2,895,088</u>	<u>3,204,684</u>
Expenses:						
Programs expenses:						
Salaries and benefits	1,423,834	1,459,628	3,953	30,084	1,427,787	1,489,712
Purchased services	641,675	855,096	29,840	106,085	671,515	961,181
Supplies and materials	106,508	215,446	1,091	15,801	107,599	231,247
Other objects	12,021	9,333	-	19	12,021	9,352
Payments to other governments	-	23,377	-	-	-	23,377
Depreciation	29,821	31,555	-	-	29,821	31,555
Administrative expenses:						
On-behalf payments - state	411,977	340,829	-	-	411,977	340,829
Total expenses	<u>2,625,836</u>	<u>2,935,264</u>	<u>34,884</u>	<u>151,989</u>	<u>2,660,720</u>	<u>3,087,253</u>
Changes in net assets	210,074	151,136	24,294	(33,705)	234,368	117,431
Net assets, beginning of year	<u>1,143,214</u>	<u>992,078</u>	<u>18,461</u>	<u>52,166</u>	<u>1,161,675</u>	<u>1,044,244</u>
Net assets, end of year	<u>\$ 1,353,288</u>	<u>\$ 1,143,214</u>	<u>\$ 42,755</u>	<u>\$ 18,461</u>	<u>\$ 1,396,043</u>	<u>\$ 1,161,675</u>

Financial Analysis of the Regional Office of Education #12 Funds

As previously noted, the Regional Office of Education #12 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2010

Financial Analysis of the Regional Office of Education #12 Funds (Concluded)

The Office's Governmental Funds reported combined fund balances of \$1,073,501 in FY10 and \$1,050,643 in FY09. The primary reason for the increase in combined fund balances in FY10 was due to the Regional Office's efforts to keep costs down. The Regional Office has tried to keep purchased services and salaries and benefits as low as possible while still providing necessary services to the public.

Governmental Fund Highlights

Revenues for governmental activities were \$2,835,910 and expenditures were \$2,625,836. The Regional Office of Education #12 experienced a decrease in revenues and expenditures during FY10. The decrease in expenses is due to decreases in salaries and benefits, purchased services and supplies and materials.

Special Projects revenue increased slightly in FY10 while purchased services decreased.

In the Office Fund, revenues and expenditures for on-behalf payments increased.

Education Fund revenues and expenditures decreased from FY09. Title IV Safe and Drug Free Schools revenues and expenditures decreased. The majority of other grants received a reduction in revenue and subsequently experienced a decrease in expenditures.

Proprietary Fund Highlights

Revenues for proprietary activities were \$59,178 and expenses were \$34,884. Revenues from workshops decreased during FY10 due to fewer workshops and fewer attendees. Expenses for salaries and benefits, purchased services and supplies and materials all decreased from FY09.

Budgetary Highlights

The ROE #12 annually adopts budgets for certain grants, which are submitted to the State Board of Education. The State Board reviews the proposed budget and either grants approval or returns it without approval with comments. Any unapproved budget must be resubmitted to the State Board for final approval. The budget may be amended during the year utilizing procedures prescribed by the State Board. Over the course of the year, the ROE #12 amended several of its grant budgets to reflect adjustments in revenue and expenditures associated with changes in funding from the federal and State sources or for additional services needed and provided to the local school districts. A schedule showing the original and final grant budget amounts compared to the ROE's actual financial activity is included in the supplementary information section of this report on page 49 and pages 54 through 59.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2010

Capital Assets

Capital Assets of the Regional Office of Education #12 include office equipment, computers, audio-visual equipment and office furniture. The Regional Office of Education #12 maintains an inventory of capital assets that has accumulated over time. The decrease for FY10 came as a result of disposing of several equipment items during the year. In addition, the Regional Office of Education #12 has adopted a depreciation schedule that reflects the level of capital assets, net of accumulated depreciation.

Economic Factors and Next Year's Budget

At the time these financial statements were prepared and audited, the Regional Office was aware of several existing circumstances that could affect its financial health in the future:

- The State of Illinois Foundation level used in the calculation of General State Aid remains at \$6,119 per student.
- ROE #12 will not be receiving any funding in FY11 for Title IV Safe and Drug Free Schools, Gifted Education or Title I-Reading First Part B SEA.
- FY11 funding for ROE/ISC Operations has been reduced to 91% of FY10 funding.
- FY11 funding for Technology for Success will be 86% of FY10 funding.
- FY11 funding for Truants Alternative/Optional Education has been reduced to 80% of FY10 funding.
- FY11 funding for Regional Safe Schools was cut to 64% of FY10 funding.
- ROE #12 will be receiving \$39,197 of Federal funding in FY11 for the Education Jobs Fund Program.
- ROE #12 was awarded a Title I-School Improvement and Accountability grant in the amount of \$100,000.
- ROE #12 anticipates the continued delay in grant funding payments from the State. This delay will continue to cause a significant financial hardship.

Contacting the Regional Office's Financial Management

This financial report is designed to provide the Regional Offices' citizens, taxpayers, clients and other constituents with a general overview of its finances and to demonstrate the accountability for the money it receives. If the reader has questions concerning this report or needs additional financial information, please contact the Regional Superintendent of the Regional Office of Education #12, 103 W. Main Street, Olney, IL 62450.

BASIC FINANCIAL STATEMENTS

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 STATEMENT OF NET ASSETS
 JUNE 30, 2010

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,029,544	\$ 16,995	\$ 1,046,539
Due (to) from other funds	(23,735)	23,735	-
Due from other governments			
Local	37,679	2,250	39,929
State	448,782	-	448,782
Accounts receivable	1,482	-	1,482
Total current assets	<u>1,493,752</u>	<u>42,980</u>	<u>1,536,732</u>
Noncurrent assets:			
Capital assets, net	60,176	-	60,176
TOTAL ASSETS	<u>1,553,928</u>	<u>42,980</u>	<u>1,596,908</u>
LIABILITIES			
Current liabilities:			
Accounts payable	190,437	-	190,437
Deferred revenue	10,203	225	10,428
TOTAL LIABILITIES	<u>200,640</u>	<u>225</u>	<u>200,865</u>
NET ASSETS			
Invested in capital assets	60,176	-	60,176
Restricted for teacher professional development	84,824	-	84,824
Unrestricted	1,208,288	42,755	1,251,043
TOTAL NET ASSETS	<u>\$ 1,353,288</u>	<u>\$ 42,755</u>	<u>\$ 1,396,043</u>

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

FUNCTIONS/PROGRAMS	Program Revenues		Net (Expenses) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities	
Governmental Activities:						
Instructional services:						
Salaries and benefits	\$ 1,423,834	\$ -	\$ 1,046,841	\$ (376,993)	\$ -	\$ (376,993)
Purchased services	641,675	-	388,476	(253,199)	-	(253,199)
Supplies and materials	106,508	-	86,862	(19,646)	-	(19,646)
Other objects	12,021	-	361	(11,660)	-	(11,660)
Depreciation	29,821	-	-	(29,821)	-	(29,821)
Administrative:						
On-behalf payments	411,977	-	-	(411,977)	-	(411,977)
Total governmental activities	<u>2,625,836</u>	<u>-</u>	<u>1,522,540</u>	<u>(1,103,296)</u>	<u>-</u>	<u>(1,103,296)</u>
Business-type activities:						
Operating	34,884	59,120	-	-	24,236	24,236
Total business-type activities	<u>34,884</u>	<u>59,120</u>	<u>-</u>	<u>-</u>	<u>24,236</u>	<u>24,236</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 2,660,720</u>	<u>\$ 59,120</u>	<u>\$ 1,522,540</u>	<u>(1,103,296)</u>	<u>24,236</u>	<u>(1,079,060)</u>
GENERAL REVENUES						
Local sources				444,212	-	444,212
State sources				359,562	-	359,562
Federal sources				89,065	-	89,065
On-behalf payments				411,977	-	411,977
Loss on disposal of assets				(2,574)	-	(2,574)
Interest				11,128	58	11,186
Total general revenues				<u>1,313,370</u>	<u>58</u>	<u>1,313,428</u>
CHANGE IN NET ASSETS				<u>210,074</u>	<u>24,294</u>	<u>234,368</u>
NET ASSETS - BEGINNING				<u>1,143,214</u>	<u>18,461</u>	<u>1,161,675</u>
NET ASSETS - ENDING				<u>\$ 1,353,288</u>	<u>\$ 42,755</u>	<u>\$ 1,396,043</u>

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

	General Fund	Education Fund	Other Nonmajor Funds	Eliminations	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 217,231	\$ 720,643	\$ 91,670	\$ -	\$ 1,029,544
Due from other funds	4,987	129,953	-	(134,940)	-
Due from other governments					
Local	6,240	31,389	50	-	37,679
State	32,066	416,716	-	-	448,782
Accounts receivable	1,347	135	-	-	1,482
TOTAL ASSETS	<u>\$ 261,871</u>	<u>\$ 1,298,836</u>	<u>\$ 91,720</u>	<u>\$ (134,940)</u>	<u>\$ 1,517,487</u>
LIABILITIES					
Accounts payable	\$ 36,002	\$ 153,607	\$ 828	\$ -	\$ 190,437
Due to other funds	31,980	126,695	-	(134,940)	23,735
Deferred revenue	19,240	210,574	-	-	229,814
Total liabilities	<u>87,222</u>	<u>490,876</u>	<u>828</u>	<u>(134,940)</u>	<u>443,986</u>
FUND BALANCE					
Unreserved, reported in:					
General fund	174,649	-	-	-	174,649
Special revenue funds	-	807,960	90,892	-	898,852
Total fund balance	<u>174,649</u>	<u>807,960</u>	<u>90,892</u>	<u>-</u>	<u>1,073,501</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 261,871</u>	<u>\$ 1,298,836</u>	<u>\$ 91,720</u>	<u>\$ (134,940)</u>	<u>\$ 1,517,487</u>

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2010

Total fund balances-governmental funds	\$	1,073,501
<p>Amounts reported for governmental activities in the Statement of Net Assets are different because:</p>		
<p>Some revenues will not be collected for several months after the Regional Office fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds.</p>		219,611
<p>Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.</p>		<u>60,176</u>
Net assets of governmental activities	\$	<u><u>1,353,288</u></u>

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	General Fund	Education Fund	Other Nonmajor Funds	Eliminations	Total Governmental Funds
REVENUES					
Local sources	\$ 392,606	\$ 18,703	\$ 32,903	\$ -	\$ 444,212
State sources	39,585	1,439,974	5,908	-	1,485,467
Federal sources	-	266,089	-	-	266,089
On-behalf payments	411,977	-	-	-	411,977
Total revenues	<u>844,168</u>	<u>1,724,766</u>	<u>38,811</u>	<u>-</u>	<u>2,607,745</u>
EXPENDITURES					
Instructional services:					
Salaries and benefits	243,910	1,160,427	19,497	-	1,423,834
Purchased services	187,414	432,998	21,263	-	641,675
Supplies and materials	5,140	98,071	3,297	-	106,508
Other objects	11,605	416	-	-	12,021
On-behalf payments	411,977	-	-	-	411,977
Total expenditures	<u>860,046</u>	<u>1,691,912</u>	<u>44,057</u>	<u>-</u>	<u>2,596,015</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(15,878)</u>	<u>32,854</u>	<u>(5,246)</u>	<u>-</u>	<u>11,730</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	(175)	-	-	175	-
Transfers in	-	-	175	(175)	-
Interest	4,948	5,310	870	-	11,128
Total other financing sources (uses)	<u>4,773</u>	<u>5,310</u>	<u>1,045</u>	<u>-</u>	<u>11,128</u>
NET CHANGE IN FUND BALANCE	(11,105)	38,164	(4,201)	-	22,858
FUND BALANCE - BEGINNING	<u>185,754</u>	<u>769,796</u>	<u>95,093</u>	<u>-</u>	<u>1,050,643</u>
FUND BALANCE - ENDING	<u>\$ 174,649</u>	<u>\$ 807,960</u>	<u>\$ 90,892</u>	<u>\$ -</u>	<u>\$ 1,073,501</u>

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

Net change in fund balances	\$	22,858
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>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.</p>		
Depreciation expense		(29,821)
<p>Governmental funds report capital outlays as expenditures at the time of purchase, therefore, when an asset is disposed of in a noncash transaction it is not reflected in the governmental activities financial statements at the time of disposal. However, in the Statement of Activities the difference between the asset's original cost and its related accumulated depreciation is reported as a loss on the disposal of capital assets.</p>		
		(2,574)
<p>Some revenues will not be collected for several months after the Regional Office fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds.</p>		
		219,611
Change in net assets of governmental activities	\$	210,074

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
STATEMENT OF NET ASSETS
PROPRIETARY FUND
JUNE 30, 2010

	Business - Type Activities - Enterprise Funds	
	Local	Total
ASSETS		
Cash and cash equivalents	\$ 16,995	\$ 16,995
Due from other governments		
Local	2,250	2,250
Due from other funds	23,735	23,735
TOTAL ASSETS	\$ 42,980	\$ 42,980
LIABILITIES		
Deferred revenue	\$ 225	\$ 225
Total Liabilities	225	225
NET ASSETS		
Unrestricted	42,755	42,755
Total Net Assets	42,755	42,755
TOTAL LIABILITIES AND NET ASSETS	\$ 42,980	\$ 42,980

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Business - Type Activities - Enterprise Funds	
	Local	Total
OPERATING REVENUES		
Charges for services	\$ 59,120	\$ 59,120
Total operating revenues	59,120	59,120
OPERATING EXPENSES		
Salaries and benefits	3,953	3,953
Purchased services	29,840	29,840
Supplies and materials	1,091	1,091
Total operating expenses	34,884	34,884
OPERATING INCOME	24,236	24,236
NONOPERATING REVENUES		
Interest	58	58
Total nonoperating revenues	58	58
CHANGE IN NET ASSETS	24,294	24,294
TOTAL NET ASSETS - BEGINNING	18,461	18,461
TOTAL NET ASSETS - ENDING	\$ 42,755	\$ 42,755

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Business - Type Activities - Enterprise Funds	
	Local	Totals
Cash flows from operating activities:		
Receipts from customers	\$ 58,180	\$ 58,180
Payments to suppliers and providers of goods and services	(32,313)	(32,313)
Payments to employees	(3,953)	(3,953)
Net cash provided by (used for) operating activities	21,914	21,914
Cash flows from investing activities:		
Interest	58	58
Net cash provided by (used for) investing activities	58	58
Cash flows from noncapital financing activities:		
Receipts (payments) for interfund borrowing, net	(20,129)	(20,129)
Net cash provided by (used for) noncapital financing activities	(20,129)	(20,129)
Net increase (decrease) in cash and cash equivalents	1,843	1,843
Cash and cash equivalents - beginning	15,152	15,152
Cash and cash equivalents- ending	\$ 16,995	\$ 16,995
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ 24,236	\$ 24,236
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Change in assets and liabilities:		
(Increase) in due from other governments	(1,165)	(1,165)
(Decrease) in accounts payable	(521)	(521)
(Decrease) in due to other governments	(861)	(861)
Increase in deferred revenue	225	225
Net cash provided by (used for) operating activities	\$ 21,914	\$ 21,914

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUND
 JUNE 30, 2010

	Agency Funds
ASSETS	
Cash and cash equivalents	\$ 919,593
Due from other governments	7,344,960
 Total Assets	 \$ 8,264,553
 LIABILITIES	
Accounts payable	\$ 1,861
Due to other governments	8,262,692
 Total Liabilities	 \$ 8,264,553

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education #12 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

In 2010, the Regional Office of Education #12 implemented Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*; GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*; GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*; and GASB Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*. The Regional Office of Education #12 implemented these standards during the current year; however, GASB Statements No. 51, 53, and 58 had no impact on the financial statements.

A. FINANCIAL REPORTING ENTITY

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

The Regional Superintendent is also charged with the responsibilities of conducting a special census, when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of the school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education #12's districts; providing township treasurers with a list of district treasurers; to inspect and approve building plans which comply with State law; to perform and report on annual building inspections; to investigate bus drivers for valid bus driver permits and take related action as may be required; to maintain a list of unfilled teaching positions and to carry out other related duties required or permitted by law.

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. FINANCIAL REPORTING ENTITY (Concluded)

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

For the period ended June 30, 2010, the Regional Office of Education #12 applied for, received, and administered numerous State and federal programs and grants in assistance and support of the educational activities of the school districts in Regional Office of Education #12. Such activities are reported as a single special revenue fund (Education Fund).

B. SCOPE OF THE REPORTING ENTITY

The Regional Office of Education #12 reporting entity includes all related organizations for which they exercise oversight responsibility.

The Regional Office of Education #12 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the region, including districts or joint agreements which serve pupils from numerous regions, should be included in its financial reporting entity. The criteria include, but are not limited to, whether the Regional Office of Education #12 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The districts and joint agreements have been determined not to be a part of the reporting entity after applying the manifesting of oversight, scope of public service, and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the Regional Office of Education #12 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education #12 is not aware of any entity, which would exercise such oversight as to result in the Regional Office of Education #12 being considered a component unit of the entity.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities are government-wide financial statements. They report information on all of the Regional Office of Education #12's activities with most of the inter-fund activities removed. Governmental activities include programs supported primarily by State and federal grants and other intergovernmental revenues. The Regional Office of Education has one business-type activity that relies on fees and charges for support.

The Regional Office of Education #12's government-wide financial statements include a Statement of Net Assets and a Statement of Activities. These statements present a summary of governmental and business-type activities for the Regional Office of Education #12 accompanied by a total column. These statements are presented on an "economic resources" measurement as prescribed by GASB Statement No. 34. All of the Regional Office of Education #12's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Assets. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges for services, and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function.

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

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to inter-fund activities, such as, payables, receivables and transfers. Inter-fund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Assets and as other resources and other uses on the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and on the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Assets. All inter-fund transactions between governmental funds are eliminated on the government-wide financial statements. Inter-fund activities between governmental funds and business-type funds remain as due to/due from on the government-wide financial statements. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities. In the Statement of Activities those transactions between governmental and business-type activities have not been eliminated.

The purpose of interfund borrowing and permanent transfers is to cover temporary or permanent short falls in cash flow within grant programs and funds.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. PROPRIETARY FUND FINANCIAL STATEMENTS

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

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

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

E. GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

The governmental fund financial statements have been prepared in accordance with generally accepted accounting principles on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. 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. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for prepaid expenses, and other long-term obligations, which are recognized when paid.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. 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 grantor have been met.

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

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Regional Office of Education #12; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually recoverable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict the guidance of the Governmental Accounting Standards Board.

Under the provision of GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Regional Office of Education applies all GASB pronouncements and has elected to apply only the pronouncements issued on or before November 30, 1989 for the following: Statements and Interpretations of the Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedures.

Under the terms of grant agreements, the Regional Office of Education #12 funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funding resources available to finance the program. It is the Regional Office of Education #12's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. FUND ACCOUNTING

The Regional Office of Education #12 uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Regional Office of Education #12 uses governmental, proprietary, and fiduciary funds.

GOVERNMENTAL FUNDS

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

As prescribed by GASB Statement No. 34, governmental fund reporting focuses on the major funds, rather than on the fund type. There is a two-step process for determining if a fund should be reported as a major fund: 1) total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 10% of the corresponding total for the fund type, and 2) total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as non-major funds. The Regional Office of Education #12 has presented all major funds that met the above qualifications.

The Regional Office of Education #12 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Regional Office of Education #12 and is used to account for all financial resources that are not legally restricted for expenditure for specified purposes. The following funds are included in the General Fund:

ROE/ISC Operations - To account for the funding of the Regional Office of Education #12 pursuant to the Illinois Administrative Code which mandates the Regional Office to provide professional development activities in the fundamental learning areas, gifted education, administrators' academy, school improvement, technology and other activities based upon the needs of local school districts and State and Federal mandates.

Special Projects - To account for monies used to provide numerous services to the administrators, staff and students within the Regional Office of Education #12.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

General Fund (Concluded)

Office - To account for the expenditures and payroll for the five Regional Office of Education #12 offices.

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

Education Funds - This fund accounts for the State and Federal grant monies received for administering numerous grant awards which include:

Truants Alternative/Optional Education - This program offers prevention and intervention services, which include case management, home visits, school visits, student advocacy, wraparound, referrals to community agencies, and technical assistance to individual school districts and the community.

Early Childhood Block Grant - To account for grant monies received to provide early childhood education to area three and four year old children.

Title IV- Safe and Drug Free Schools - To account for grant monies received to provide safe school professional development activities to educators throughout the State of Illinois.

Accountability Liaison Program - To carry out program monitoring and provide technical assistance for the Preschool for All programs and report upon those activities to the Regional Office of Education and the Illinois State Board of Education.

Technology for Success - To account for grant monies received from the Illinois Board of Education to provide technology direction and support for Area 6 North schools.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Major Special Revenue Funds (Continued)

Education Funds (Continued)

Regional Safe Schools - This program works with students in grades 6-12 who have been suspended multiple times or expelled from school, allowing them to continue their education. It accounts for aid provided by the State based on students that attend the Regional Educational Alternative for Developing Youth and Alternative School programs.

McKinney Education for Homeless Children - To account for grant monies received and expended assisting school districts in identifying and providing assistance to at-risk students. This program offers services to homeless children and youth primarily who are of school age. Pre-school aged children also receive services to ensure access to early childhood and pre-school programs.

System of Support (RESPRO) - To provide improvement support to schools in academic early warning and academic watch status as well as to assist other schools whose performance makes placement on the lists in the near future likely. The project provides professional development in the areas of math instructional strategies and concept knowledge.

Title I School Improvement and Accountability – This program is one of three Regional System of Support Projects (RESPRO) funded by ISBE through the Regional Office of Education #2. Schools and districts “status” (i.e. have not met Annual Yearly Progress for two or more consecutive years), are supported in a variety of improvement activities. These activities range from the writing and analyzing of improvement plans to the introduction of strategies and supporting materials into the classroom. Title I dollars support this project.

Title II Teacher Quality – Leadership Grant – This program is one of three Regional System of Support Projects (RESPRO) funded by ISBE through the Regional Office of Education #2. Schools and districts “status” (i.e. have not met Annual Yearly Progress for two or more consecutive years), are supported in a variety of improvement activities. These activities range from the writing and analyzing of improvement plans to the introduction of strategies and supporting materials into the classroom. State school improvement dollars support this project.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Major Special Revenue Funds (Concluded)

Education Funds (Concluded)

Standards Aligned Classroom - To account for the federal grant monies received to support learning teams focused on alignment of classroom level assessment and instruction.

Early Childhood - Preschool for All - To provide funds for early childhood and family education programs and services that will help young children enter school ready to learn. This program provides beginning teachers with practical strategies for dealing with early career challenges, resources, and a network of colleagues who are also entering the teaching profession.

Gifted Education - To sponsor one or more Gifted Education Seminars in their region of the State using a State approved Gifted Education Seminar trainer.

Title I – Reading First Part B SEA - This program is designed to plan and implement Reading First Academics and provide professional development for teachers in schools that are participating in the Reading First program.

The Regional Office of Education #12 reports the following non-major governmental funds:

Non-major Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. Non-major special revenue funds include the following:

General Education Development - To account for the administration of the GED testing program. Monies are received from testing and diploma fees.

School Bus Transportation - To account for the stewardship of the assets held in connection with the Bus Driver Training Program.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Concluded)

Non-major Special Revenue Funds (Concluded)

Supervisory - To account for the monies received from the State Board of Education for expenditures incurred providing supervisory services for the region. Also to account for, proceeds provided to the Regional Superintendent by the Illinois State Board of Education to be used for travel and related purposes.

Institute - To account for the stewardship of the assets held for the benefit of the teachers. Fees are collected from registration of teachers' certificates of qualification. Monies are expended to conduct teachers' institutes, conferences and workshops. All funds generated remain restricted until expended only on the aforementioned activities.

FIDUCIARY FUNDS

Agency Funds – Agency funds are used to account for assets held by the Regional Office of Education #12 in a trustee capacity or as an agent for other governments. These funds are custodial in nature and do not involve the measurement of the results of operations. The amounts due to the outside organizations are equal to the assets held. Included among these funds are:

Distributive - This fund distributes monies received from the State out to the school districts and other entities. The Regional Office of Education #12 has agreements with all districts in the region whereby the Regional Office of Education #12 is allowed to keep the interest for expenditures benefiting all districts.

Speech Pathology Payroll - To process speech pathologist wages and benefits/deductions for various school districts.

Regional Board of Trustees - To account for monies received from individuals filing petitions requesting change of boundary hearings with the Regional Board of School Trustees. Monies are expended to cover hearing expenses.

Clearing Fund – This fund pays all expenditures of the Regional Office except for payroll and benefits.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPRIETARY FUND

Proprietary Fund -- The Proprietary fund accounts for revenue and expenses related to services provided to organizations inside the Regional Office of Education #12 on a cost reimbursement basis.

Local Fund - This fund is used to account for the workshop fees of the Regional Office of Education #12.

H. NET ASSETS

Net assets present the difference between assets and liabilities in the Statement of Net Assets. Net assets are displayed in three components:

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

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

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

I. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of cash on deposit and investments with a maturity of three months or less.

J. INVENTORY

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

K. CAPITAL ASSETS

Capital assets purchased or acquired with an original cost of \$500 or more and estimated useful lives of greater than two years are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Office Equipment and Furniture	5-10 years
Computer Equipment	3-10 years
Other Equipment	5-20 years

L. COMPENSATED ABSENCES

All employees who work 12 calendar months earn up to 20 vacation days for a full year of service. There are no accruals at June 30th because all unused vacation leave is forfeited at the end of the year.

In addition to vacation days, all regular, full-time employees are granted two personal business leave days per year. Any unused personal leave days are carried over to the following year as accumulated sick leave. All regular full-time employees receive up to 10 sick days annually and the unused portion is accumulated up to the maximum number of days allowed for purposes of retirement 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.

M. ESTIMATES

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

N. BUDGET INFORMATION

The Regional Office of Education #12 acts as the administrative agent for certain grant programs that are accounted for in the General and Education Funds. Certain programs have separate budgets and are required to report to the Illinois State Board of Education; however, none of the annual budgets have been legally adopted nor are they required to be. Certain programs within the Special Revenue Fund do not have separate budgets. Comparisons of budgeted and actual results are presented as supplemental information. Budgetary comparison schedules have been provided in supplementary schedules for the following funds: ROE/ISC Operations, Truants Alternative/Optional Education, Early Childhood Block Grant, Title IV - Safe and Drug Free Schools, Technology for Success, Regional Safe Schools, and Early Childhood – Preschool for All.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 2 – CASH

The Regional Office of Education #12 does not have a formal investment policy. The Regional Office of Education #12 is allowed to invest in securities as authorized by 30 ILCS 235/2 and 6 and 105 ILCS 5/8-7.

A. DEPOSITS

At June 30, 2010, the carrying amount of the Regional Office of Education #12's government-wide and Agency fund deposits were \$1,046,539 and \$919,593, respectively, and the bank balances were \$1,070,121 and \$952,837, respectively. Of the total bank balances as of June 30, 2010, \$670,207 was secured by federal depository insurance, \$434,419 was collateralized by securities pledged by the Regional Office of Education #12's financial institution in the name of the Regional Office.

B. INVESTMENTS

The Regional Office of Education #12's only investments are internally pooled in the Illinois Funds Money Market Fund. As of June 30, 2010, the Regional Office of Education #12 had investments with carrying and fair values of \$918,332 invested in the Illinois Funds Money Market Fund.

CREDIT RISK

At June 30, 2010, the Illinois Funds Money Market Fund had a Standard and Poor's AAA rating. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provision of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

INTEREST RATE RISK

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 2 – CASH (Concluded)

CONCENTRATION OF CREDIT RISK

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

NOTE 3 - DEFINED BENEFIT PENSION PLAN

Plan Description. The Regional Office of Education #12’s defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Regional Office of Education #12’s plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on line at www.imrf.org.

Funding Policy. As set by statute, the Regional Office of Education #12’s Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2009 was 6.71 percent of annual covered payroll. The Regional Office of Education #12 also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. For the fiscal year ending December 31, 2009, the Regional Office of Education #12’s annual pension cost of \$34,910 for the Regular plan was equal to the Regional Office of Education #12’s required and actual contributions.

THREE YEAR TREND INFORMATION			
Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
<hr/>	<hr/>	<hr/>	<hr/>
12/31/09	\$ 34,910	100%	\$ 0
12/31/08	47,671	100%	0
12/31/07	63,612	100%	0

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Concluded)

The required contribution for 2009 was determined as part of the December 31, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2007, 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 employer 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 15% corridor between the actuarial and market value of assets. The Regional Office of Education #12's Regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2007, was 5 years.

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date, the Regular plan was 82.23 percent funded. The actuarial accrued liability for benefits was \$2,275,284 and the actuarial value of assets was \$1,870,862, resulting in an underfunded actuarial accrued liability (UAAL) of \$404,422. The covered payroll (annual payroll of active employees covered by the plan) was \$520,267 and ratio of the UAAL to the covered payroll was 78 percent. In conjunction with the December 2009 actuarial valuation the market value of investments was determined using techniques that spread the effect of short-term volatility in the market value of the investments over a five-year period with a 20% corridor between the actuarial and market value of assets. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 10 year basis.

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 4 - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

The Regional Office of Education #12 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 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, 2010, was 9.4 percent of creditable earnings. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2009 and 2008.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

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

The State of Illinois makes contributions directly to TRS on behalf of the Regional Office of Education #12's TRS-covered employees.

- **On behalf contributions.** The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #12. For the year ended June 30, 2010, the State of Illinois contributions were based on 23.38 percent of creditable earnings, and the Regional Office of Education #12 recognized revenue and expenditures of \$222,105 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2009 and June 30, 2008, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 17.08 percent (\$143,392) and 13.11 percent (\$104,229) respectively.

The Regional Office of Education #12 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 ending June 30, 2010 were \$4,552. Contributions for the years ending June 30, 2009, and June 30, 2008, were \$5,074 and \$4,612, respectively.
- **Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the Regional Office of Education #12, there is a statutory requirement for the Regional Office of Education #12 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective for 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, 2010, the employer pension contribution was 23.38 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2009 and 2008, the employer contribution was 17.08 and 13.11 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2010, no salaries were paid from federal and special trust funds. For the years ended June 30, 2009 and 2008, required Regional Office of Education #12 contributions were \$6,018 and \$6,862, respectively.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

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

- **Early retirement option.** The Regional Office of Education #12 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.

Public Act 94-0004 made changes in the ERO program that were in effect for all ERO retirements in fiscal years 2008 through 2010. The act increased member and employer contributions and eliminated the waiver of member and employer ERO contributions that had been in effect for members with 34 years of service.

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

For the year ended June 30, 2010, the Regional Office of Education #12 paid no contributions to the ERO program. For the years ended, June 30, 2009 and June 30, 2008, the Regional Office of Education #12 paid no employer ERO contributions.

- **Salary increases over 6 percent and excess sick leave.** Public Act 94-0004 added two additional employer contributions to TRS. If the Regional Office of Education #12 grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the Regional Office of Education #12 makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increase of up to 6 percent. For the year ended June 30, 2010, the Regional Office of Education #12 paid no employer contributions to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2009 and 2008, the Regional Office of Education #12 paid no employer contributions due on salary increases in excess of 6 percent.

If the Regional Office of Education #12 grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the Regional Office of Education #12 makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary used to calculate final average salary, and the TRS total normal cost rate (18.55 percent of salary during the year ended June 30, 2010.) For the year ended June 30, 2010, the Regional Office of Education #12 paid no employer contributions to TRS for sick leave days granted in the excess of the normal annual allotment. For the years ended June 30, 2009 and 2008, the Regional Office of Education #12 paid no employer contributions granted for sick leave days.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

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

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, 2009. The report for the year ended June 30, 2010, is expected to be available in late 2010. The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, PO Box 19253, 2815 West Washington Street, Springfield, Illinois 62794-9253. The most current report is also available on the TRS Web site at trs.illinois.gov.

NOTE 5 - TEACHERS' HEALTH INSURANCE SYSTEM

The Regional Office of Education #12 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). Annuitant may participate in the State administered participating provider option plan or choose from several managed care options.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The Illinois Department of Healthcare and Family Services (HFS) and the Illinois Department of Central Management Services (CMS) administer the plan with the cooperation of TRS. The director of HFS determines the rates and premiums for annuitants and dependent beneficiaries and establishes the cost-sharing parameters. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to the TRS who are not employees of the State make a contribution to TRS.

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

On behalf contributions to THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office. State contributions are intended to match contributions to THIS Fund from active members which were 0.84 percent of pay during the year ended June 30, 2010. State of Illinois contributions were \$6,592, and the Regional Office of Education #12 recognized revenue and expenditures of this amount during the year.

Had the Regional Office of Education #12 recognized revenue and expenditures for State contributions intended to match active member contributions during the years ended June 30, 2009, and June 30, 2008, under the current standards, the contribution match would have been 0.84 percent of pay, or \$7,348 and \$6,678, respectively.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 5 - TEACHERS' HEALTH INSURANCE SYSTEM (Concluded)

Employer contributions to THIS Fund. The employer (Regional Office of Education #12) also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.63 percent during the years ended June 30, 2010, June 30, 2009, and June 30, 2008. For the year ended June 30, 2010, the Regional Office of Education #12 paid \$4,944, to the THIS Fund. For the years ended June 30, 2009 and June 30, 2008, the Regional Office paid \$5,511 and \$5,009 to the THIS Fund, respectively, which was 100 percent of the required contribution.

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

NOTE 6 - INTERFUND ACTIVITY

DUE TO/FROM OTHER FUNDS

Inter-fund due to/from other fund balances at June 30, 2010 consist of the following individual due to/from other funds in the governmental fund's Balance Sheet and proprietary fund's Statement of Net Assets. The balances between governmental funds were eliminated in the government-wide Statement of Net Assets.

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 4,987	\$ 31,980
Education Fund	129,953	126,695
Proprietary Fund	23,735	-
Total	<u>\$ 158,675</u>	<u>\$ 158,675</u>

TRANSFERS

Interfund transfers in/out of other fund balances at June 30, 2010, consist of the following individual transfers in/out of other funds in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances. The transfer balances between governmental funds were eliminated in the government-wide Statement of Activities.

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
<u>Other Nonmajor Funds</u>	<u>General Fund</u>	
School Bus Transportation	Special Projects	<u>\$ 175</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 7- RISK MANAGEMENT

The Regional Office of Education #12 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Regional Office of Education #12 has purchased commercial insurance to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past three years.

NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010, was as follows:

	Balance 07/01/09	Additions	Disposals	Balance 06/30/10
Governmental Activities	<u>07/01/09</u>	<u>Additions</u>	<u>Disposals</u>	<u>06/30/10</u>
Capital Assets, being depreciated:				
Equipment and Furniture	\$ 470,838	\$ -	\$ (139,535)	\$ 331,303
Less accumulated depreciation for:				
Equipment and Furniture	<u>(378,267)</u>	<u>(29,821)</u>	<u>136,961</u>	<u>(271,127)</u>
Governmental activities capital assets, net	<u>\$ 92,571</u>	<u>\$ (29,821)</u>	<u>\$ (2,574)</u>	<u>\$ 60,176</u>

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended June 30, 2010, of \$29,821 was charged to the governmental activities, on the government-wide Statement of Activities. Investment in capital assets is the component of net assets that reports capital assets net of accumulated depreciation.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 9 – ON BEHALF PAYMENTS

The State of Illinois paid the following salaries on behalf of the Regional Office of Education #12:

Regional Superintendent Salary	\$ 96,435
Assistant Regional Superintendent Salary	68,710
Regional Superintendent Benefits (Includes State paid insurance)	17,139
Assistant Regional Superintendent Benefits (Includes State paid insurance)	996
TRS Pension Contribution	222,105
Teachers' Health Insurance System	<u>6,592</u>
	<u>\$ 411,977</u>

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

These amounts have been recorded in the accompanying financial statements as State revenue and expenditures.

NOTE 10 – DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education #12's Agency Fund, General Fund, Education Fund, Nonmajor Funds, and Proprietary Fund have funds due from/to various other governmental units which consist of the following:

Due from Other Governments:

<u>General Fund</u>	
Illinois State Board of Education	\$ 32,066
Local Governments	6,240
<u>Education Fund</u>	
Illinois State Board of Education	416,716
Other Regional Office of Education	31,389
<u>Nonmajor Funds</u>	
Local Governments	50
<u>Proprietary Fund</u>	
Local Governments	2,250
<u>Agency Fund</u>	
Illinois State Board of Education	<u>7,344,960</u>
Total	<u>\$ 7,833,671</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 10 – DUE TO/FROM OTHER GOVERNMENTS (Concluded)

Due to Other Governments:

<u>Agency Fund</u>	
Local Governments	<u>\$ 8,262,692</u>

NOTE 11 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

The following funds/fund accounts had deficit fund balances/net assets at June 30, 2010:

<u>General Fund</u>	
ROE/ISC Operations	\$ 19,240
<u>Major Special Revenue Fund</u>	
Accountability Liaison Program	9,778
Technology for Success	19,016
<u>Nonmajor Special Revenue Fund</u>	
School Bus Transportation	97

NOTE 12 – EGYPTIAN AREA SCHOOLS EMPLOYEE BENEFIT TRUST

Plan Description. The Regional Office of Education #12 contributes to the Egyptian Area Schools Employee Benefit Trust (the “Trust”), a cost-sharing multiple-employer defined benefit health care plan administered by the Board of Managers of the Trust. The Trust provides medical benefits to active and retired employees of approximately 160 participating employers. The Trust issues a publicly available financial report that includes financial statements and required supplementary information for the Trust. A copy of the report may be obtained by writing to the Egyptian Area Schools Employee Benefit Trust, c/o Meritain Health, 13 Executive Drive, Suite 19, Fairview Heights, IL 62208, or by calling Meritain Health at (866) 588-2431, Option 3 x 6105. The report is also posted on the Trust’s website at www.egtrust.org.

Funding Policy. The Trust Agreement establishing the Trust provides that contribution rates are established and may be modified by the Board of Managers of the Trust. Contribution rates are normally adjusted as of September 1 each year. As of June 30, 2009, participating employers were contractually required to contribute at the following rates for active and retired employees and dependents.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 12 – EGYPTIAN AREA SCHOOLS EMPLOYEE BENEFIT TRUST (Concluded)

	PLATINUM PLAN		GOLD PLAN		SILVER PLAN		BRONZE PLAN	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
Employee	\$456	\$488	\$411	\$440	\$355	\$380	\$302	\$324
EE + Spouse	\$941	\$1,006	\$848	\$908	\$736	\$788	\$623	\$666
EE + Children	\$909	\$972	\$819	\$876	\$711	\$760	\$612	\$654
Family	\$1,014	\$1,084	\$912	\$976	\$792	\$848	\$672	\$720

Participating employers may require employees and/or retirees to pay some or all of the required contributions to the employer, but the employer has the legal obligation to pay contributions to the Trust. The Regional Office of Education #12 requires retirees to pay 100% of the contribution for coverage for retirees and their dependents.

The Board of Managers of the Trust sets the employer contribution rates each year based on an actuarial valuation. The Trust's actuary has determined that as of June 30, 2008 the Trust had no Unfunded Actuarial Accrued Liability for Other Post Employment Benefits (OPEB) and is not expected to have an Unfunded Actuarial Accrued Liability as of June 30, 2009. That actuary has further determined that current contribution rates exceed the Annual Required Contribution (ARC) determined in accordance with the parameters of GASB Statement 45. The Regional Office of Education #12 contributions to the Trust for the years ending June 30, 2009, June 30, 2008, and June 30, 2007, were \$38,080, \$38,998, and \$48,451 respectively, which equaled the contractually required contributions each year.

NOTE 13 – SUBSEQUENT EVENT

Management has evaluated subsequent events through February 14, 2011, the date which the financial statements were available to be issued.

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

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 ILLINOIS MUNICIPAL RETIREMENT FUND
 SCHEDULE OF FUNDING PROGRESS
 (UNAUDITED)
 JUNE 30, 2010

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/09	1,870,862	2,275,284	404,422	82.23%	520,267	77.73%
12/31/08	1,877,759	2,177,193	299,434	86.25%	508,760	58.86%
12/31/07	2,319,810	2,286,294	(33,516)	101.47%	530,541	0.00%

On a market value basis, the actuarial value of the assets as of December 31, 2009 is \$1,813,274. On a market basis, the funded ratio would be 79.69%.

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 COMBINING SCHEDULE OF ACCOUNTS
 GENERAL FUND
 JUNE 30, 2010

	<u>ROE/ISC Operations</u>	<u>Special Projects</u>	<u>Office</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ 157,398	\$ 59,833	\$ 217,231
Due from other funds	-	4,987	-	4,987
Due from other governments				
Local	-	6,240	-	6,240
State	32,066	-	-	32,066
Accounts receivable	-	1,347	-	1,347
	<u>-</u>	<u>1,347</u>	<u>-</u>	<u>1,347</u>
TOTAL ASSETS	<u>\$ 32,066</u>	<u>\$ 169,972</u>	<u>\$ 59,833</u>	<u>\$ 261,871</u>
LIABILITIES				
Accounts payable	\$ 86	\$ 35,916	\$ -	\$ 36,002
Due to other funds	31,980	-	-	31,980
Deferred revenue	19,240	-	-	19,240
Total Liabilities	<u>51,306</u>	<u>35,916</u>	<u>-</u>	<u>87,222</u>
FUND BALANCE				
Unreserved	<u>(19,240)</u>	<u>134,056</u>	<u>59,833</u>	<u>174,649</u>
Total Fund Balance	<u>(19,240)</u>	<u>134,056</u>	<u>59,833</u>	<u>174,649</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 32,066</u>	<u>\$ 169,972</u>	<u>\$ 59,833</u>	<u>\$ 261,871</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GENERAL FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2010

	ROE/ISC Operations	Special Projects	Office	Total
REVENUES				
Local sources	\$ -	\$ 168,083	\$ 224,523	\$ 392,606
State sources	39,585	-	-	39,585
On-behalf payments	-	-	411,977	411,977
Total revenues	<u>39,585</u>	<u>168,083</u>	<u>636,500</u>	<u>844,168</u>
EXPENDITURES				
Salaries and benefits	43,313	55	200,542	243,910
Purchased services	13,703	159,604	14,107	187,414
Supplies and materials	1,809	2,636	695	5,140
Other objects	-	11,605	-	11,605
On-behalf payments	-	-	411,977	411,977
Total expenditures	<u>58,825</u>	<u>173,900</u>	<u>627,321</u>	<u>860,046</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(19,240)</u>	<u>(5,817)</u>	<u>9,179</u>	<u>(15,878)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(175)	-	(175)
Interest	-	4,742	206	4,948
Total other financing sources (uses)	<u>-</u>	<u>4,567</u>	<u>206</u>	<u>4,773</u>
NET CHANGE IN FUND BALANCE	(19,240)	(1,250)	9,385	(11,105)
FUND BALANCE - BEGINNING	<u>-</u>	<u>135,306</u>	<u>50,448</u>	<u>185,754</u>
FUND BALANCE - ENDING	<u>\$ (19,240)</u>	<u>\$ 134,056</u>	<u>\$ 59,833</u>	<u>\$ 174,649</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2009 to June 30, 2010)
 GENERAL FUND
 ROE/ISC OPERATIONS
 FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 37,602	\$ 58,825	\$ 39,585
Total revenues	<u>37,602</u>	<u>58,825</u>	<u>39,585</u>
EXPENDITURES			
Salaries and benefits	37,213	44,334	43,313
Purchased services	389	12,991	13,703
Supplies and materials	-	1,500	1,809
Total expenditures	<u>37,602</u>	<u>58,825</u>	<u>58,825</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>(19,240)</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,240)</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 COMBINING SCHEDULE OF ACCOUNTS
 EDUCATION FUND
 JUNE 30, 2010

	Truants Alternative/ Optional Education	Early Childhood Block Grant	Title IV - Safe and Drug Free Schools	Accountability Liaison Program	Technology for Success	Regional Safe Schools
ASSETS						
Cash and cash equivalents	\$ 284,748	\$ 7,291	\$ -	\$ -	\$ 76,343	\$ 323,555
Due from other funds	129,953	-	-	-	-	-
Due from other governments						
Local	-	-	-	-	-	-
State	198,824	1,019	-	23,600	64,457	49,491
Accounts receivable	65	-	-	-	70	-
TOTAL ASSETS	\$ 613,590	\$ 8,310	\$ -	\$ 23,600	\$ 140,870	\$ 373,046
LIABILITIES						
Accounts payable	\$ 879	\$ 8,258	\$ -	\$ -	\$ 29,692	\$ 70
Due to other funds	-	-	-	23,600	102,408	-
Deferred revenue	119,294	-	-	9,778	27,786	29,691
Total liabilities	120,173	8,258	-	33,378	159,886	29,761
FUND BALANCE						
Unreserved	493,417	52	-	(9,778)	(19,016)	343,285
Total fund balance	493,417	52	-	(9,778)	(19,016)	343,285
TOTAL LIABILITIES AND FUND BALANCE	\$ 613,590	\$ 8,310	\$ -	\$ 23,600	\$ 140,870	\$ 373,046

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 COMBINING SCHEDULE OF ACCOUNTS
 EDUCATION FUND
 JUNE 30, 2010

	McKinney Education For Homeless Children	System of Support (RESPRO)	Standards Aligned Classroom	Early Childhood - Preschool For All	Gifted Education	Title I - Reading First Part B SEA	Totals
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 3,334	\$ 25,340	\$ 32	\$ 720,643
Due from other funds	-	-	-	-	-	-	129,953
Due from other governments							
Local	-	31,389	-	-	-	-	31,389
State	-	-	-	79,325	-	-	416,716
Accounts receivable	-	-	-	-	-	-	135
TOTAL ASSETS	\$ -	\$ 31,389	\$ -	\$ 82,659	\$ 25,340	\$ 32	\$ 1,298,836
LIABILITIES							
Accounts payable	\$ -	\$ 30,702	\$ -	\$ 82,659	\$ 1,347	\$ -	\$ 153,607
Due to other funds	-	687	-	-	-	-	126,695
Deferred revenue	-	-	-	-	23,993	32	210,574
Total liabilities	-	31,389	-	82,659	25,340	32	490,876
FUND BALANCE							
Unreserved	-	-	-	-	-	-	807,960
Total fund balance	-	-	-	-	-	-	807,960
TOTAL LIABILITIES AND FUND BALANCE	\$ -	\$ 31,389	\$ -	\$ 82,659	\$ 25,340	\$ 32	\$ 1,298,836

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2010

	Truants Alternative/ Optional Education	Early Childhood Block Grant	Title IV - Safe and Drug Free Schools	Accountability Liaison Program	Technology for Success	Regional Safe Schools
REVENUES						
Local sources	\$ 2,243	\$ 50	\$ -	\$ -	\$ 16,410	\$ -
State sources	509,429	176,019	-	15,722	153,345	211,561
Federal sources	61,273	-	32,760	-	-	27,792
Total revenues	<u>572,945</u>	<u>176,069</u>	<u>32,760</u>	<u>15,722</u>	<u>169,755</u>	<u>239,353</u>
EXPENDITURES						
Salaries and benefits	455,072	109,805	13,711	1,868	130,826	193,440
Purchased services	56,054	52,221	16,645	23,429	48,748	20,658
Supplies and materials	17,360	13,991	2,404	203	11,375	4,726
Other objects	404	-	-	-	-	12
Total expenditures	<u>528,890</u>	<u>176,017</u>	<u>32,760</u>	<u>25,500</u>	<u>190,949</u>	<u>218,836</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
	<u>44,055</u>	<u>52</u>	<u>-</u>	<u>(9,778)</u>	<u>(21,194)</u>	<u>20,517</u>
OTHER FINANCING SOURCES						
Interest income	2,463	-	-	-	126	1,923
Total Other Financing Sources (Uses)	<u>2,463</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>126</u>	<u>1,923</u>
NET CHANGE IN FUND BALANCE						
	<u>46,518</u>	<u>52</u>	<u>-</u>	<u>(9,778)</u>	<u>(21,068)</u>	<u>22,440</u>
FUND BALANCE - BEGINNING						
	<u>446,899</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,052</u>	<u>320,845</u>
FUND BALANCE - ENDING						
	<u>\$ 493,417</u>	<u>\$ 52</u>	<u>\$ -</u>	<u>\$ (9,778)</u>	<u>\$ (19,016)</u>	<u>\$ 343,285</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2010

	McKinney Education For Homeless Children	System of Support (RESPRO)	Standards Aligned Classroom	Early Childhood - Preschool For All	Gifted Education	Title I - Reading First Part B SEA	Total
REVENUES							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,703
State sources	-	17,061	-	314,325	42,512	-	1,439,974
Federal sources	28,089	107,058	114	-	-	9,003	266,089
Total revenues	28,089	124,119	114	314,325	42,512	9,003	1,724,766
EXPENDITURES							
Salaries and benefits	10,758	33,345	-	191,643	19,959	-	1,160,427
Purchased services	3,892	75,681	47	110,590	16,030	9,003	432,998
Supplies and materials	13,439	15,093	67	12,092	7,321	-	98,071
Other objects	-	-	-	-	-	-	416
Total expenditures	28,089	124,119	114	314,325	43,310	9,003	1,691,912
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES							
	-	-	-	-	(798)	-	32,854
OTHER FINANCING SOURCES							
Interest income	-	-	-	-	798	-	5,310
Total Other Financing Sources (Uses)	-	-	-	-	798	-	5,310
NET CHANGE IN FUND BALANCE							
	-	-	-	-	-	-	38,164
FUND BALANCE - BEGINNING							
	-	-	-	-	-	-	769,796
FUND BALANCE - ENDING							
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 807,960

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2009 to June 30, 2010)
EDUCATION FUND ACCOUNT
TRUANTS ALTERNATIVE/OPTIONAL EDUCATION
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Local sources	\$ -	\$ -	\$ 2,243
State sources	436,799	393,119	509,429
Federal sources	-	-	61,273
Total revenues	<u>436,799</u>	<u>393,119</u>	<u>572,945</u>
EXPENDITURES			
Salaries and benefits	379,544	348,864	455,072
Purchased services	35,055	34,455	56,054
Supplies and materials	14,200	9,800	17,360
Other objects	-	-	404
Capital outlay	8,000	-	-
Total expenditures	<u>436,799</u>	<u>393,119</u>	<u>528,890</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<u>-</u>	<u>-</u>	<u>44,055</u>
OTHER FINANCING SOURCES (USES)			
Interest	-	-	2,463
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>2,463</u>
NET CHANGE IN FUND BALANCE			
	<u>-</u>	<u>-</u>	<u>46,518</u>
FUND BALANCE - BEGINNING			
	<u>-</u>	<u>-</u>	<u>446,899</u>
FUND BALANCE - ENDING			
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 493,417</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2009 to June 30, 2010)
EDUCATION FUND ACCOUNT
EARLY CHILDHOOD BLOCK GRANT
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Local sources	\$ -	\$ -	\$ 50
State sources	228,178	228,178	176,019
Total revenues	<u>228,178</u>	<u>228,178</u>	<u>176,069</u>
EXPENDITURES			
Salaries and benefits	114,596	109,807	109,805
Purchased services	63,501	55,084	52,221
Supplies and materials	48,281	61,487	13,991
Capital outlay	1,800	1,800	-
Total expenditures	<u>228,178</u>	<u>228,178</u>	<u>176,017</u>
 NET CHANGE IN FUND BALANCE	 <u>-</u>	 <u>-</u>	 <u>52</u>
 FUND BALANCE - BEGINNING	 <u>-</u>	 <u>-</u>	 <u>-</u>
 FUND BALANCE - ENDING	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 52</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2009 to August 31, 2010)
EDUCATION FUND ACCOUNT
TITLE IV - SAFE AND DRUG FREE SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 180,000	\$ 180,000	\$ 32,760
Total revenues	<u>180,000</u>	<u>180,000</u>	<u>32,760</u>
EXPENDITURES			
Salaries and benefits	54,979	54,979	13,711
Purchased services	117,821	117,821	16,645
Supplies and materials	4,930	4,930	2,404
Other objects	1,570	1,570	-
Capital outlay	700	700	-
Total expenditures	<u>180,000</u>	<u>180,000</u>	<u>32,760</u>
 NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
 FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
 FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2009 to June 30, 2010)
EDUCATION FUND ACCOUNT
TECHNOLOGY FOR SUCCESS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Local sources	\$ -	\$ -	\$ 16,410
State sources	185,847	202,047	153,345
Total revenues	<u>185,847</u>	<u>202,047</u>	<u>169,755</u>
EXPENDITURES			
Salaries and benefits	132,042	150,793	130,826
Purchased services	52,805	49,498	48,748
Supplies and materials	1,000	1,556	11,375
Other objects	-	200	-
Total expenditures	<u>185,847</u>	<u>202,047</u>	<u>190,949</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<u>-</u>	<u>-</u>	<u>(21,194)</u>
OTHER FINANCING SOURCES (USES)			
Interest	-	-	126
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>126</u>
NET CHANGE IN FUND BALANCE			
	<u>-</u>	<u>-</u>	<u>(21,068)</u>
FUND BALANCE - BEGINNING			
	<u>-</u>	<u>-</u>	<u>2,052</u>
FUND BALANCE - ENDING			
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,016)</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2009 to June 30, 2010)
EDUCATION FUND ACCOUNT
REGIONAL SAFE SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 128,862	\$ 128,862	\$ 211,561
Federal sources	-	-	27,792
Total revenues	<u>128,862</u>	<u>128,862</u>	<u>239,353</u>
EXPENDITURES			
Salaries and benefits	105,513	105,513	193,440
Purchased services	14,349	14,349	20,658
Supplies and materials	9,000	9,000	4,726
Other objects	-	-	12
Total expenditures	<u>128,862</u>	<u>128,862</u>	<u>218,836</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>20,517</u>
OTHER FINANCING SOURCES (USES)			
Interest	-	-	1,923
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,923</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>22,440</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>320,845</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 343,285</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2009 to June 30, 2010)
 EDUCATION FUND ACCOUNT
 EARLY CHILDHOOD - PRESCHOOL FOR ALL
 FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 351,432	\$ 351,432	\$ 314,325
Total revenues	<u>351,432</u>	<u>351,432</u>	<u>314,325</u>
EXPENDITURES			
Salaries and benefits	198,100	200,403	191,643
Purchased services	120,164	113,038	110,590
Supplies and materials	33,168	37,991	12,092
Total expenditures	<u>351,432</u>	<u>351,432</u>	<u>314,325</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010

	General Education Development	School Bus Transportation	Supervisory	Institute	Total
ASSETS					
Cash and cash equivalents	\$ 6,570	\$ 78	\$ -	\$ 85,022	\$ 91,670
Due from other governments					
Local	50	-	-	-	50
TOTAL ASSETS	<u><u>\$ 6,620</u></u>	<u><u>\$ 78</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 85,022</u></u>	<u><u>\$ 91,720</u></u>
LIABILITIES					
Accounts payable	\$ 455	\$ 175	\$ -	\$ 198	\$ 828
Total liabilities	<u>455</u>	<u>175</u>	<u>-</u>	<u>198</u>	<u>828</u>
FUND BALANCE					
Unreserved	<u>6,165</u>	<u>(97)</u>	<u>-</u>	<u>84,824</u>	<u>90,892</u>
Total Fund Balance	<u><u>6,165</u></u>	<u><u>(97)</u></u>	<u><u>-</u></u>	<u><u>84,824</u></u>	<u><u>90,892</u></u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 6,620</u></u>	<u><u>\$ 78</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 85,022</u></u>	<u><u>\$ 91,720</u></u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

	General Education Development	School Bus Transportation	Supervisory	Institute	Total
REVENUES					
Local sources	\$ 12,034	\$ 1,379	\$ -	\$ 19,490	\$ 32,903
State sources	-	908	5,000	-	5,908
Total revenue	<u>12,034</u>	<u>2,287</u>	<u>5,000</u>	<u>19,490</u>	<u>38,811</u>
EXPENDITURES					
Salaries and benefits	6,813	-	-	12,684	19,497
Purchased services	3,840	2,511	5,000	9,912	21,263
Supplies and materials	2,546	-	-	751	3,297
Total expenditures	<u>13,199</u>	<u>2,511</u>	<u>5,000</u>	<u>23,347</u>	<u>44,057</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	<u>(1,165)</u>	<u>(224)</u>	<u>-</u>	<u>(3,857)</u>	<u>(5,246)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	175	-	-	175
Interest	93	2	-	775	870
Total Other Financing Sources (Uses)	<u>93</u>	<u>177</u>	<u>-</u>	<u>775</u>	<u>1,045</u>
NET CHANGE IN FUND BALANCE					
	(1,072)	(47)	-	(3,082)	(4,201)
FUND BALANCE - BEGINNING					
	<u>7,237</u>	<u>(50)</u>	<u>-</u>	<u>87,906</u>	<u>95,093</u>
FUND BALANCE - ENDING					
	<u>\$ 6,165</u>	<u>\$ (97)</u>	<u>\$ -</u>	<u>\$ 84,824</u>	<u>\$ 90,892</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 JUNE 30, 2010

	Distributive Fund	Speech Pathology Payroll Fund	Regional Board of Trustees	Clearing Fund	Totals
ASSETS					
Cash and cash equivalents	\$ 916,882	\$ 500	\$ 1,361	\$ 850	\$ 919,593
Due from other governments	7,344,960	-	-	-	7,344,960
TOTAL ASSETS	<u>\$ 8,261,842</u>	<u>\$ 500</u>	<u>\$ 1,361</u>	<u>\$ 850</u>	<u>\$ 8,264,553</u>
LIABILITIES					
Accounts payable	\$ -	\$ 500	\$ 1,361	\$ -	\$ 1,861
Due to other governments	8,261,842	-	-	850	8,262,692
TOTAL LIABILITIES	<u>\$ 8,261,842</u>	<u>\$ 500</u>	<u>\$ 1,361</u>	<u>\$ 850</u>	<u>\$ 8,264,553</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
<u>DISTRIBUTIVE</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 643,802	\$ 52,962,327	\$ 52,689,247	\$ 916,882
Due from other governments	5,180,717	7,344,960	5,180,717	7,344,960
Total assets	<u>\$ 5,824,519</u>	<u>\$ 60,307,287</u>	<u>\$ 57,869,964</u>	<u>\$ 8,261,842</u>
 <u>LIABILITIES</u>				
Due to other governments	\$ 5,824,519	\$ 60,307,287	\$ 57,869,964	\$ 8,261,842
Total liabilities	<u>\$ 5,824,519</u>	<u>\$ 60,307,287</u>	<u>\$ 57,869,964</u>	<u>\$ 8,261,842</u>
 <u>SPEECH PATHOLOGY PAYROLL</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 500	\$ 125,931	\$ 125,931	\$ 500
Total assets	<u>\$ 500</u>	<u>\$ 125,931</u>	<u>\$ 125,931</u>	<u>\$ 500</u>
 <u>LIABILITIES</u>				
Accounts payable	\$ 500	\$ 125,931	\$ 125,931	\$ 500
Total liabilities	<u>\$ 500</u>	<u>\$ 125,931</u>	<u>\$ 125,931</u>	<u>\$ 500</u>
 <u>REGIONAL BOARD OF TRUSTEES</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 522	\$ 3,026	\$ 2,187	\$ 1,361
Total assets	<u>\$ 522</u>	<u>\$ 3,026</u>	<u>\$ 2,187</u>	<u>\$ 1,361</u>
 <u>LIABILITIES</u>				
Accounts payable	\$ 522	\$ 3,026	\$ 2,187	\$ 1,361
Total liabilities	<u>\$ 522</u>	<u>\$ 3,026</u>	<u>\$ 2,187</u>	<u>\$ 1,361</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
REGIONAL OFFICE OF EDUCATION #12
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
<u>CLEARING FUND</u>				
ASSETS				
Cash and cash equivalents	\$ 716	\$ 626,245	\$ 626,111	\$ 850
Total assets	<u>\$ 716</u>	<u>\$ 626,245</u>	<u>\$ 626,111</u>	<u>\$ 850</u>
LIABILITIES				
Due to other governments	\$ 716	\$ 626,245	\$ 626,111	\$ 850
Total liabilities	<u>\$ 716</u>	<u>\$ 626,245</u>	<u>\$ 626,111</u>	<u>\$ 850</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and cash equivalents	\$ 645,540	\$ 53,717,529	\$ 53,443,476	\$ 919,593
Due from other governments	5,180,717	7,344,960	5,180,717	7,344,960
Total assets	<u>\$ 5,826,257</u>	<u>\$ 61,062,489</u>	<u>\$ 58,624,193</u>	<u>\$ 8,264,553</u>
LIABILITIES				
Accounts payable	\$ 1,022	\$ 128,957	\$ 128,118	\$ 1,861
Due to other governments	5,825,235	60,933,532	58,496,075	8,262,692
Total liabilities	<u>\$ 5,826,257</u>	<u>\$ 61,062,489</u>	<u>\$ 58,624,193</u>	<u>\$ 8,264,553</u>

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES
 DISTRIBUTIVE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	Clay City Community Unit #10	North Clay Community Unit #25	Flora Community Unit #35	Hutsonville Community Unit #1	Robinson Community Unit #2	Palestine Community Unit #3	Oblong Community Unit #4	Jasper County Community Unit #1
General State Aid	\$ 1,134,568	\$ 2,389,758	\$ 4,835,783	\$ 1,172,356	\$ 788,073	\$ 1,533,743	\$ 2,460,893	\$ 949,104
General State Aid Hold Harmless/Supplemental	-	-	-	-	295,415	-	-	590,298
Transition Assistance	21,694	-	-	-	299,547	-	-	-
Special Ed - Private Facility Tuition	22,512	-	13,961	2,506	15,892	-	2,319	21,682
Special Ed - Extraordinary	39,020	74,961	154,090	43,064	181,432	43,796	73,094	161,893
Special Ed - Personnel	66,947	54,346	167,338	36,254	158,207	34,882	82,406	156,327
Special Ed - Orphanage - Individual	-	15,164	18,718	-	-	-	-	-
Special Ed - Summer School	-	-	792	-	157	-	-	200
Vocational Ed - Secondary Prog Improvement	-	-	-	-	-	-	-	-
Vocational Ed - Agriculture Education	-	-	-	-	-	-	-	-
Bilingual Education	-	-	-	-	-	-	-	-
Gifted Education	-	-	-	-	-	-	-	-
State Free Lunch and Breakfast	3,401	6,123	9,136	3,885	8,740	2,510	5,048	6,806
School Breakfast Incentive	245	679	386	88	227	19	80	128
Driver Education	4,848	8,132	17,019	4,095	19,090	1,937	8,026	20,829
Transportation - Regular and Vocational	133,294	260,914	292,097	186,145	461,639	121,524	278,745	844,946
Transportation - Special Education	46,981	46,079	233,172	76,796	117,132	82,721	98,153	319,097
ROE School Bus Driver Training	-	-	-	-	-	-	-	-
Truants Alternative/Optional Education	-	-	-	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-	-	-	-
Early Childhood - Block Grant	79,944	87,244	306,002	88,128	161,255	39,103	45,342	86,736
Reading Improvement Block Grant	-	10,868	19,708	6,026	24,048	-	-	21,083
ROE/ISC Operations	-	-	-	-	-	-	-	-
Supervisory Expense	-	-	-	-	-	-	-	-
ADA Safety and Educational Block Grant	1,430	2,742	5,696	1,653	6,750	1,601	2,772	5,976
Technology - Learning Technology Centers	-	-	-	-	-	-	-	-
Homeless Grant	-	-	-	-	-	-	-	-
Title VI - Formula	-	-	-	-	-	-	509	2,589
Title VI Rural Education	-	-	-	-	-	-	-	-
National School Lunch Program	60,303	120,729	262,304	77,045	263,386	48,287	98,238	227,431
Special Milk Program	502	1,299	3,110	-	-	-	-	-
School Breakfast Program	20,956	33,619	78,728	29,936	116,605	12,652	29,622	67,045
Title I - Low Income	81,003	165,583	248,237	84,690	310,355	110,355	128,537	290,364
Title I - Reading First Part B SEA Funds	-	-	-	-	-	-	-	-
Title IV - Safe and Drug Free Sch - Formula	1,655	2,903	3,880	1,449	5,556	2,583	2,014	3,425
Title IV - Safe and Drug Free - State Level Prog	-	-	-	-	-	-	-	-
21st Century Learning	-	-	-	-	-	-	-	-
Federal - Special Ed - IDEA - Room and Board	2,142	-	7,656	103,744	3,873	-	1,556	22,768
V.E. - Perkins - Title IIC - Secondary	-	-	-	-	-	-	-	-
ARRA State Aid	189,503	399,257	807,664	195,867	132,839	255,954	410,724	159,923
ARRA Title I	24,368	57,000	74,811	36,571	113,781	35,767	49,723	57,460
SFSF - State Aid	63,078	132,896	268,925	64,913	44,280	85,266	136,798	52,396
Title II - Teacher Quality	24,714	49,238	79,989	22,799	70,353	35,968	33,589	147,337
Technology - Enhancing Education - Formula	764	1,303	2,228	786	2,732	960	1,383	2,596
TOTAL	\$ 2,023,872	\$ 3,920,837	\$ 7,911,430	\$ 2,238,796	\$ 3,601,364	\$ 2,449,628	\$ 3,949,571	\$ 4,218,439

CLAY/CRAWFORD/JASPER/LAWRENCE/RICHLAND COUNTIES
 REGIONAL OFFICE OF EDUCATION #12
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES
 DISTRIBUTIVE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	Lawrence County Community Unit #20	East Richland Community Unit #1	West Richland Community Unit #2	Twins Rivers Regional Vocational System	Regional Office of Education #12	Clay-Jasper- Richland- N. Wayne Regional System	Total
General State Aid	\$ 4,633,394	\$ 6,024,256	\$ 1,443,460	\$ -	\$ 360,665	\$ -	\$ 27,726,053
General State Aid Hold Harmless/Supplemental	-	-	-	-	-	-	885,713
Transition Assistance	-	-	21,874	-	-	-	343,115
Special Ed - Private Facility Tuition	1,526	45,350	-	-	-	-	125,748
Special Ed - Extraordinary	140,192	230,295	43,507	-	-	-	1,185,344
Special Ed - Personnel	110,797	203,821	38,351	-	-	-	1,109,676
Special Ed - Orphanage - Individual	29,507	-	-	-	-	-	63,389
Special Ed - Summer School	1,102	-	-	-	-	-	2,251
Vocational Ed - Secondary Prog Improvement	-	-	-	108,000	-	162,521	270,521
Vocational Ed - Agriculture Education	-	-	-	8,819	-	25,214	34,033
Bilingual Education	1,431	-	-	-	-	-	1,431
Gifted Education	-	-	-	-	66,505	-	66,505
State Free Lunch and Breakfast	6,917	9,236	2,878	-	-	-	64,680
School Breakfast Incentive	143	181	52	-	-	-	2,228
Driver Education	16,737	31,651	3,305	-	-	-	135,669
Transportation - Regular and Vocational	382,962	512,402	122,270	-	-	-	3,596,938
Transportation - Special Education	163,336	302,262	70,555	-	-	-	1,556,284
ROE School Bus Driver Training	-	-	-	-	908	-	908
Truants Alternative/Optional Education	-	77,749	-	-	234,519	-	312,268
Regional Safe Schools	-	-	-	-	77,181	-	77,181
Early Childhood - Block Grant	124,659	204,157	99,295	-	410,000	-	1,731,865
Reading Improvement Block Grant	20,706	30,620	5,889	-	-	-	138,948
ROE/ISC Operations	-	-	-	-	37,759	-	37,759
Supervisory Expense	-	-	-	-	5,000	-	5,000
ADA Safety and Educational Block Grant	5,264	8,705	1,609	-	-	-	44,198
Technology - Learning Technology Centers	-	-	-	-	130,275	-	130,275
Homeless Grant	-	41,900	-	-	-	-	41,900
Title VI - Formula	-	-	-	-	-	-	3,098
Title VI Rural Education	29,953	-	-	-	-	-	29,953
National School Lunch Program	202,808	349,856	61,659	-	-	-	1,772,046
Special Milk Program	-	2,121	-	-	-	-	7,032
School Breakfast Program	68,346	100,408	17,097	-	-	-	575,014
Title I - Low Income	274,040	475,478	87,976	-	-	-	2,256,618
Title I - Reading First Part B SEA Funds	-	-	-	-	9,003	-	9,003
Title IV - Safe and Drug Free Sch - Formula	5,703	7,616	1,461	-	-	-	38,245
Title IV - Safe and Drug Free - State Level Prog	-	-	-	-	24,707	-	24,707
21st Century Learning	-	139,827	-	-	-	-	139,827
Federal - Special Ed - IDEA - Room and Board	181,934	13,264	-	-	-	-	336,937
V.E. - Perkins - Title IIC - Secondary	-	-	-	64,461	-	75,058	139,519
ARRA State Aid	773,471	1,006,236	240,952	-	60,111	-	4,632,501
ARRA Title I	151,846	158,143	37,450	-	-	-	796,920
SFSF - State Aid	257,593	334,948	80,215	-	20,037	-	1,541,345
Title II - Teacher Quality	49,186	137,515	25,264	-	-	-	675,952
Technology - Enhancing Education - Formula	2,910	4,234	757	-	-	-	20,653
TOTAL	\$ 7,636,463	\$ 10,452,231	\$ 2,405,876	\$ 181,280	\$ 1,436,670	\$ 262,793	\$ 52,689,250