

**STATE OF ILLINOIS
CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**FINANCIAL AUDIT
For the year ended June 30, 2011**

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

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

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**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

OFFICIALS

Regional Superintendent (current and during the audit period).....Ms. Keri Garrett

Assistant Regional Superintendent (current and during the audit period) Mr. Brian P. Guthrie

Offices are located at:

Clinton County Office
930-B Fairfax
Carlyle, IL 62231

Marion County Office
Public Services Building
200 E. Schwartz
Salem, IL 62881

Washington County Office
1180 W. St. Louis Street
Nashville, IL 62263

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

FINANCIAL REPORT SUMMARY

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

AUDITORS' REPORTS

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

SUMMARY OF AUDIT FINDINGS

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

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

Additional matters which were less than significant deficiencies or material weaknesses but more than inconsequential, have been reported in a Management Letter of Comments to the Regional Superintendent. In prior years, these issues may have been included as immaterial findings in the auditors' reports.

SUMMARY OF FINDINGS AND RESPONSES

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (GOVERNMENT AUDITING STANDARDS)			
11-01	11-12	Controls Over Financial Statement Preparation	Material Weakness
11-02	13	Cash Accounts Not Recorded on the Books	Material Weakness

FINDINGS AND RESPONSES (FEDERAL COMPLIANCE)

There were no findings for the year ended June 30, 2011.

PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

There were no prior findings not repeated for the year ended June 30, 2011.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

FINANCIAL REPORT SUMMARY (Continued)

EXIT CONFERENCE

An informal exit conference was held on August 4, 2011. Attending were Keri Garrett, Regional Superintendent, Mary Ellen Hughes, Controller of the Regional Office of Education #13, Dave Wilson, Personnel Director, and Alex Hagen of West & Company, LLC. Responses to the recommendations were provided by Keri Garrett via email on November 15, 2011.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

FINANCIAL STATEMENT REPORT

SUMMARY

The audit of the accompanying basic financial statements of the Clinton, Marion, and Washington Counties Regional Office of Education #13 was performed by West & Company, LLC.

Based on their audit, the auditors expressed an unqualified opinion on the Regional Office of Education #13's basic financial statements.

MEMBERS

E. LYNN FREESE
RICHARD C. WEST
BRIAN E. DANIELL
JANICE K. ROMACK
DIANA R. SMITH
D. RAIF PERRY
JOHN H. VOGT
JOSHUA D. LOWE

CERTIFIED PUBLIC ACCOUNTANTS
&
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INDEPENDENT AUDITORS' REPORT

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clinton, Marion, and Washington Counties Regional Office of Education #13, as of and for the year ended June 30, 2011, which collectively comprise the Clinton, Marion, and Washington Counties Regional Office of Education #13's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Clinton, Marion, and Washington Counties Regional Office of Education #13'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 Clinton, Marion, and Washington Counties Regional Office of Education #13, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the financial statements, the Clinton, Marion, and Washington Counties Regional Office of Education #13 adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* during the year ended June 30, 2011. The statement changed the classifications of governmental fund balances and clarified the definitions of existing fund types. The adoption of this statement had no effect on any of the Clinton, Marion, and Washington Counties Regional Office of Education #13's governmental funds' assets or liabilities nor was there any effect to the total amount of any of the Clinton, Marion, and Washington Counties Regional Office of Education #13's governmental fund balances as of and for the year ended June 30, 2011.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 1, 2012 on our consideration of the Clinton, Marion, and Washington Counties Regional Office of Education #13'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 18A-18J and 52 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 Clinton, Marion, and Washington Counties Regional Office of Education #13'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 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 Treasurers and Other Entities 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.

West + Company, LLC

May 1, 2012

MEMBERS

E. LYNN FREESE
RICHARD C. WEST
BRIAN E. DANIELL
JANICE K. ROMACK
DIANA R. SMITH
D. RAIF PERRY
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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Clinton, Marion, and Washington Counties Regional Office of Education #13, as of and for the year ended June 30, 2011, which collectively comprise the Clinton, Marion, and Washington Counties Regional Office of Education #13's basic financial statements and have issued our report thereon dated May 1, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Clinton, Marion, and Washington Counties Regional Office of Education #13 is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Clinton, Marion, and Washington Counties Regional Office of Education #13's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clinton, Marion, and Washington Counties Regional Office of Education #13's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Clinton, Marion, and Washington Counties Regional Office of Education #13's internal control over financial reporting.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in findings 11-01 and 11-02 in the accompanying Schedule of Findings and Responses to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clinton, Marion, and Washington Counties Regional Office of Education #13'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*.

We also noted certain matters which we have reported to management of the Clinton, Marion, and Washington Counties Regional Office of Education #13 in a separate letter dated May 1, 2012.

Clinton, Marion, and Washington Counties Regional Office of Education #13's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. We did not audit Clinton, Marion, and Washington Counties Regional Office of Education #13's responses and, accordingly, we express no opinion on them.

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

West + Company, LLC

May 1, 2012

SCHEDULE OF FINDINGS AND RESPONSES

CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13

SCHEDULE OF FINDINGS AND RESPONSES
For the year ended June 30, 2011

Section I -- Summary of Auditors' Results

Financial statements

Type of auditors' report issued: UNQUALIFIED

Internal control over financial reporting:

- Material weakness(es) identified? X yes no
- Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? N/A yes no
- Significant deficiency(ies) identified? N/A yes none reported

Type of auditors' report issued on compliance for major programs: N/A

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)? N/A yes no

CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13

SCHEDULE OF FINDINGS AND RESPONSES
For the year ended June 30, 2011

Section I -- Summary of Auditors' Results (concluded)

Identification of major programs:

CFDA Number(s)

Name of federal program or cluster

Dollar threshold used to distinguish between Type A and Type B programs: N/A

Auditee qualified as a low-risk auditee? N/A _____ yes _____ no

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**SCHEDULE OF FINDINGS AND RESPONSES
For the year ended June 30, 2011**

Section II: Financial Statement Findings

FINDING NO. 11-01 – Controls Over Financial Statement Preparation (Repeated from Finding 10-01, 09-01, 08-01, and 07-02)

Criteria/Specific Requirement:

The Regional Office of Education #13 is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). Regional Office internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge and expertise to prepare and/or thoroughly review GAAP based financial statements to ensure that they are free of material misstatements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

Condition:

The Regional Office of Education #13 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains their accounting records on the cash basis of accounting. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner. For example, auditors, in their review of the Regional Office's accounting records, noted the following:

- The Regional Office did not have adequate controls over the maintenance of complete records of accounts receivable, capital assets, or deferred revenue.
- Numerous adjustments were required to present financial statements in accordance with generally accepted accounting principles.

Effect:

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

Cause:

According to Regional Office officials, they did not have adequate funding to hire and/or train their accounting personnel in order to comply with these requirements.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**SCHEDULE OF FINDINGS AND RESPONSES
For the year ended June 30, 2011**

Section II: Financial Statement Findings (Continued)

FINDING NO. 11-01 – Controls Over Financial Statement Preparation (Repeated from Finding 10-01, 09-01, 08-01, and 07-02) (Continued)

Auditors' Recommendation:

As part of its internal control over the preparation of its financial statements, including disclosures, the Regional Office of Education #13 should implement a comprehensive preparation and/or review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such procedures should be performed by a properly trained individual(s) possessing a thorough understanding of applicable generally accepted accounting principles, GASB pronouncements, and knowledge of the Regional Office of Education's activities and operations.

Management's Response:

The Regional Office of Education #13 understands the nature of this finding and realizes that this circumstance is not unusual in an entity of this size. The Regional Office of Education #13 accepts the degree of risk associated with this condition because the added expense of seeking additional accounting expertise to prepare and/or review financial statements would take away from the funds available to provide education services for the schools in the region.

In an attempt to correct this finding, the Regional Office of Education #13 sent the Controller to various trainings to better understand accrual accounting and reporting under generally accepted accounting principles (GAAP).

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**SCHEDULE OF FINDINGS AND RESPONSES
For the year ended June 30, 2011**

Section II: Financial Statement Findings (Continued)

FINDING NO. 11-02 – Cash Accounts Not Recorded on the Books

Criteria/Specific Requirement:

Good business practices and sound internal controls require accounting records to be accurate and complete by recording all assets and transactions of the entity.

Condition:

During our testing of cash accounts, we noted one bank account, with a balance of \$3,725 as of June 30, 2011, not recorded in the general ledger. This account, and its activity for the year ended June 30, 2011, has been included in the financial statements through adjusting journal entries proposed during the audit.

Effect:

Assets and revenues were understated by \$3,725. Failure to record bank accounts in the general ledger results in inaccurate financial reporting and increases the risk of misappropriation of assets.

Cause:

The Regional Office of Education #13 uses an Illinois Funds E-pay account in which teachers can electronically pay for teaching certificate renewals. This revenue and cash had not been recorded in the general ledger or transferred to the pooled cash account in a timely manner.

Auditors' Recommendation:

The Regional Office of Education #13 should routinely record all bank accounts and their activity in the general ledger.

Management's Response:

In the past, monies in our Illinois Funds E-pay account have been periodically transferred to our local bank account. During FY11 the transfer was done only one time.

In the future, the E-pay account will be monitored closely, and funds will be transferred to our local account on a regular basis.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**SCHEDULE OF FINDINGS AND RESPONSES
For the year ended June 30, 2011**

Section III: Federal Award Findings

No findings were noted for the year ended June 30, 2011.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

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

For the year ended June 30, 2011

Corrective Action Plan

Finding No.: 11-01 – Controls Over Financial Statement Preparation (Repeated from Finding 10-01, 09-01, 08-01 and 07-02)

Condition:

The Regional Office of Education #13 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains their accounting records on the cash basis of accounting. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner. For example, auditors, in their review of the Regional Office's accounting records, noted the following:

- The Regional Office did not have adequate controls over the maintenance of complete records of accounts receivable, capital assets or deferred revenue.
- Numerous adjustments were required to present financial statements in accordance with generally accepted accounting principles.

Plan:

The Regional Superintendent accepts the degree of risk associated with this condition because the added expense of seeking additional accounting expertise to prepare and/or review financial statements would take away from the funds available to provide educational services for the schools in the region.

The Regional Office will continue to send the Controller to various trainings to assist her in gaining a better understanding of accrual accounting and reporting under generally accepted accounting principles (GAAP).

Anticipated Date of Completion:

On-going

Name of Contact Person:

Ms. Keri Garrett, Regional Superintendent

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

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

For the year ended June 30, 2011

Corrective Action Plan

Finding No.: 11-02 – Cash Accounts Not Recorded on the Books

Condition:

During our testing of cash accounts, we noted one bank account with a balance of \$3,725 as of June 30, 2011 was not recorded in the general ledger. This account, and its activity for the year ended June 30, 2011, has been included in the financial statements through adjusting journal entries proposed during the audit.

Plan:

The E-pay account will be monitored closely, and funds will be transferred to our local account on a regular basis.

Anticipated Date of Completion:

August 10, 2011

Name of Contact Person:

Ms. Keri Garrett, Regional Superintendent

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2011**

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u>
10-01	Controls Over Financial Statement Preparation	Repeated as finding 11-01

MANAGEMENT'S DISCUSSION AND ANALYSIS

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2011**

Regional Office of Education #13 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, 2011. We encourage readers to consider this information in conjunction with the Regional Office of Education #13's financial statements, which follow.

The Regional Office of Education #13 continued to develop the new reporting standards initiated in FY04. Comparisons are more meaningful and will go further in explaining the Regional Office of Education #13's financial position and results of operations. This includes capabilities for closer monitoring and periodic analysis.

2011 FINANCIAL HIGHLIGHTS

- General Fund revenues increased from \$672,054 in fiscal year 2010 to \$924,748 in fiscal year 2011, and General Fund expenditures also increased from \$687,801 in fiscal year 2010 to \$833,083 in fiscal year 2011. FY11 reclassifying of several funds resulted in changes and an increase in General Fund balances. Other funding sources helped cover expenses and maintain the Regional Office of Education #13's General Fund balance which increased from \$16,402 in fiscal year 2010 to \$786,369 in fiscal year 2011.
- The increase in General Fund revenues was attributed primarily to an increase in State revenue and local on-behalf sources of revenue in fiscal year 2011. The Regional Office of Education #13 again funded a portion of the current year General Fund services from the carry over fund balance in the General Fund.
- Education Fund revenues decreased from \$2,084,437 in fiscal year 2010 to \$1,503,664 in fiscal year 2011 and Education Fund expenditures decreased from \$2,236,021 in fiscal year 2010 to \$1,337,819 in fiscal year 2011. Interest revenue decreased from \$11,186 in fiscal year 2010 to \$1,644 in fiscal year 2011. There was a decrease in the Education Fund balance from \$610,542 in fiscal year 2010 to \$99,950 in fiscal year 2011. Part of this change was due to fund reclassification as prescribed by GASB 54.
- The decrease in Education Fund revenues was attributed to a decrease in State and Federal sources of revenue in fiscal year 2011, and to fund reclassification.
- During fiscal year 2011 the Regional Office of Education #13 implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which required certain programs and funds to be reclassified and the restatement of beginning fund balances as detailed in Note 18 to the financial statements. Because of these reclassifications the fund analysis is not comparable between fiscal year 2010 and fiscal year 2011.

USING THIS ANNUAL REPORT

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

- The Regional Office of Education #13's Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Regional Office of Education #13's financial activities.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2011**

USING THIS ANNUAL REPORT (Concluded)

- The government-wide financial statements consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of Regional Office of Education #13 as a whole and present an overall view of the Regional Office of Education #13's finances.
- The fund financial statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the Regional Office of Education #13'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 essential to a full understanding of the data provided in the basic financial statements.
- The supplementary information further explains and supports the financial statements with a comparison of the Regional Office of Education #13's budget for the year and supplementary information also provides detailed information about the non-major funds.

REPORTING THE REGIONAL OFFICE OF EDUCATION #13 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 #13 as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Assets includes all the Regional Office of Education #13's 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.

The two government-wide statements report the Regional Office of Education #13's net assets and how they have changed. Net assets – the difference between the Regional Office of Education #13's assets and liabilities – are one way to measure the Regional Office of Education #13's financial health or position.

- Over time, increases or decreases in the Regional Office of Education #13's net assets are an indicator of whether financial position is improving or deteriorating, respectively.
- To assess the Regional Office of Education #13's overall health, additional non-financial factors, need to be considered.

In the government-wide financial statements, the Regional Office of Education #13's activities are divided into two categories:

- *Governmental activities:* Most of the Regional Office of Education #13's basic services are included here, such as regular and special education instruction, student and instructional staff support services and administration. State and federal grants, local school districts, and state aid finance most of these activities.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2011**

REPORTING THE REGIONAL OFFICE OF EDUCATION #13 AS A WHOLE (Concluded)

- *Business-type activities:* The Regional Office of Education #13 charges fees to help cover the costs of certain services it provides to school districts in the region.

Fund Financial Statements

The fund financial statements provide detailed information about the Regional Office of Education #13's funds, focusing on its most significant or "major" funds – not the Regional Office of Education #13 as a whole. Funds are accounting devices the Regional Office of Education #13 uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by State law. The Regional Office of Education #13 establishes other funds to control and manage money for particular purposes.

The Regional Office of Education #13 has three kinds of funds:

- Governmental funds account for most of the Regional Office of Education #13's basic services. These focus on how cash and other financial assets that can readily be 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 financial resources that can be spent in the near future to finance the Regional Office of Education #13's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciliation between the government-wide statements and the governmental fund statements follow each of the related governmental statements. The Regional Office of Education #13'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.
- Proprietary funds account for services for which the Regional Office of Education #13 charges fees under a cost-reimbursement method. The proprietary fund's required financial statements include a Statement of Net Assets, Statement of Revenues, Expenses, and Changes in Fund Net Assets, and a Statement of Cash Flows.
- Fiduciary funds account for assets that belong to others over which the Regional Office of Education #13 is the trustee, or fiduciary. The Regional Office of Education #13 is responsible for ensuring that the assets reported in these funds are used only for their intended purpose and by those to whom the assets belong. The Regional Office of Education #13 excludes these assets from the government-wide financial statements because it cannot use these assets to finance its operations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of financial position. The Regional Office of Education #13's net assets at the end of fiscal year 2011 totaled approximately \$1.41 million. This compared to approximately \$1.61 million at the end of fiscal year 2010. The analysis that follows provides a summary of the Regional Office of Education #13's net assets at June 30, 2011 for the governmental and business-type activities.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2011**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

CONDENSED STATEMENT OF NET ASSETS
GOVERNMENTAL ACTIVITIES

	<u>2011</u>	<u>2010</u>	Increase / (Decrease)
Current Assets	\$ 1,726,204	\$ 1,330,990	395,214
Capital Assets, net	<u>20,938</u>	<u>58,586</u>	(37,648)
Total Assets	<u>1,747,142</u>	<u>1,389,576</u>	357,566
Current Liabilities	<u>720,651</u>	<u>160,271</u>	560,380
Net Assets:			
Invested in Capital Assets	20,938	58,586	(37,648)
Unrestricted	786,369	1,085,269	(298,900)
Restricted for educational purposes	<u>219,184</u>	<u>85,450</u>	133,734
Total Net Assets	<u><u>\$ 1,026,491</u></u>	<u><u>\$ 1,229,305</u></u>	(202,814)

The Regional Office of Education #13's combined governmental net assets decreased \$202,814 from fiscal year 2010 and the current assets increased \$395,214.

BUSINESS-TYPE ACTIVITIES

	<u>2011</u>	<u>2010</u>	Increase / (Decrease)
Current Assets	\$ 376,584	\$ 371,870	4,714
Capital Assets, net	<u>13,592</u>	<u>20,965</u>	(7,373)
Total Assets	<u>390,176</u>	<u>392,835</u>	(2,659)
Current Liabilities	<u>2,851</u>	<u>7,966</u>	(5,115)
Net Assets:			
Invested in Capital Assets	13,592	20,965	(7,373)
Unrestricted	<u>373,733</u>	<u>363,904</u>	9,829
Total Net Assets	<u><u>\$ 387,325</u></u>	<u><u>\$ 384,869</u></u>	2,456

The Regional Office of Education #13's business-type activities net assets increased \$2,456 from fiscal year 2010 and the current assets increased \$4,714.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2011**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

STATEMENT OF ACTIVITIES

GOVERNMENTAL ACTIVITIES

	2011	2010	Increase / (Decrease)
Revenues:			
Program Revenues:			
Operating grants and contributions	\$ 1,369,440	\$ 2,366,424	(996,984)
General revenues:			
Local sources	174,228	265,947	(91,719)
On-behalf payments - State & Local	501,667	597,346	(95,679)
Interest income	13,050	13,912	(862)
Loss on disposal of equipment	(19,099)	-	(19,099)
Total Revenues	2,039,286	3,243,629	(1,204,343)
Expenses:			
Instructional Services			
Salaries and benefits	1,282,563	1,743,385	(460,822)
Purchased services	295,843	392,285	(96,442)
Supplies and materials	73,354	172,764	(99,410)
Payments to other governments	65,914	-	65,914
Other objects	1,710	5,553	(3,843)
Depreciation expense	21,049	22,312	(1,263)
Administrative Expense:			
On-behalf payments - State & Local	501,667	597,346	(95,679)
Total Expenses	2,242,100	2,933,645	(691,545)
Change in Net Assets	(202,814)	309,984	(512,798)
Net Assets - Beginning	1,229,305	919,321	309,984
Net Assets - Ending	\$ 1,026,491	\$ 1,229,305	(202,814)

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2011**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concluded)

Operating grants and contributions decreased \$996,984 from fiscal year 2010 to 2011. The funding for several major grants (Early Childhood - Block Grant, Safe School, and Special Education for Infants and Families with Disabilities) was seriously reduced, and delayed in payment, causing the ROE to fund these programs from surplus funds, and resulting in less interest revenue.

STATEMENT OF ACTIVITIES

BUSINESS-TYPE ACTIVITIES

	<u>2011</u>	<u>2010</u>	<u>Increase / (Decrease)</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ 156,083	\$ 180,879	(24,796)
General Revenue:			
Interest income	<u>5,702</u>	<u>5,624</u>	78
Total Revenues	<u>161,785</u>	<u>186,503</u>	(24,718)
Expenses:			
Salaries and benefits	70,471	82,206	(11,735)
Purchased Services	65,365	56,380	8,985
Supplies and materials	16,120	24,103	(7,983)
Depreciation	<u>7,373</u>	<u>10,114</u>	(2,741)
Total Expenses	<u>159,329</u>	<u>172,803</u>	(13,474)
Change in Net Assets	2,456	13,700	(11,244)
Net Assets - Beginning	<u>384,869</u>	<u>371,169</u>	13,700
Net Assets - Ending	<u>\$ 387,325</u>	<u>\$ 384,869</u>	2,456

FINANCIAL ANALYSIS OF THE REGIONAL OFFICE OF EDUCATION FUNDS

As previously noted, Regional Office of Education #13 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Regional Office of Education #13's governmental fund reported combined fund balances of \$983,662 compared with fiscal year 2010's ending fund balances of \$729,479. The Regional Office of Education #13 received less interest income in fiscal year 2011 than fiscal year 2010. Most funds have either decreased or stayed constant. The constant funds do not take into account inflation, which results in a further decrease in fund balance. No reductions in responsibilities have occurred, rather they have increased.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2011**

FINANCIAL ANALYSIS OF THE REGIONAL OFFICE OF EDUCATION FUNDS (Continued)

Governmental Fund Highlights

The Regional Office of Education #13's General Fund financial position is the product of many factors, including the increase in the cost of services provided to local schools and the fluctuation in the amount of funds received from State and federal sources from year to year while responsibilities remain the same or increase. Increased costs to deliver services are a continuing drain on the Regional Office of Education #13 financial resources.

The following is a summary of the Regional Office of Education #13's activities:

The Regional Office of Education #13 continues to offer technical assistance and professional development activities to teachers across the complete curriculum area. We have at least 1,300 teachers who have received professional development to improve their basic knowledge and/or their teaching pedagogy. Because of delayed receipt of Pre-Kindergarten funding during FY10, we did not operate a Pre-Kindergarten classroom program during FY11. We have two schools for students who have experienced serious difficulties in the public schools. Our Truant Alternative School serves approximately 95 students and works with additional students to ameliorate their truancy problems. We operate a Safe School that serves approximately 50 students each year with an individually based educational program. The Safe School students are students who have been referred because of serious behavior problems within the sending school. We also offer teacher certificate assistance, and help teachers completing re-certification requirements and acquiring additional certificate endorsements. There are a variety of other regulatory programs that are statute based that require inspection of the schools for nearly all areas, as well as inspections for building safety. A General Education Diploma is offered through our cooperative effort with Kaskaskia College, which includes testing to meet high school equivalency. We are responsible for professional development activities to maintain certification by our school administrators through the administrator academy. In summary, we also have a variety of smaller programs that would be classified as consultative services directly to the schools.

Further, we assist parents and other patrons on a daily basis as they call for information and/or other questions or problems with their children. We offer guidance services to parents as well as serving as a liaison or arbitrator between parents and schools. We answer questions regarding bus service, grade problems, and even sports issues. We estimate that we have approximately ten calls or personal visits from parents each day.

Proprietary Fund Highlights

The Regional Office of Education's proprietary funds are Workshops, Technology/Testing Cooperative and Film Cooperative. The testing service allows schools to receive their testing results back within approximately one week in order that they may use those results to direct their curriculum activities. The Technology/Testing Cooperative gives direct assistance to staff in the schools to maintain and upgrade their technology efforts. This includes a strong emphasis on utilizing technology in the classroom as a teaching tool for students. The Regional Office of Education #13 also has a film cooperative program that purchases film and video materials for instructional use by schools in the region.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
For the year ended June 30, 2011**

FINANCIAL ANALYSIS OF THE REGIONAL OFFICE OF EDUCATION FUNDS (Concluded)

FIDUCIARY FUND TYPE

The Regional Office of Education #13’s agency fund is used to account for assets held by the Regional Office of Education #13 in trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Distributive Fund is the Regional Office of Education #13’s only agency fund.

Interest on Distributive Fund – The Regional Office of Education #13 has agreements with all districts in the region whereby the Regional Office of Education #13 is allowed to keep the interest for expenditures benefiting all districts.

MEASUREMENT FOCUS

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

In applying the susceptible to accrual concepts 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 #13; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditures 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.

The fund financial statements of the Proprietary Funds 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 the related cash flows.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2011**

BUDGETARY HIGHLIGHTS

The Regional Office of Education #13 Advisory Board approves an education plan. Although the budget document presents functional disbursements by fund, the legal level of control is at the total expenditure level, not at the fund or fund type level. 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 Regional Office of Education #13 amended its annual operating budget several times to reflect additional revenue and expenditures associated with the additional services needed and provided to the local school districts. The Regional Office of Education #13 has a three-county budget for administrative purposes. Each county contributes financially to the Regional Office of Education #13 based upon the county's population. The total funds furnished by all three counties were approximately \$177,936.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Regional Office of Education #13 does not invest in land or buildings. All other equipment remains owned by the State. Items purchased costing over \$500 are listed on the Regional Office of Education #13's inventory. At June 30, 2011 the Regional Office of Education #13 had an investment in capital assets of \$34,530 which is the original cost of the assets less the accumulated depreciation.

During fiscal year 2010 the Regional Office of Education #13 made purchases costing \$2,500 in governmental activities. Miscellaneous outdated equipment and furniture were discarded.

Debt

The Regional Office of Education #13 incurs no debt. All bills are paid by the end of the fiscal year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

At the time these financial statements were prepared and audited, the Regional Office of Education #13 was aware of existing circumstances that could significantly affect its financial health in the future.

- The Regional Office of Education #13 has experienced an increase in the number of students being served by its programs in the past few years. A slight increase in enrollments is expected and included in the budget based on request from local school districts.
- The Regional Office of Education #13 provides programs and services in compliance with statutory, regulatory and mandated requirements from the legislation and the Illinois State Board of Education despite a level of funding from the State that does not keep pace with the increasing cost of providing such programs and services. Consequently, the Regional Office of Education #13 is forced to maintain a limited professional and clerical staff while trying to provide a consistent level of support and services to schools. Additional services are provided when funding allows or when cost-recovery mechanisms can be associated with the services.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2011**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (Continued)

- A limited number of federal and State grant programs help support the Regional Office of Education #13's programs. Funding from these grant programs are not assured from year to year. Because of limited availability of funds to other agencies and organizations, there is increased competition for funded grant programs due in part to a reduction in the amount of grant funding available and the similar financial circumstances all entities are experiencing. The future of the Regional Office of Education #13 (and the programs and services they provide) is directly dependent on their abilities to compete for grant funding.

ADDITIONAL INFORMATION

The following information is furnished to further explain the Regional Office of Education #13 financial analysis and planning:

The Management's Discussion and Analysis for the year ended June 30, 2011 is a continual and ongoing review of the financial statements, accounting and reporting of capital assets and internal funds. This review has the objective to accomplish several things. Namely, where have we spent our funds, the relationship of those expenditures to the budget, an analysis of our remaining funds to complete our mission, and a cross-check to balance the various funds. This analysis includes ensuring that the proper documentation, authorization, and expenditures are complete and tied directly to our budget line items.

Our management team utilizes the discussion and analysis to determine what changes may need to be made in the budget relative to our expenditures in meeting our objectives. We have determined that some objectives may have to be scaled back due to reduced funding from State and federal sources. Our analysis has revealed that State funding projections do not always meet expectations. For example, several programs have received substantial reductions at the very last minute even though projected information from the State indicated a higher level of funding.

Improved financial planning to meet objectives could occur if the State and federal sources gave more accurate projections. The maintaining and hiring of staff could be improved if more accurate funding information was available. A major part of the goals, responsibilities, and activities are determined by either legislation or direction from the Illinois State Board of Education. Funding from those sources generally does not meet the expected mandates.

Our planning and analysis based on this current year and previous years indicate that we will continue to receive less funding. We will plan accordingly and prioritize those goals and responsibilities. In summary, the Management's Discussion and Analysis is a very helpful and necessary tool to assist the Regional Office of Education #13 in meeting its responsibilities.

**CONTACTING THE REGIONAL OFFICE OF EDUCATION #13'S FINANCIAL
MANAGEMENT**

This financial report is designed to provide the Regional Office of Education #13's citizens, taxpayers, customers, and creditors with a general overview of the Regional Office of Education #13's finances and to demonstrate the Regional Office of Education #13's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Regional Office of Education #13, 930-B Fairfax Street, Carlyle, Illinois 62231.

BASIC FINANCIAL STATEMENTS

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**STATEMENT OF NET ASSETS
June 30, 2011**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,166,811	\$ 219,554	\$ 1,386,365
Due from other governments	713,892	2,531	716,423
Internal balances	(154,499)	154,499	-
Total current assets	1,726,204	376,584	2,102,788
Noncurrent assets:			
Capital assets, net	20,938	13,592	34,530
Total assets	1,747,142	390,176	2,137,318
LIABILITIES			
Current liabilities:			
Accounts payable	600	2,851	3,451
Salaries and benefits payable	54,012	-	54,012
Due to other governments	609,042	-	609,042
Deferred revenue	56,997	-	56,997
Total current liabilities	720,651	2,851	723,502
NET ASSETS			
Invested in capital assets	20,938	13,592	34,530
Restricted for educational purposes	219,184	-	219,184
Unrestricted	786,369	373,733	1,160,102
Total net assets	\$ 1,026,491	\$ 387,325	\$ 1,413,816

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

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**STATEMENT OF ACTIVITIES
For the year ended June 30, 2011**

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activities	Total
Governmental activities:						
Instructional services:						
Salaries and benefits	\$ 1,282,563	\$ -	\$ 1,028,394	\$ (254,169)	\$ -	\$ (254,169)
Purchased services	295,843	-	227,853	(67,990)	-	(67,990)
Supplies and materials	73,354	-	51,994	(21,360)	-	(21,360)
Capital outlay	-	-	2,500	2,500	-	2,500
Payments to other governments	65,914	-	57,215	(8,699)	-	(8,699)
Other objects	1,710	-	1,484	(226)	-	(226)
Depreciation	21,049	-	-	(21,049)	-	(21,049)
Administrative:						
On-behalf payments - local	177,936	-	-	(177,936)	-	(177,936)
On-behalf payments - state	323,731	-	-	(323,731)	-	(323,731)
Total governmental activities	<u>2,242,100</u>	<u>-</u>	<u>1,369,440</u>	<u>(872,660)</u>	<u>-</u>	<u>(872,660)</u>
Business-type activities						
Instructional services	<u>159,329</u>	<u>156,083</u>	<u>-</u>	<u>-</u>	<u>(3,246)</u>	<u>(3,246)</u>
Total primary government	<u>\$ 2,401,429</u>	<u>\$ 156,083</u>	<u>\$ 1,369,440</u>	<u>(872,660)</u>	<u>(3,246)</u>	<u>(875,906)</u>
General revenues:						
Local sources				174,228	-	174,228
On-behalf payments - local				177,936	-	177,936
On-behalf payments - state				323,731	-	323,731
Interest				13,050	5,702	18,752
Loss on disposal of equipment				(19,099)	-	(19,099)
Total general revenues				<u>669,846</u>	<u>5,702</u>	<u>675,548</u>
Change in net assets				(202,814)	2,456	(200,358)
Net assets - beginning				<u>1,229,305</u>	<u>384,869</u>	<u>1,614,174</u>
Net assets - ending				<u>\$ 1,026,491</u>	<u>\$ 387,325</u>	<u>\$ 1,413,816</u>

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

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2011**

	General Fund	Education Fund	Other Nonmajor Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS				
Cash and cash equivalents	\$ 726,588	\$ 343,050	\$ 97,173	\$ 1,166,811
Due from other funds	74,339	-	-	74,339
Due from other governments	-	713,722	170	713,892
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 800,927</u>	<u>\$ 1,056,772</u>	<u>\$ 97,343</u>	<u>\$ 1,955,042</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ 600	\$ -	\$ 600
Salaries and benefits payable	14,558	39,454	-	54,012
Due to other funds	-	228,838	-	228,838
Due to other governments	-	609,042	-	609,042
Deferred revenue	-	78,888	-	78,888
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>14,558</u>	<u>956,822</u>	<u>-</u>	<u>971,380</u>
FUND BALANCES				
Restricted	-	158,217	97,343	255,560
Assigned	738,345	-	-	738,345
Unassigned	48,024	(58,267)	-	(10,243)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>786,369</u>	<u>99,950</u>	<u>97,343</u>	<u>983,662</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 800,927</u>	<u>\$ 1,056,772</u>	<u>\$ 97,343</u>	<u>\$ 1,955,042</u>

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

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS**

June 30, 2011

Total fund balances-governmental funds	\$ 983,662
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
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.	21,891
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>20,938</u>
Net assets of governmental activities	<u><u>\$ 1,026,491</u></u>

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

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended June 30, 2011**

	General Fund	Education Fund	Other Nonmajor Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues:				
Local sources	\$ 111,716	\$ 15,444	\$ 47,068	\$ 174,228
State sources	301,204	1,084,692	1,009	1,386,905
Federal sources	-	401,884	-	401,884
On-behalf payments - local	177,936	-	-	177,936
On-behalf payments - state	323,731	-	-	323,731
Interest	10,161	1,644	1,245	13,050
	<u>924,748</u>	<u>1,503,664</u>	<u>49,322</u>	<u>2,477,734</u>
Total revenues				
Expenditures:				
Instructional services:				
Salaries and benefits	260,700	995,489	26,374	1,282,563
Purchased services	61,322	216,965	17,556	295,843
Supplies and materials	7,684	56,951	8,719	73,354
Payments to other governments	-	65,914	-	65,914
Other objects	1,710	-	-	1,710
On-behalf payments - local	177,936	-	-	177,936
On-behalf payments - state	323,731	-	-	323,731
Capital outlay	-	2,500	-	2,500
	<u>833,083</u>	<u>1,337,819</u>	<u>52,649</u>	<u>2,223,551</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>91,665</u>	<u>165,845</u>	<u>(3,327)</u>	<u>254,183</u>
Other financing sources (uses):				
Transfers in	3,306	1,003	-	4,309
Transfers out	(1,003)	(1,441)	(1,865)	(4,309)
	<u>2,303</u>	<u>(438)</u>	<u>(1,865)</u>	<u>-</u>
Total other financing sources (uses)				
Net change in fund balances	93,968	165,407	(5,192)	254,183
Fund balances (deficits), beginning of year, restated	<u>692,401</u>	<u>(65,457)</u>	<u>102,535</u>	<u>729,479</u>
Fund balances, end of year	<u>\$ 786,369</u>	<u>\$ 99,950</u>	<u>\$ 97,343</u>	<u>\$ 983,662</u>

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

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES-
GOVERNMENTAL FUNDS
For the year ended June 30, 2011**

Net change in fund balances		\$ 254,183
<p>Amounts reported for governmental activities in the Statement of Activities 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>		
<p>Current fiscal year vouchered revenue that will not be collected within 60 days of the Regional Office's fiscal year end is considered "deferred" revenue in the fund statements.</p>	\$ 21,891	
<p>Prior year "deferred" revenue that is recorded as revenue in the fund statements in the current fiscal year.</p>	<u>(441,240)</u>	(419,349)
<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>		
<p>Capital outlay</p>	\$ 2,500	
<p>Depreciation expense</p>	(21,049)	
<p>Loss on disposal of equipment</p>	<u>(19,099)</u>	<u>(37,648)</u>
Change in net assets of governmental activities		<u><u>\$ (202,814)</u></u>

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

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2011**

	Business-Type Activities			Total
	Enterprise Funds			
	Workshops	Technology/ Testing Cooperative	Other Nonmajor Fund- Film Cooperative	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 12,572	\$ 196,436	\$ 10,546	\$ 219,554
Due from other funds	154,499	-	-	154,499
Due from other governments	-	2,531	-	2,531
Total current assets	167,071	198,967	10,546	376,584
Noncurrent assets:				
Capital assets, net	-	13,592	-	13,592
Total assets	167,071	212,559	10,546	390,176
LIABILITIES				
Current liabilities:				
Accounts payable	2,598	253	-	2,851
Total liabilities	2,598	253	-	2,851
NET ASSETS				
Invested in capital assets	-	13,592	-	13,592
Unrestricted	164,473	198,714	10,546	373,733
Total net assets	\$ 164,473	\$ 212,306	\$ 10,546	\$ 387,325

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

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the year ended June 30, 2011**

	Business-Type Activities			Total
	Enterprise Funds			
	Workshops	Technology/ Testing Cooperative	Other Nonmajor Fund- Film Cooperative	
Operating revenues:				
Charges for services	\$ 44,692	\$ 110,709	\$ 682	\$ 156,083
Operating expenses:				
Salaries and benefits	-	61,824	8,647	70,471
Purchased services	26,734	38,631	-	65,365
Supplies and materials	5,694	10,426	-	16,120
Depreciation	-	7,373	-	7,373
Total operating expenses	32,428	118,254	8,647	159,329
Operating income (loss)	12,264	(7,545)	(7,965)	(3,246)
Nonoperating revenues:				
Interest	2,477	3,026	199	5,702
Change in net assets	14,741	(4,519)	(7,766)	2,456
Total net assets - beginning	149,732	216,825	18,312	384,869
Total net assets - ending	\$ 164,473	\$ 212,306	\$ 10,546	\$ 387,325

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

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended June 30, 2011**

	Business-Type Activities			
	Enterprise Funds			
		Technology/ Testing Cooperative	Other Nonmajor Fund- Film Cooperative	Total
	Workshops			
Cash flows from operating activities:				
Collection of fees	\$ 44,692	\$ 112,492	\$ 682	\$ 157,866
Payments to suppliers and providers of goods and services	(37,345)	(46,363)	-	(83,708)
Payments to employees	-	(61,824)	(8,647)	(70,471)
Net cash provided (used) by operating activities	7,347	4,305	(7,965)	3,687
Cash flows from investing activities:				
Interest	2,477	3,026	199	5,702
Cash flows from noncapital financing activities:				
Loans (to) from other funds, net	(37,053)	189,105	18,312	170,364
Net increase (decrease) in cash and cash equivalents	(27,229)	196,436	10,546	179,753
Cash and cash equivalents- beginning	39,801	-	-	39,801
Cash and cash equivalents- ending	<u>\$ 12,572</u>	<u>\$ 196,436</u>	<u>\$ 10,546</u>	<u>\$ 219,554</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 12,264	\$ (7,545)	\$ (7,965)	\$ (3,246)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	7,373	-	7,373
Decrease in prepaid assets	-	2,892	-	2,892
Decrease in due from other governments	-	1,783	-	1,783
Decrease in accounts payable	(4,917)	(198)	-	(5,115)
Net cash provided (used) by operating activities	<u>\$ 7,347</u>	<u>\$ 4,305</u>	<u>\$ (7,965)</u>	<u>\$ 3,687</u>

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

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND**

June 30, 2011

	<u>Distributive Fund</u>
ASSETS	
Due from other governments	<u>\$6,214,176</u>
LIABILITIES	
Due to other governments	<u>\$6,214,176</u>

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

NOTES TO FINANCIAL STATEMENTS

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education #13's accounting policies conform to generally accepted accounting principles which are appropriate to local governmental units of this type.

A. Reporting Entity

The Regional Office of Education #13 was created by Illinois Public Act 76-735, as amended, effective August 8, 1995. The region encompasses Clinton, Marion, and Washington counties.

The Regional Superintendent of Schools is the chief administrative officer of the region and is elected to the position for a four-year term. The Regional Superintendent is responsible for the supervision and control of the school districts.

The Regional Superintendent's responsibilities for administering the school educational service region programs include, but are not limited to, providing directions to teachers and school officials on science, art and teaching methods; implementing the State Board of Education's Policy Programs; encouraging camaraderie among teachers through the teachers' institute; making public notice of unfilled teaching positions within the region; and ensuring of the safety, health and welfare of the students in the region by periodically inspecting the school buildings and ensuring that the bus drivers have valid driving licenses and are properly trained to operate the school buses. The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for the districts in the region, or seeing 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 Office of Education #13 derives its oversight power and authority over the school districts from the School Code and is responsible for its own fiscal and budgetary matters. The Regional Office of Education #13 exercises no oversight responsibility on financial interdependency, selection of governing authority, designation of management or the ability to significantly influence the operations of any other outside agencies. Control or dependency is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing order. Therefore, no other agency has been included as a component unit in the Regional Office of Education #13's financial statements. In addition, the Regional Office of Education #13 is not aware of any entity that would exercise oversight as to result in the Regional Office of Education #13 being considered a component unit of the entity.

B. Government-wide and Fund Financial Statements

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

CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

B. **Government-wide and Fund Financial Statements** (Continued)

The Statement of Net Assets includes all of the Regional Office of Education #13's assets and liabilities, including capital assets. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues received more than 60 days after the end of the current period are deferred in the governmental fund financial statements but are recognized as current revenues in the government-wide financial statements. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

It is the Regional Office of Education #13's policy to first apply restricted resources when an expenditure or expense is incurred for which both restricted and unrestricted resources are available. For unrestricted fund balances, committed fund balances are used first, then assigned fund balances, then unassigned, if any.

The Regional Office of Education #13 reports the following major governmental funds:

CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

General Fund - The General Fund is the general operating fund of the Regional Office of Education #13 and is used to account for all financial resources except those required to be accounted for and reported in another fund. This fund is available to pay general and administrative expenditures of the Regional Office of Education #13. Included in this fund are:

Special Projects – This fund accounts for miscellaneous expenses and programs that benefit the school districts and/or regional office.

Alternative Education Project – This fund accounts for Alternative School General State Aid funding.

Safe School Tuition – This program accounts for tuition payments from local districts sending students to the Safe School in Centralia.

Safe School Projects – This program accounts for General State Aid and miscellaneous income and expenses relative to the Safe School in Centralia.

Administrator’s Academy - This program provides required training and continuing education of administrators.

Conference – This program provides for events such as Talent Search and Olympiad programs.

Staff Development – This program offers technology assistance and training to teachers and, on a fee basis, NOVELL Certified classes for school district technology personnel.

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

American Recovery and Reinvestment Act – Alternative Education Project – This fund accounts for Alternative School ARRA funding.

American Recovery and Reinvestment Act – Safe School Projects – This program accounts for ARRA income and expenses relative to the Safe School in Centralia.

Truants Alternative/Optional Education – This is a State-approved program leading to a high school diploma for students with truancy problems.

National Board Professional Teacher Support (NBPTS) – This program attempts to get teachers in the region to participate in the master’s program and enhance their professional growth.

CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

Education Fund (Continued)

Gifted Education – This program provides gifted training for teachers in the region. This training assists teachers in understanding how to reach and teach gifted and talented students.

American Recovery and Reinvestment Act – Enhancing Education through Technology – This program enables local entities to provide new and emerging technologies, create state-of-the-art learning environments, and offer additional training and support for teachers to help students achieve academically and acquire the skills needed to compete in a global economy.

Early Childhood Block Grant - This program provides early assistance to children and parents to enhance the child’s physical, social, and cognitive skills, and assist those identified as being at risk of academic failure.

Title III English Language Learners - This program provides assistance to students learning the English language.

Title I - Reading First Part B SEA Funds – The ROE/ISC Reading First Program is designed to provide a common knowledge base from which effective reading practices can be built.

Summer School – This program accounts for teacher salaries and purchased services that are paid with funds provided by local school districts on a per student basis.

Homeless Children/Youth – This program provides educational services for homeless students, tutoring, clothing, school activity fees, and transportation.

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

Regional System of Support Provider – This program, which includes ARRA-Title I-School Improvement funding, provides for assistance with School Improvement Plans, alignment of curriculum/ standards/ instructional practice/ assessments, teacher/administrator enhancement, and student, family, and community support services.

ROE/ISC Operations -This fund accounts for the grant that provides the funding for the Regional Office of Education.

Special Education for Infants and Families with Disabilities – This program is funded by the Department of Human Services to help families with children between birth and age three obtain evaluations and assessments. Individualized plans are developed to help a child learn, grow, and receive needed services.

CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

Additionally, the Regional Office of Education #13 reports the following nonmajor governmental funds:

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. Included among these funds are:

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

General Education Development (GED) – This fund accounts for the receipts and expenses pertaining to the GED/High School Equivalency program for high school dropouts.

ROE School Bus Driver Training – This fund accounts for State and local receipts and expenses designed for initial and refresher courses of instruction for school bus drivers.

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

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

The Regional Office of Education #13 reports the following major proprietary funds:

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

Workshops – This program provides teacher workshops.

Technology/Testing Cooperative – This program is a local district cooperative that provides services for scoring and reporting of student achievement testing.

The Regional Office of Education #13 reports the following nonmajor proprietary fund:

Film Cooperative – This program is a Marion County schools cooperative that purchases and loans film and video materials for instructional use.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Regional Office of Education #13's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services and administrative expenses.

Additionally, the Regional Office of Education #13 reports the following fiduciary fund:

Fiduciary Funds – Fiduciary funds are used to account for assets held by the Regional Office of Education #13 in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Distributive Fund is the Regional Office of Education #13's only agency fund.

Distributive Fund – This fund distributes monies received by the State out to the school districts and other entities.

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

The Regional Office of Education #13 considers cash on hand, checking accounts, savings accounts, and investments held with an original maturity date of 90 days or less to be cash and cash equivalents. State regulations require that the Regional Office of Education #13 deposit funds under its control into accounts insured by the federal governments, accounts secured by substantial collateral, or pooled investment trusts. All funds not needed for immediate disbursement are maintained in interest bearing accounts.

The Regional Office of Education #13 does not have a formal investment policy. Statutes authorize the Regional Office of Education #13 to make deposits or invest in obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Money Market Fund.

2. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds."

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

3. Capital assets

Capital assets are reported in the applicable columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Office equipment and furniture	5-10
Computer equipment	3-5
Other equipment	5-20

In the fund financial statements, capital assets used in governmental operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

4. Compensated Absences

Full-time non-certified and certified employees who work 12 calendar months earn up to 15 vacation days for a full year of service. As a matter of general practice, vacation days do not carry over from one year to the next; therefore, no liability is accrued. Certified employees who work less than 12 calendar months per year do not earn vacation days.

Employees receive up to 12 sick days annually and the unused portion is accumulated up to 221 days for IMRF eligible employees and up to 340 days for TRS eligible employees. Employee sick leave is recorded when paid. Upon termination, employees do not receive any accumulated sick leave pay; therefore, no liability is accrued.

CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

D. **Assets, Liabilities, and Net Assets or Equity** (Continued)

5. **Equity Classifications**

Government-wide Statements

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

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

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

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

Fund Statements

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

Nonspendable Fund Balance – the portion of a Governmental Fund’s net assets that are not available to be spent, either short term or long term, in either form or through legal restrictions. There are no accounts presenting a nonspendable fund balance.

Restricted Fund Balance – the portion of a Governmental Fund’s net assets that are subject to external enforceable legal restrictions. The following accounts fund balances are restricted by grant agreements or contracts: Truants Alternative/Optional Education, Early Childhood Block Grant, Homeless Children/Youth, and Special Education for Infants and Families with Disabilities. The following funds are restricted by Illinois Statute: Institute, General Education Development, ROE School Bus Driver Training, and Supervisory.

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

Assigned Fund Balance – the portion of a Governmental Fund’s net assets to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following accounts comprise assigned fund balance: Alternative Education Project, Safe School Tuition, Safe School Projects, Administrator’s Academy, Conference, and Staff Development.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

5. Equity Classifications (Continued)

Unassigned Fund Balance – available expendable financial resources in a governmental fund that are not designated for a specific purpose. The unassigned fund balance is made up of the Special Projects, ARRA Enhancing Education Through Technology, Summer School, Regional Safe Schools, Regional System of Support Provider, and ROE/ISC Operations accounts.

E. New Accounting Pronouncement

In 2011, the Regional Office of Education #13 implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, GASB Statement No. 59, *Financial Instruments Omnibus*, and GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The Regional Office of Education #13 implemented these standards during the current year; however, GASB Statements No. 59 and 62 had no impact on the financial statements. The implementation of GASB Statement No. 54 changed fund balance reporting for governmental type funds by adding some additional fund balance classifications, clarifying governmental fund type definitions, and providing additional disclosures on how fund balance constraints are imposed and may be modified or eliminated.

2. BUDGETS AND BUDGETARY ACCOUNTING

The Regional Office of Education #13 was not legally required to adopt annual budgets for all funds under its control, and some annual budgets prepared were not based upon the same operating period. Therefore, budgetary reports comparing budgeted to actual expenditures are not presented.

Budgets relating to programs funded by grants from the Illinois State Board of Education are prepared and submitted to the State Board as part of the grant awards process. The State Board must also approve amendments to these budgets. Grant project budgets are based on the award period. Budgetary Comparison Schedules have been presented for the following grants received from the Illinois State Board of Education: Truants Alternative/Optional Education, Gifted Education, ARRA – Enhancing Education through Technology, Early Childhood Block Grant, Title I Reading First Part B SEA Funds, Regional Safe Schools, ARRA – Title I – School Improvement & Accountability, and ROE/ISC Operations.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

3. USE OF ESTIMATES

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

4. INTEREST ON DISTRIBUTIVE FUND ACCOUNTS

The Regional Office of Education #13 has agreements with all districts in the region whereby the Regional Office of Education #13 is allowed to keep the interest received on Distributive Fund receipts for expenditures benefiting all districts.

5. DEPOSITS AND INVESTMENTS

A. Deposits

At June 30, 2011, the carrying amount of the Regional Office of Education #13's governmental activities, business-type activities, and agency fund deposits were \$1,163,086, \$219,554, and \$0, respectively. The bank balances totaled \$1,463,943 all of which was secured by federal depository insurance or collateralized with securities held by the pledging financial institution's trust department in the Regional Office of Education #13's name, and were, therefore, not exposed to custodial credit risk.

B. Investments

At June 30, 2011, the carrying amount of the Regional Office of Education #13's deposits in the Illinois Funds Money Market Fund for the governmental activities and fiduciary funds were \$3,725 and \$0, respectively. The combined bank balance invested in the Illinois Funds Money Market Fund was \$144,947. This fund enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. These deposits are included in cash and cash equivalents in the Regional Office of Education #13's governmental activities and fiduciary funds.

Credit Risk

At June 30, 2011, the Illinois Funds Money Market Fund had a Standard and Poor's AAAM rating. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provisions of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

5. DEPOSITS AND INVESTMENTS (Continued)

B. Investments (Continued)

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 Fund states that, unless authorized specifically by the Treasurer, a minimum of 75% of its investments shall have less than one-year maturity and no investment shall exceed two years maturity.

Concentration on 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.

6. RISK MANAGEMENT - CLAIMS AND JUDGEMENTS

The Regional Office of Education #13 is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers' compensation; and natural disasters. The Regional Office of Education #13 is covered by commercial insurance to cover these risks of loss. No settlements have exceeded insurance coverage in the current or three previous years.

7. CONTINGENCIES

The Regional Office of Education #13 has received funding from federal and State grants in the current and prior years which are subject to audits by granting agencies. The Regional Office of Education #13 believes any adjustments that may arise will be insignificant to the Regional Office of Education #13's operations.

8. OPERATING LEASE

The Clinton, Marion, and Washington Counties Regional Office of Education #13 has entered into several annual operating leases through June 30, 2011 for the Truants Alternative/Optional Education, Regional Safe School, and Special Education for Infants and Families with Disabilities programs to provide classroom space and office space for grant programs. Rent expense for 2011 totaled \$27,150.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

9. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets being depreciated:				
Office equipment and furniture	\$ 35,095	\$ -	\$ (61)	\$ 35,034
Computer equipment	192,710	2,500	(78,391)	116,819
Other equipment and leasehold improvements	23,168	-	(6,207)	16,961
Total capital assets being depreciated	<u>250,973</u>	<u>2,500</u>	<u>(84,659)</u>	<u>168,814</u>
Less accumulated depreciation for:				
Office equipment and furniture	(26,847)	(1,236)	61	(28,022)
Computer equipment	(144,549)	(19,268)	59,292	(104,525)
Other equipment and leasehold improvements	(20,991)	(545)	6,207	(15,329)
Total accumulated depreciation	<u>(192,387)</u>	<u>(21,049)</u>	<u>65,560</u>	<u>(147,876)</u>
Governmental activities capital assets, net	<u>\$ 58,586</u>	<u>\$ (18,549)</u>	<u>\$ (19,099)</u>	<u>\$ 20,938</u>
Business-type activities:				
Capital assets being depreciated:				
Office equipment and furniture	\$ 26,959	\$ -	\$ -	\$ 26,959
Computer equipment	24,235	-	(1,000)	23,235
Other equipment and leasehold improvements	19,960	-	-	19,960
Total capital assets being depreciated	<u>71,154</u>	<u>-</u>	<u>(1,000)</u>	<u>70,154</u>
Less accumulated depreciation for:				
Office equipment and furniture	(19,679)	(2,242)	-	(21,921)
Computer equipment	(21,957)	(2,279)	1,000	(23,236)
Other equipment and leasehold improvements	(8,553)	(2,852)	-	(11,405)
Total accumulated depreciation	<u>(50,189)</u>	<u>(7,373)</u>	<u>1,000</u>	<u>(56,562)</u>
Business-type activities capital assets, net	<u>\$ 20,965</u>	<u>\$ (7,373)</u>	<u>\$ -</u>	<u>\$ 13,592</u>

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

9. CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the Regional Office of Education #13 as follows:

Governmental activities:	
Instructional services	<u>\$ 21,049</u>
Business-type activities:	
Instructional services	<u>\$ 7,373</u>

10. RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

The Regional Office of Education #13 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago.

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

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

The State of Illinois makes contributions directly to TRS on behalf of the Regional Office of Education #13's TRS-covered employees.

On-Behalf Contributions to TRS - The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #13. For the year ended June 30, 2011, State of Illinois contributions were based on 23.10 percent of creditable earnings not paid from federal funds, and the Regional Office of Education #13 recognized revenue and expenditures of \$105,116 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2010, and June 30, 2009, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 23.38 percent (\$210,052) and 17.08 percent (\$122,410), respectively.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

10. RETIREMENT FUND COMMITMENTS (Continued)

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

The Regional Office of Education #13 makes other types of employer contributions directly to TRS.

2.2 Formula Contributions – Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2011 were \$1,820. Contributions for the years ended June 30, 2010, and June 30, 2009 were \$4,217 and \$4,157, 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 #13, there is a statutory requirement for the Regional Office of Education #13 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, 2011, the employer pension contribution was 23.10 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2010 and 2009, the employer contribution was 23.38 and 17.08 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2011, salaries totaling \$42,000 were paid from federal and special trust funds that required employer contributions of \$9,702. For the years ended June 30, 2010, and June 30, 2009, required Regional Office of Education #13 contributions were \$2,664 and \$14,552, respectively.

Early Retirement Option (ERO) – The Regional Office of Education #13 is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member.

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

For the years ended June 30, 2011, June 30, 2010, and June 30, 2009, the Regional Office of Education #13 made no payments to TRS for employer contributions under the Early Retirement Option.

Salary Increases Over 6 Percent and Excess Sick Leave – If the Regional Office of Education #13 grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the Regional Office of Education #13 makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

10. RETIREMENT FUND COMMITMENTS (Continued)

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

For the years ended June 30, 2011, June 30, 2010, and June 30, 2009, the Regional Office of Education #13 made no payments for employer contributions to TRS due on salary increases in excess of 6 percent.

If the Regional Office of Education #13 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 #13 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 (18.03 percent of salary during the year ended June 30, 2011, as recertified pursuant to Public Act 96-1511).

For the years ended June 30, 2011, June 30, 2010, and June 30, 2009, the Regional Office of Education #13 made no payments for employer contributions to TRS for sick leave days granted in excess of the normal annual allotment.

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

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

B. Illinois Municipal Retirement Fund

Plan Description – The Regional Office of Education #13'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 #13'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 #13'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 annual required contribution rate for calendar year 2010 was 11.21 percent. The Regional Office of Education #13 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 supplemental retirement benefits rate is set by statute.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

10. RETIREMENT FUND COMMITMENTS (Continued)

B. Illinois Municipal Retirement Fund (Continued)

Annual Pension Cost – The required contribution for calendar year 2010 was \$92,364.

Three-Year Trend Information for the Regular Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2010	\$ 92,364	100%	\$ -
12/31/2009	94,243	100%	-
12/31/2008	91,802	100%	-

The required contribution for 2010 was determined as part of the December 31, 2008, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10.0 percent per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3.0 percent annually. The actuarial value of the Regional Office of Education #13's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20.0 percent corridor between the actuarial and market value of assets. The Regional Office of Education #13's Regular plan's unfunded actuarial accrued liability at December 31, 2008 is being amortized as a level percentage of projected payroll on an open 10 year basis.

Funded Status and Fund Progress – As of December 31, 2010, the most recent actuarial valuation date, the Regular plan was 87.83 percent funded. The actuarial accrued liability for benefits was \$1,872,175 and the actuarial value of assets was \$1,644,343, resulting in an underfunded actuarial accrued liability (UAAL) of \$227,832. The covered payroll for calendar year 2010 (annual payroll of active employees covered by the plan) was \$823,942 and the ratio of the UAAL to the covered payroll was 27.65 percent.

The schedule of funding progress, presented as required supplementary information (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.

C. Social Security

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

11. OTHER POST-EMPLOYMENT BENEFITS

A. Teacher Health Insurance Security

The Regional Office of Education #13 participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants may participate in the state administered participating provider option plan or choose from several managed care options.

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

The percentage of employer required contributions in the future will be determined by the director of HFS 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 of Education #13. State contributions are intended to match contributions to THIS Fund from active members which were 0.88 percent of pay during the year ended June 30, 2011. State of Illinois contributions were \$2,762, and the Regional Office of Education #13 recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the year ended June 30, 2010 were 0.84 percent of pay. State contributions on behalf of Regional Office of Education #13 employees were \$6,104 for the year ended June 30, 2010. Had the Regional Office of Education #13 recognized revenue and expenditures for State contributions intended to match active member contributions during the year ended June 30, 2009, under the current standards, the contribution match would have been 0.84 percent of pay or \$6,060.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

11. OTHER POST-EMPLOYMENT BENEFITS (Continued)

A. Teacher Health Insurance Security (Continued)

Employer contributions to THIS Fund - The Regional Office of Education #13 also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.66 percent during the year ended June 30, 2011, and 0.63 percent during the years ended June 30, 2010, and June 30, 2009. For the year ended June 30, 2011, the Regional Office of Education #13 paid \$2,071 to the THIS Fund. For the years ended June 30, 2010 and June 30, 2009, the Regional Office of Education #13 paid \$4,578 and \$4,515 to the THIS Fund, respectively, which was 100 percent of the required contribution.

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

B. Other Postemployment Benefits

The Regional Office of Education #13 allows employees, who retire through the Regional Office of Education #13's plan disclosed in Note 10B, the option to continue in the Regional Office of Education #13's health insurance plan as required by the Illinois Compiled Statutes, but the retiree pays the full premium for the health insurance. This has not created an implicit subsidy as defined by GASB Statement No. 45 (GASB S-45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* as the Regional Office of Education #13's health insurance plan is considered a community rated plan. In addition, the ROE #13 has no explicit subsidy as defined in GASB S-45.

12. BOND

The Illinois School Code (105 ILCS 5/3-2) directs the Regional Office of Education #13 to execute a bond of not less than \$100,000 on the Regional Superintendent. The Regional Office of Education #13 has secured and maintained such a bond with coverage of \$100,000 on the Regional Superintendent.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

13. INTERFUND RECEIVABLES AND PAYABLES

At June 30, 2011, interfund receivables and payables were as follows:

Due To (Receivable)	Due From (Payable)	Balance at June 30, 2011
General Fund:	Education Fund:	
Safe School Tuition	ROE/ISC Operations	\$ 32,845
Safe School Tuition	Special Education for Infants and Families with Disabilities	16,339
Administrator's Academy	Special Education for Infants and Families with Disabilities	15,512
Conference	Special Education for Infants and Families with Disabilities	5,886
Staff Development	Special Education for Infants and Families with Disabilities	3,757
		74,339
Proprietary Fund:	Education Fund:	
Workshops	ARRA Enhancing Education through Technology	28,027
Workshops	Summer School	388
Workshops	Regional Safe Schools	41,798
Workshops	Regional System of Support Provider	77,389
Workshops	Special Education for Infants and Families with Disabilities	6,897
		154,499
		\$ 228,838

At June 30, 2011, all of the interfund balances consist of loans between individual funds within the same pooled cash account. The loans were used to cover cash shortages in these individual funds.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

14. DEFICIT FUND BALANCES

The following individual funds carried the following deficit balances as of June 30, 2011:

ARRA Enhancing Education through Technology	\$ 33,752
Summer School	\$ 388
Regional Safe Schools	\$ 19,040
Regional System of Support Provider	\$ 508
ROE/ISC Operations	\$ 4,579

The Regional Office of Education #13 intends to reduce these deficits by reducing expenditures in future periods and by collecting revenues not considered “available” at June 30, 2011.

15. SCHEDULE OF TRANSFERS

During the year ended June 30, 2011, interfund transfers were as follows:

Transfers From Other Funds (Transfers In)	Transfers To Other Funds (Transfers Out)
General Fund:	Education Fund:
Special Projects Fund	NBPTS
\$ 1,421	\$ 1,421
Special Projects Fund	Title I Reading First Part B SEA
20	20
General Fund:	Nonmajor Special Revenue Fund:
Special Projects Fund	Institute Fund
1,865	1,865
Education Fund:	General Fund:
ARRA Alternative Education Project	Alternative Education Project
635	635
ARRA Safe School Projects	Safe School Projects
334	334
Gifted Education	Conference
26	26
Title III English Language Learners	Conference
8	8
<u>\$ 4,309</u>	<u>\$ 4,309</u>

The first three transfers were to close out funds no longer being used. NBPTS had unspent funds not required to be returned. Title I Reading First Part B SEA transferred out accumulated unspent interest earnings. The Institute Fund had a sub-account with unrestricted certification fees that was closed. The transfers out of Alternative Education Project and Safe School Projects were to cover excess funds spent in the grant funds. The transfers out of the Conference Fund were to close two funds that had negative cash balances.

The transfer balances between governmental funds were eliminated in the government-wide Statement of Activities.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

16. DUE TO/DUE FROM OTHER GOVERNMENTS

The Regional Office of Education #13's Education Fund, Other Nonmajor Special Revenue Funds, Enterprise Funds, and Fiduciary Fund had funds due from/to various other governmental units which consisted of the following at June 30, 2011:

Due From Other Governments:

Education Fund:

Illinois State Board of Education	\$ 660,845
Department of Human Services	49,099
United States Treasury	3,716
Local school districts	62
	<u>713,722</u>

Other Nonmajor Special Revenue Fund:

Department of Corrections	<u>170</u>
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Technology/Testing Cooperative:

Local school districts	<u>2,531</u>
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\$ 716,423

Fiduciary Fund:

Illinois State Board of Education	<u>\$6,214,176</u>
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Due To Other Governments:

Education Fund:

Illinois State Board of Education	<u>\$ 609,042</u>
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Fiduciary Fund:

Local governments	<u>\$6,214,176</u>
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**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

17. ON-BEHALF PAYMENTS

Clinton, Marion, and Washington Counties provide the Regional Office of Education #13 with staff and pay certain expenditures on behalf of the Regional Office of Education #13. The expenditures paid on the Regional Office of Education #13's behalf for the year ended June 30, 2011, were as follows:

Salaries and benefits	\$ 150,617
Purchased services	16,780
Supplies and materials	<u>10,539</u>
	<u>\$ 177,936</u>

The on-behalf payments are reflected as revenues and expenditures of the General Fund.

The Regional Office of Education #13 also received on-behalf payments for employee salaries and benefits from the State of Illinois for the following items:

Regional Superintendent-salary	\$ 96,435
Regional Superintendent-benefits (includes State paid insurance)	19,600
Assistant Regional Superintendent-salary	86,791
Assistant Regional Superintendent-benefits (includes State paid insurance)	13,027
TRS pension contributions	105,116
THIS post-employment benefit contributions	<u>2,762</u>
	<u>\$ 323,731</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.

The on-behalf payments are reflected as revenues and expenditures of the General Fund.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

NOTES TO FINANCIAL STATEMENTS

18. RECLASSIFICATIONS

Effective July 1, 2010, the Regional Office of Education #13 reclassified Alternative Education Project, Safe School Tuition, Safe School Projects, Administrator’s Academy, Conference, and Staff Development as part of the General Fund. The ROE/ISC Operations Fund was reclassified as part of the Education Fund. This reclassification was due to the implementation of GASB Statement No. 54.

	General Fund	Education Fund
Fund balance at June 30, 2010	\$ 16,402	\$ 610,542
Reclassification adjustment	675,999	(675,999)
Fund balance restated at June 30, 2010	\$ 692,401	\$ (65,457)

**REQUIRED SUPPLEMENTARY INFORMATION
(OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS)**

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

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

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]
12/31/2010	\$ 1,644,343	\$ 1,872,175	\$ 227,832	87.83 %	\$ 823,942	27.65 %
12/31/2009	1,670,557	1,932,967	262,410	86.42 %	884,078	29.68 %
12/31/2008	1,532,456	1,751,147	218,691	87.51 %	884,418	24.73 %

On a market value basis the actuarial value of assets as of December 31, 2010 was \$1,740,290.
On a market basis, the funded ratio would be 92.96 percent.

Digest of Changes:

The actuarial assumptions used to determine the actuarial accrued liability for 2010 are based on the 2006-2008 Experience Study.

SUPPLEMENTAL INFORMATION

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND
June 30, 2011**

	Special Projects	Alternative Education Project	Safe School Tuition	Safe School Projects
ASSETS				
Cash and cash equivalents	\$ 48,024	\$ 361,284	\$ 22,947	\$ 294,333
Due from other funds	-	-	49,184	-
Total assets	<u>\$ 48,024</u>	<u>\$ 361,284</u>	<u>\$ 72,131</u>	<u>\$ 294,333</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Salaries and benefits payable	\$ -	\$ 6,039	\$ 5,382	\$ 3,137
Total liabilities	-	6,039	5,382	3,137
FUND BALANCES				
Assigned	-	355,245	66,749	291,196
Unassigned	48,024	-	-	-
Total fund balances	48,024	355,245	66,749	291,196
Total liabilities and fund balances	<u>\$ 48,024</u>	<u>\$ 361,284</u>	<u>\$ 72,131</u>	<u>\$ 294,333</u>

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND
June 30, 2011**

	<u>Administrator's Academy</u>	<u>Conference</u>	<u>Staff Development</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 726,588
Due from other funds	<u>15,512</u>	<u>5,886</u>	<u>3,757</u>	<u>74,339</u>
Total assets	<u><u>\$ 15,512</u></u>	<u><u>\$ 5,886</u></u>	<u><u>\$ 3,757</u></u>	<u><u>\$ 800,927</u></u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Salaries and benefits payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,558</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,558</u>
FUND BALANCES				
Assigned	15,512	5,886	3,757	738,345
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,024</u>
Total fund balances	<u>15,512</u>	<u>5,886</u>	<u>3,757</u>	<u>786,369</u>
Total liabilities and fund balances	<u><u>\$ 15,512</u></u>	<u><u>\$ 5,886</u></u>	<u><u>\$ 3,757</u></u>	<u><u>\$ 800,927</u></u>

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS
For the year ended June 30, 2011**

	Special Projects	Alternative Education Project	Safe School Tuition	Safe School Projects
Revenues:				
Local sources	\$ 20,224	\$ 683	\$ 70,633	\$ 376
State sources	5,000	121,700	-	174,504
On-behalf payments - local	177,936	-	-	-
On-behalf payments - state	323,731	-	-	-
Interest	1,122	4,626	120	3,935
	<u>528,013</u>	<u>127,009</u>	<u>70,753</u>	<u>178,815</u>
Expenditures:				
Salaries and benefits	-	84,294	67,568	108,838
Purchased services	16,263	14,446	2,628	13,271
Supplies and materials	2,772	12	4,720	-
Other objects	1,710	-	-	-
On-behalf payments - local	177,936	-	-	-
On-behalf payments - state	323,731	-	-	-
	<u>522,412</u>	<u>98,752</u>	<u>74,916</u>	<u>122,109</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,601</u>	<u>28,257</u>	<u>(4,163)</u>	<u>56,706</u>
Other financing sources (uses):				
Transfers in	3,306	-	-	-
Transfers out	-	(635)	-	(334)
	<u>3,306</u>	<u>(635)</u>	<u>-</u>	<u>(334)</u>
Net change in fund balances	8,907	27,622	(4,163)	56,372
Fund balances, beginning of year, restated	<u>39,117</u>	<u>327,623</u>	<u>70,912</u>	<u>234,824</u>
Fund balances, end of year	<u>\$ 48,024</u>	<u>\$ 355,245</u>	<u>\$ 66,749</u>	<u>\$ 291,196</u>

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS
For the year ended June 30, 2011**

	Administrator's Academy	Conference	Staff Development	Total
Revenues:				
Local sources	\$ 10,550	\$ 9,150	\$ 100	\$ 111,716
State sources	-	-	-	301,204
On-behalf payments - local	-	-	-	177,936
On-behalf payments - state	-	-	-	323,731
Interest	196	108	54	10,161
	<u>10,746</u>	<u>9,258</u>	<u>154</u>	<u>924,748</u>
Expenditures:				
Salaries and benefits	-	-	-	260,700
Purchased services	5,972	8,742	-	61,322
Supplies and materials	180	-	-	7,684
Other objects	-	-	-	1,710
On-behalf payments - local	-	-	-	177,936
On-behalf payments - state	-	-	-	323,731
	<u>6,152</u>	<u>8,742</u>	<u>-</u>	<u>833,083</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,594</u>	<u>516</u>	<u>154</u>	<u>91,665</u>
Other financing sources (uses):				
Transfers in	-	-	-	3,306
Transfers out	-	(34)	-	(1,003)
	<u>-</u>	<u>(34)</u>	<u>-</u>	<u>2,303</u>
Net change in fund balances	4,594	482	154	93,968
Fund balances, beginning of year, restated	<u>10,918</u>	<u>5,404</u>	<u>3,603</u>	<u>692,401</u>
Fund balances, end of year	<u>\$ 15,512</u>	<u>\$ 5,886</u>	<u>\$ 3,757</u>	<u>\$ 786,369</u>

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND**

June 30, 2011

	<u>ARRA Alternative Education Project</u>	<u>ARRA Safe School Projects</u>	<u>Truants Alternative/ Optional Education</u>	<u>NBPTS</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 58,883	\$ -
Due from other governments	<u>-</u>	<u>-</u>	<u>96,290</u>	<u>-</u>
Total assets	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 155,173</u></u>	<u><u>\$ -</u></u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	16,832	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deferred revenue	<u>-</u>	<u>-</u>	<u>25,074</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>41,906</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Restricted	-	-	113,267	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>113,267</u>	<u>-</u>
Total liabilities and fund balances	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 155,173</u></u>	<u><u>\$ -</u></u>

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING SCHEDULE OF ACCOUNTS (Continued)
EDUCATION FUND
June 30, 2011**

	Gifted Education	ARRA Enhancing Education Through Technology	Early Childhood Block Grant	Title III English Language Learners
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 278,036	\$ -
Due from other governments	-	-	409,232	-
Total assets	\$ -	\$ -	\$ 687,268	\$ -
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	5,725	-	-
Due to other funds	-	28,027	-	-
Due to other governments	-	-	609,042	-
Deferred revenue	-	-	34,081	-
Total liabilities	-	33,752	643,123	-
FUND BALANCES (DEFICITS)				
Restricted	-	-	44,145	-
Unassigned	-	(33,752)	-	-
Total fund balances	-	(33,752)	44,145	-
Total liabilities and fund balances	\$ -	\$ -	\$ 687,268	\$ -

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING SCHEDULE OF ACCOUNTS (Continued)
EDUCATION FUND
June 30, 2011**

	Title I Reading First Part B SEA Funds	Summer School	Homeless Children/Youth	Regional Safe Schools
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 6,131	\$ -
Due from other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,701</u>
Total assets	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,131</u></u>	<u><u>\$ 47,701</u></u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	16,897
Due to other funds	-	388	-	41,798
Due to other governments	-	-	-	-
Deferred revenue	<u>-</u>	<u>-</u>	<u>6,034</u>	<u>8,046</u>
Total liabilities	<u>-</u>	<u>388</u>	<u>6,034</u>	<u>66,741</u>
FUND BALANCES (DEFICITS)				
Restricted	-	-	97	-
Unassigned	<u>-</u>	<u>(388)</u>	<u>-</u>	<u>(19,040)</u>
Total fund balances	<u>-</u>	<u>(388)</u>	<u>97</u>	<u>(19,040)</u>
Total liabilities and fund balances	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,131</u></u>	<u><u>\$ 47,701</u></u>

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING SCHEDULE OF ACCOUNTS (Continued)
EDUCATION FUND
June 30, 2011**

	Regional System of Support Provider	ROE/ISC Operations	Special Education for Infants and Families with Disabilities	Total
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 343,050
Due from other governments	77,481	33,919	49,099	713,722
Total assets	\$ 77,481	\$ 33,919	\$ 49,099	\$ 1,056,772
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 600	\$ -	\$ -	\$ 600
Salaries and benefits payable	-	-	-	39,454
Due to other funds	77,389	32,845	48,391	228,838
Due to other governments	-	-	-	609,042
Deferred revenue	-	5,653	-	78,888
Total liabilities	77,989	38,498	48,391	956,822
FUND BALANCES (DEFICITS)				
Restricted	-	-	708	158,217
Unassigned	(508)	(4,579)	-	(58,267)
Total fund balances	(508)	(4,579)	708	99,950
Total liabilities and fund balances	\$ 77,481	\$ 33,919	\$ 49,099	\$ 1,056,772

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2011**

	ARRA Alternative Education Project	ARRA Safe School Projects	Truants Alternative/ Optional Education	NBPTS
Revenues:				
Local sources	\$ -	\$ -	\$ 8,380	\$ 1,289
State sources	-	-	161,798	-
Federal sources	11,081	15,889	10,785	-
Interest	-	-	971	17
Total revenues	11,081	15,889	181,934	1,306
Expenditures:				
Salaries and benefits	11,704	16,203	95,954	-
Purchased services	12	20	19,214	-
Supplies and materials	-	-	12,911	-
Capital outlay	-	-	-	-
Payments to other governments	-	-	6,061	-
Total expenditures	11,716	16,223	134,140	-
Excess (deficiency) of revenues over (under) expenditures	(635)	(334)	47,794	1,306
Other financing sources (uses):				
Transfers in	635	334	-	-
Transfers out	-	-	-	(1,421)
Total other financing sources (uses)	635	334	-	(1,421)
Net change in fund balances	-	-	47,794	(115)
Fund balances (deficits), beginning of year, restated	-	-	65,473	115
Fund balances (deficits), end of year	\$ -	\$ -	\$ 113,267	\$ -

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)**

EDUCATION FUND ACCOUNTS

For the year ended June 30, 2011

	Gifted Education	ARRA Enhancing Education Through Technology	Early Childhood Block Grant	Title III English Language Learners
Revenues:				
Local sources	\$ -	\$ -	\$ 8	\$ -
State sources	8,692	-	247,472	-
Federal sources	-	83,548	-	-
Interest	6	100	212	-
Total revenues	8,698	83,648	247,692	-
Expenditures:				
Salaries and benefits	6,819	46,486	110,681	-
Purchased services	432	29,543	15,246	-
Supplies and materials	1,473	10,963	16,083	-
Capital outlay	-	-	-	-
Payments to other governments	-	30,500	-	-
Total expenditures	8,724	117,492	142,010	-
Excess (deficiency) of revenues over (under) expenditures	(26)	(33,844)	105,682	-
Other financing sources (uses):				
Transfers in	26	-	-	8
Transfers out	-	-	-	-
Total other financing sources (uses)	26	-	-	8
Net change in fund balances	-	(33,844)	105,682	8
Fund balances (deficits), beginning of year, restated	-	92	(61,537)	(8)
Fund balances (deficits), end of year	\$ -	\$ (33,752)	\$ 44,145	\$ -

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2011**

	Title I Reading First Part B SEA Funds	Summer School	Homeless Children/Youth	Regional Safe Schools
Revenues:				
Local sources	\$ -	\$ 4,700	\$ 98	\$ 745
State sources	-	-	-	133,437
Federal sources	8,644	-	14,965	-
Interest	3	-	82	178
Total revenues	8,647	4,700	15,145	134,360
Expenditures:				
Salaries and benefits	-	5,648	6,877	69,682
Purchased services	1,721	88	5,457	17,378
Supplies and materials	1,034	-	2,714	3,579
Capital outlay	-	-	-	-
Payments to other governments	5,872	-	-	5,481
Total expenditures	8,627	5,736	15,048	96,120
Excess (deficiency) of revenues over (under) expenditures	20	(1,036)	97	38,240
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(20)	-	-	-
Total other financing sources (uses)	(20)	-	-	-
Net change in fund balances	-	(1,036)	97	38,240
Fund balances (deficits), beginning of year, restated	-	648	-	(57,280)
Fund balances (deficits), end of year	\$ -	\$ (388)	\$ 97	\$ (19,040)

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2011**

	Regional System of Support Provider	ROE/ISC Operations	Special Education for Infants and Families with Disabilities	Total
Revenues:				
Local sources	\$ -	\$ -	\$ 224	\$ 15,444
State sources	-	75,779	457,514	1,084,692
Federal sources	139,886	-	117,086	401,884
Interest	6	37	32	1,644
Total revenues	139,892	75,816	574,856	1,503,664
Expenditures:				
Salaries and benefits	91,085	54,072	480,278	995,489
Purchased services	27,099	2,900	97,855	216,965
Supplies and materials	3,708	708	3,778	56,951
Capital outlay	-	-	2,500	2,500
Payments to other governments	18,000	-	-	65,914
Total expenditures	139,892	57,680	584,411	1,337,819
Excess (deficiency) of revenues over (under) expenditures	-	18,136	(9,555)	165,845
Other financing sources (uses):				
Transfers in	-	-	-	1,003
Transfers out	-	-	-	(1,441)
Total other financing sources (uses)	-	-	-	(438)
Net change in fund balances	-	18,136	(9,555)	165,407
Fund balances (deficits), beginning of year, restated	(508)	(22,715)	10,263	(65,457)
Fund balances (deficits), end of year	\$ (508)	\$ (4,579)	\$ 708	\$ 99,950

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TRUANTS ALTERNATIVE/OPTIONAL EDUCATION #10-3695-00
For the year ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources	\$ -	\$ -	\$ 29	\$ 29
State sources	<u>159,718</u>	<u>159,718</u>	<u>58,134</u>	<u>(101,584)</u>
Total revenues	<u>159,718</u>	<u>159,718</u>	<u>58,163</u>	<u>(101,555)</u>
Expenditures:				
Salaries and benefits	115,665	112,165	17,070	95,095
Purchased services	34,953	34,953	228	34,725
Supplies and materials	<u>9,100</u>	<u>12,600</u>	<u>-</u>	<u>12,600</u>
Total expenditures	<u>159,718</u>	<u>159,718</u>	<u>17,298</u>	<u>142,420</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	40,865	<u>\$ 40,865</u>
Fund balance, beginning of year			<u>65,473</u>	
Fund balance, July 1, 2010			<u>\$ 106,338</u>	

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TRUANTS ALTERNATIVE/OPTIONAL EDUCATION #11-3695-00
For the year ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources	\$ -	\$ -	\$ 8,351	\$ 8,351
State sources	128,238	128,238	103,664	(24,574)
Federal sources	-	-	10,785	10,785
Interest	-	-	971	971
	<u>128,238</u>	<u>128,238</u>	<u>123,771</u>	<u>(4,467)</u>
Total revenues				
Expenditures:				
Salaries and benefits	95,175	95,175	78,884	16,291
Purchased services	18,875	18,875	18,986	(111)
Supplies and materials	8,188	8,188	12,911	(4,723)
Payments to other governments	6,000	6,000	6,061	(61)
	<u>128,238</u>	<u>128,238</u>	<u>116,842</u>	<u>11,396</u>
Total expenditures				
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	6,929	<u>\$ 6,929</u>
Fund balance, July 1, 2010			<u>106,338</u>	
Fund balance, end of year			<u>\$ 113,267</u>	

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
GIFTED EDUCATION #09-3350-00
For the year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
State sources	\$ 72,178	\$ 72,178	\$ 8,692	\$ (63,486)
Interest	-	-	6	6
Total revenues	<u>72,178</u>	<u>72,178</u>	<u>8,698</u>	<u>(63,480)</u>
Expenditures:				
Salaries and benefits	38,300	34,300	6,819	27,481
Purchased services	13,570	31,420	432	30,988
Supplies and materials	20,308	6,458	1,473	4,985
Total expenditures	<u>72,178</u>	<u>72,178</u>	<u>8,724</u>	<u>63,454</u>
Deficiency of revenues under expenditures	<u>\$ -</u>	<u>\$ -</u>	(26)	<u>\$ (26)</u>
Other financing sources:				
Transfers in			<u>26</u>	
Net change in fund balance			-	
Fund balance, beginning of year			<u>-</u>	
Fund balance, end of year			<u>\$ -</u>	

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ARRA-ENHANCING EDUCATION THROUGH TECHNOLOGY #11-4861-00
For the year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Federal sources	\$ 120,495	\$ 120,495	\$ 83,548	\$ (36,947)
Interest	-	-	100	100
Total revenues	<u>120,495</u>	<u>120,495</u>	<u>83,648</u>	<u>(36,847)</u>
Expenditures:				
Salaries and benefits	46,954	46,954	46,486	468
Purchased services	30,450	29,950	29,543	407
Supplies and materials	7,591	12,591	10,963	1,628
Payments to other governments	35,500	31,000	30,500	500
Total expenditures	<u>120,495</u>	<u>120,495</u>	<u>117,492</u>	<u>3,003</u>
Deficiency of revenues under expenditures	<u>\$ -</u>	<u>\$ -</u>	(33,844)	<u>\$ (33,844)</u>
Fund balance, beginning of year			<u>92</u>	
Fund balance (deficit), end of year			<u><u>\$ (33,752)</u></u>	

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
EARLY CHILDHOOD - BLOCK GRANT #10-3705-00
For the year ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources	<u>\$ 743,455</u>	<u>\$ 743,455</u>	<u>\$ 214,735</u>	<u>\$(528,720)</u>
Expenditures:				
Salaries and benefits	661,611	631,611	96,948	534,663
Purchased services	54,351	54,351	1,954	52,397
Supplies and materials	19,993	49,993	10,159	39,834
Payments to other governments	<u>7,500</u>	<u>7,500</u>	<u>-</u>	<u>7,500</u>
Total expenditures	<u>743,455</u>	<u>743,455</u>	<u>109,061</u>	<u>634,394</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	105,674	<u>\$ 105,674</u>
Fund balance (deficit), beginning of year			<u>(61,537)</u>	
Fund balance, July 1, 2010			<u>\$ 44,137</u>	

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
EARLY CHILDHOOD - BLOCK GRANT #11-3705-00
For the year ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final Budget
Revenues:				
Local sources	\$ -	\$ -	\$ 8	\$ 8
State sources	743,455	66,818	32,737	(34,081)
Interest	-	-	212	212
	743,455	66,818	32,957	(33,861)
Total revenues				
	743,455	66,818	32,949	33,869
Expenditures:				
Salaries and benefits	661,611	39,138	13,733	25,405
Purchased services	54,351	21,756	13,292	8,464
Supplies and materials	19,993	5,924	5,924	-
Payments to other governments	7,500	-	-	-
	743,455	66,818	32,949	33,869
Total expenditures				
	743,455	66,818	32,949	33,869
Excess of revenues over expenditures	\$ -	\$ -	8	\$ 8
Fund balance, July 1, 2010			44,137	
Fund balance, end of year			\$ 44,145	

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TITLE I READING FIRST PART B SEA FUNDS #10-4337-00
For the year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Federal sources	\$ 40,226	\$ 40,226	\$ 8,644	\$ (31,582)
Interest	-	-	3	3
Total revenues	<u>40,226</u>	<u>40,226</u>	<u>8,647</u>	<u>(31,579)</u>
Expenditures:				
Salaries and benefits	1,893	1,893	-	1,893
Purchased services	30,448	30,448	1,721	28,727
Supplies and materials	1,320	1,320	1,034	286
Payments to other governments	<u>6,565</u>	<u>6,565</u>	<u>5,872</u>	<u>693</u>
Total expenditures	<u>40,226</u>	<u>40,226</u>	<u>8,627</u>	<u>31,599</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	20	<u>\$ 20</u>
Other financing uses:				
Transfers out			<u>(20)</u>	
Net change in fund balance			-	
Fund balance, beginning of year			<u>-</u>	
Fund balance, end of year			<u>\$ -</u>	

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS #10-3696-00
For the year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Local sources	\$ -	\$ -	\$ 62	\$ 62
State sources	139,334	139,334	55,736	(83,598)
Total revenues	<u>139,334</u>	<u>139,334</u>	<u>55,798</u>	<u>(83,536)</u>
Expenditures:				
Salaries and benefits	113,751	113,751	18,241	95,510
Purchased services	24,500	24,500	-	24,500
Supplies and materials	1,083	1,083	-	1,083
Total expenditures	<u>139,334</u>	<u>139,334</u>	<u>18,241</u>	<u>121,093</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	37,557	<u>\$ 37,557</u>
Fund balance (deficit), beginning of year			<u>(57,280)</u>	
Fund balance (deficit), July 1, 2010			<u>\$ (19,723)</u>	

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS #11-3696-00
For the year ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final Budget
Revenues:				
Local sources	\$ -	\$ -	\$ 683	\$ 683
State sources	85,747	85,747	77,701	(8,046)
Interest	-	-	178	178
	<u>85,747</u>	<u>85,747</u>	<u>78,562</u>	<u>(7,185)</u>
Total revenues				
Expenditures:				
Salaries and benefits	64,522	64,522	51,441	13,081
Purchased services	15,225	15,225	17,378	(2,153)
Supplies and materials	1,000	1,000	3,579	(2,579)
Payments to other governments	5,000	5,000	5,481	(481)
	<u>85,747</u>	<u>85,747</u>	<u>77,879</u>	<u>7,868</u>
Total expenditures				
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	683	<u>\$ 683</u>
Fund balance (deficit), July 1, 2010			<u>(19,723)</u>	
Fund balance (deficit), end of year			<u>\$ (19,040)</u>	

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS**

ARRA - TITLE I - SCHOOL IMPROVEMENT & ACCOUNTABILITY #11-4854-00

For the year ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources	\$140,000	\$140,000	\$ 139,886	\$ (114)
Interest	-	-	6	6
	<u>140,000</u>	<u>140,000</u>	<u>139,892</u>	<u>(108)</u>
Total revenues				
Expenditures:				
Salaries and benefits	90,692	90,692	91,085	(393)
Purchased services	1,800	27,600	27,099	501
Supplies and materials	1,026	3,708	3,708	-
Payments to other governments	46,482	18,000	18,000	-
	<u>140,000</u>	<u>140,000</u>	<u>139,892</u>	<u>108</u>
Total expenditures				
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance (deficit), beginning of year			<u>(508)</u>	
Fund balance (deficit), end of year			<u>\$ (508)</u>	

Note: This grant is accounted for in the Regional System of Support Provider Fund.

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ROE/ISC OPERATIONS - PROJECT #10-3730-00
For the year ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources	<u>\$ 62,161</u>	<u>\$ 62,161</u>	<u>\$ 24,901</u>	<u>\$ (37,260)</u>
Total revenues	<u>62,161</u>	<u>62,161</u>	<u>24,901</u>	<u>(37,260)</u>
Expenditures:				
Salaries and benefits	56,820	56,820	-	56,820
Purchased services	4,250	4,250	127	4,123
Supplies and materials	<u>1,091</u>	<u>1,091</u>	<u>-</u>	<u>1,091</u>
Total expenditures	<u>62,161</u>	<u>62,161</u>	<u>127</u>	<u>62,034</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	24,774	<u>\$ 24,774</u>
Fund balance (deficit), beginning of year			<u>(22,715)</u>	
Fund balance, July 1, 2010			<u>\$ 2,059</u>	

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ROE/ISC OPERATIONS - PROJECT #11-3730-00
For the year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
State sources	\$ 31,130	\$ 56,531	\$ 50,878	\$ (5,653)
Interest	-	-	37	37
Total revenues	<u>31,130</u>	<u>56,531</u>	<u>50,915</u>	<u>(5,616)</u>
Expenditures:				
Salaries and benefits	29,086	53,228	54,072	(844)
Purchased services	1,795	2,725	2,773	(48)
Supplies and materials	249	578	708	(130)
Total expenditures	<u>31,130</u>	<u>56,531</u>	<u>57,553</u>	<u>(1,022)</u>
Deficiency of revenues under expenditures	<u>\$ -</u>	<u>\$ -</u>	(6,638)	<u>\$ (6,638)</u>
Fund balance, July 1, 2010			<u>2,059</u>	
Fund balance (deficit), end of year			<u>\$ (4,579)</u>	

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2011**

	Institute	General Education Development	ROE School Bus Driver Training
ASSETS			
Cash and cash equivalents	\$ 79,683	\$ 13,058	\$ 2,728
Due from other governments	-	170	-
	<u>\$ 79,683</u>	<u>\$ 13,228</u>	<u>\$ 2,728</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES	\$ -	\$ -	\$ -
FUND BALANCES			
Restricted	<u>79,683</u>	<u>13,228</u>	<u>2,728</u>
Total liabilities and fund balances	<u>\$ 79,683</u>	<u>\$ 13,228</u>	<u>\$ 2,728</u>

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING BALANCE SHEET (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2011**

	Supervisory	Total
ASSETS		
Cash and cash equivalents	\$ 1,704	\$ 97,173
Due from other governments	-	170
	\$ 1,704	\$ 97,343
LIABILITIES AND FUND BALANCES		
LIABILITIES	\$ -	\$ -
FUND BALANCES		
Restricted	1,704	97,343
	\$ 1,704	\$ 97,343

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the year ended June 30, 2011**

	<u>Institute</u>	<u>General Education Development</u>	<u>ROE School Bus Driver Training</u>
Revenues:			
Local sources	\$ 29,415	\$ 15,565	\$ 2,088
State sources	-	-	1,009
Interest	1,008	171	39
Total revenues	<u>30,423</u>	<u>15,736</u>	<u>3,136</u>
Expenditures:			
Salaries and benefits	20,817	3,771	1,786
Purchased services	9,551	5,793	1,641
Supplies and materials	3,957	4,597	165
Total expenditures	<u>34,325</u>	<u>14,161</u>	<u>3,592</u>
Excess (deficiency) of revenues over (under) expenditures	(3,902)	1,575	(456)
Other financing uses:			
Transfers out	(1,865)	-	-
Net changes in fund balances	(5,767)	1,575	(456)
Fund balance, beginning of year	<u>85,450</u>	<u>11,653</u>	<u>3,184</u>
Fund balance, end of year	<u><u>\$ 79,683</u></u>	<u><u>\$ 13,228</u></u>	<u><u>\$ 2,728</u></u>

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
For the year ended June 30, 2011**

	Supervisory	Total
Revenues:		
Local sources	\$ -	\$ 47,068
State sources	-	1,009
Interest	27	1,245
	27	1,245
Total revenues	27	49,322
Expenditures:		
Salaries and benefits	-	26,374
Purchased services	571	17,556
Supplies and materials	-	8,719
	-	8,719
Total expenditures	571	52,649
Excess (deficiency) of revenues over (under) expenditures	(544)	(3,327)
Other financing uses:		
Transfers out	-	(1,865)
	-	(1,865)
Net changes in fund balances	(544)	(5,192)
Fund balance, beginning of year	2,248	102,535
Fund balance, end of year	\$ 1,704	\$ 97,343

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND**

For the year ended June 30, 2011

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2011</u>
<u>DISTRIBUTIVE FUND</u>				
ASSETS				
Cash and cash equivalents	\$ -	\$ 86,343,898	\$ 86,343,898	\$ -
Due from other governments	8,899,583	6,214,176	8,899,583	6,214,176
Total assets	<u>\$ 8,899,583</u>	<u>\$ 92,558,074</u>	<u>\$ 95,243,481</u>	<u>\$ 6,214,176</u>
LIABILITIES				
Due to other governments	<u>\$ 8,899,583</u>	<u>\$ 92,558,074</u>	<u>\$ 95,243,481</u>	<u>\$ 6,214,176</u>

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT
TREASURERS AND OTHER ENTITIES
DISTRIBUTIVE FUND
For the year ended June 30, 2011**

	Carlyle Community Unit #1	Wesclin Community Unit #3	Breese Community Unit #12	St. Rose Community Unit #14-15	Aviston Community Unit #21	Willow Grove Community Unit #46
General State Aid	\$ 3,604,830	\$ 4,283,873	\$ 1,280,132	\$ 524,235	\$ 1,083,906	\$ 754,237
Reorg. Incentive - Feasibility Study	-	-	-	-	-	-
Special Ed. Private Fac. Tuition	-	34,377	8,045	-	-	-
Special Ed. Extraordinary	222,972	229,607	123,587	27,610	55,065	40,084
Special Ed.-Personnel	221,557	185,335	111,316	16,719	35,401	32,072
Special Ed.-Orphanage-Individual	49,765	65,150	-	-	3,503	3,503
Special Ed.-Orphanage-Summer Ind	-	-	-	-	-	-
Special Ed.-Summer School	-	-	108	-	-	-
V.E.-Career & Tech Ed. Impr.	-	-	-	-	-	-
Agriculture Education	-	-	-	-	-	-
State Free Lunch and Breakfast	10,897	6,148	4,256	210	527	2,107
School Breakfast Incentive	113	24	-	-	-	62
Driver Education	23,917	26,282	-	-	-	-
Transportation Regular	305,242	130,263	157,289	36,529	61,462	62,853
Transportation-Special Ed.	148,546	85,748	4,816	173	10,920	16,454
ROE School Bus Driver Training	-	-	-	-	-	-
National Board Certification Initiatives	12,323	-	-	8,802	-	-
Truant Alternative/Optional Ed.	-	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-	-
Early Childhood-Block Grant	-	269,529	95,921	74,532	109,410	-
Reading Improvement-Block Grant	17,988	16,836	11,530	4,223	5,426	4,188
ROE/ISC-Operations	-	-	-	-	-	-
ADA Safety & Ed. Block Grant	5,305	5,837	2,741	758	1,395	662
Arts Education and Foreign Language	-	-	-	-	-	-
Rural Education Initiative	-	-	-	-	-	-
National School Lunch Program	168,478	135,210	87,787	11,938	27,046	41,552
Special Milk Program	-	-	-	-	-	-
School Breakfast Program	40,071	28,387	26,120	-	-	16,708
Fresh Fruits and Vegetables	-	-	-	-	-	-
NLSP Equipment Assistance Grant	-	-	-	-	-	-
Title I Low Income	183,887	87,177	49,412	50,177	602	48,935
Title I Low Income-Negl	-	-	-	-	-	-
Reading First Part B SEA	-	-	-	-	-	-
Title IV Safe and Drug Free Sch.	1,023	-	-	-	-	-
Fed. Special Ed. Pre-School Flow	-	-	-	-	-	-
Fed. Special Ed. IDEA Flow Through	-	-	-	-	-	-
Special Ed. IDEA Room and Board	2,081	4,454	1,577	124	185	87
V.E. Perkins-Title II C Secondary	-	-	-	-	-	-
ARRA-Title I-Low Income	31,271	20,408	6,311	2,306	1,230	1,575
ARRA-Title I-Low Income-Negl Priv	-	-	-	-	-	-
ARRA-Title I-School Imprv & Acct	-	-	-	-	-	-
ARRA-Fed Special Ed. Pre-School	-	-	-	-	-	-
ARRA-Fed Special Ed. IDEA Flow	-	-	-	-	-	-
ARRA-Technology Enhancing	-	-	-	-	-	-
ARRA-Education Jobs Program	328,219	390,046	116,556	31,991	98,690	68,673
Title II Teacher Quality	27,489	41,915	20,656	7,451	6,517	7,436
Technology Literacy Challenge	-	-	-	-	-	-
TOTAL	\$ 5,405,974	\$ 6,046,606	\$ 2,108,160	\$ 797,778	\$ 1,501,285	\$ 1,101,188

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT
TREASURERS AND OTHER ENTITIES (Continued)**

DISTRIBUTIVE FUND

For the year ended June 30, 2011

	Bartelso Community Unit #57	Germantown Community Unit #60	Damiansville Community Unit #62	Albers Community Unit #63	Central Community Unity #71	North Wamac Community Unit #186
General State Aid	\$ 436,887	\$ 844,068	\$ 349,748	\$ 517,906	\$ 842,933	\$ 628,371
Reorg. Incentive - Feasibility Study	-	-	-	-	-	-
Special Ed. Private Fac. Tuition	17,327	-	-	-	18,514	-
Special Ed. Extraordinary	22,967	41,790	20,129	26,206	100,698	24,972
Special Ed. - Personnel	10,750	28,770	3,308	12,800	70,491	28,400
Special Ed. - Orphanage - Individual	7,007	-	-	-	-	-
Special Ed.-Orphanage-Summer Ind	-	-	-	-	-	-
Special Ed. - Summer School	465	-	-	-	-	-
V.E.-Career & Tech Ed. Impr.	-	-	-	-	-	-
Agriculture Education	-	-	-	-	-	-
State Free Lunch and Breakfast	45	582	283	340	1,261	2,213
School Breakfast Incentive	-	-	-	-	10	3
Driver Education	-	-	-	-	63,569	-
Transportation Regular	26,803	22,355	14,058	38,986	241,416	20,944
Transportation - Special Ed.	24,200	2,130	10,384	2,694	170,050	4,341
ROE School Bus Driver Training	-	-	-	-	-	-
National Board Certification Initiatives	-	-	-	-	1,760	-
Truant Alternative/Optional Ed.	-	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-	-
Early Childhood - Block Grant	-	29,784	-	96,000	-	-
Reading Improvement-Block Grant	2,175	8,695	-	3,330	-	2,716
ROE/ISC - Operations	-	-	-	-	-	-
ADA Safety & Ed. Block Grant	636	1,095	473	703	2,598	535
Arts Education and Foreign Language	-	-	-	-	-	-
Rural Education Initiative	-	-	-	-	-	-
National School Lunch Program	6,318	25,597	13,019	17,290	53,197	41,472
Special Milk Program	-	-	-	-	-	-
School Breakfast Program	-	-	-	-	7,670	17,367
Fresh Fruits and Vegetables	-	-	-	-	-	4,471
NLSP Equipment Assistance Grant	-	-	-	-	-	-
Title I Low Income	-	-	-	15,373	55,544	29,480
Title I Low Income-Negl	-	-	-	-	-	-
Reading First Part B SEA	-	-	-	-	-	-
Title IV Safe and Drug Free Sch.	104	-	-	360	1,070	-
Fed. Special Ed. Pre-School Flow	-	-	-	-	-	-
Fed. Special Ed. IDEA Flow Through	-	-	-	-	-	-
Special Ed. IDEA Room and Board	1,124	-	-	-	165	-
V.E. Perkins-Title II C Secondary	-	-	-	-	-	-
ARRA - Title I - Low Income	-	-	-	3,076	11,611	-
ARRA-Title I-Low Income-Negl Priv	-	-	-	-	-	-
ARRA-Title I-School Imprv & Acct	-	-	-	-	-	-
ARRA - Fed Special Ed. Pre-School	-	-	-	-	-	-
ARRA - Fed Special Ed. IDEA Flow	-	-	-	-	-	-
ARRA - Technology Enhancing	-	-	-	-	-	-
ARRA-Education Jobs Program	36,552	76,852	31,844	11,593	76,749	57,213
Title II Teacher Quality	13,061	15,129	6,392	3,317	25,119	9,973
Technology Literacy Challenge	-	64	-	142	-	-
TOTAL	<u>\$ 606,421</u>	<u>\$ 1,096,911</u>	<u>\$ 449,638</u>	<u>\$ 750,116</u>	<u>\$ 1,744,425</u>	<u>\$ 872,471</u>

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT
TREASURERS AND OTHER ENTITIES (Continued)
DISTRIBUTIVE FUND
For the year ended June 30, 2011**

	Raccoon Cons Community Unit #1	Kell Cons Community Unit #2	Iuka Community Unit #7	Selmaville Community Unit #10	Patoka Community Unit #100
General State Aid	\$ 1,124,603	\$ 534,122	\$ 1,236,731	\$ 820,997	\$ 547,495
Reorg. Incentive - Feasibility Study	-	-	-	-	-
Special Ed. Private Fac. Tuition	-	-	-	-	-
Special Ed. Extraordinary	47,622	20,633	46,520	42,603	52,982
Special Ed. - Personnel	43,724	15,408	41,232	28,254	24,340
Special Ed. - Orphanage - Individual	35,754	3,929	3,503	3,503	12,359
Special Ed.-Orphanage-Summer Ind	-	-	-	-	-
Special Ed. - Summer School	-	-	-	-	216
V.E.-Career & Tech Ed. Impr.	-	-	-	-	-
Agriculture Education	-	-	-	-	-
State Free Lunch and Breakfast	2,585	733	3,058	1,724	2,910
School Breakfast Incentive	9	5	44	24	7
Driver Education	-	-	-	-	4,101
Transportation Regular	127,883	52,915	208,160	83,130	178,373
Transportation - Special Ed.	42,790	11,117	14,547	12,300	31,208
ROE School Bus Driver Training	-	-	-	-	-
National Board Certification Initiatives	1,760	-	-	-	-
Truant Alternative/Optional Ed.	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-
Early Childhood - Block Grant	-	-	-	-	-
Reading Improvement-Block Grant	5,762	2,753	5,189	4,779	3,925
ROE/ISC - Operations	-	-	-	-	-
ADA Safety & Ed. Block Grant	1,070	525	1,055	1,044	1,161
Arts Education and Foreign Language	-	-	-	-	-
Rural Education Initiative	-	-	-	-	-
National School Lunch Program	48,756	18,518	54,806	37,473	53,730
Special Milk Program	-	-	-	-	-
School Breakfast Program	24,471	6,794	21,798	14,456	19,157
Fresh Fruits and Vegetables	-	-	-	-	2,632
NLSP Equipment Assistance Grant	-	-	9,976	-	-
Title I Low Income	51,521	34,358	29,262	25,252	37,387
Title I Low Income-Negl	-	-	-	-	-
Reading First Part B SEA	-	-	-	-	-
Title IV Safe and Drug Free Sch.	39	-	-	-	-
Fed. Special Ed. Pre-School Flow	-	-	-	-	-
Fed. Special Ed. IDEA Flow Through	-	-	-	-	-
Special Ed. IDEA Room and Board	-	-	152	-	308
V.E. Perkins-Title II C Secondary	-	-	-	-	-
ARRA - Title I - Low Income	4,050	2,992	-	-	4,633
ARRA-Title I-Low Income-Negl Priv	-	-	-	-	-
ARRA-Title I-School Imprv & Acct	-	-	-	-	-
ARRA - Fed Special Ed. Pre-School	-	-	-	-	-
ARRA - Fed Special Ed. IDEA Flow	-	-	-	-	-
ARRA - Technology Enhancing	-	-	-	-	-
ARRA-Education Jobs Program	89,096	48,632	112,604	74,752	49,849
Title II Teacher Quality	18,202	2,012	14,992	12,796	19,385
Technology Literacy Challenge	-	-	-	-	-
TOTAL	\$ 1,669,697	\$ 755,446	\$ 1,803,629	\$ 1,163,087	\$ 1,046,158

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT
TREASURERS AND OTHER ENTITIES (Continued)**

DISTRIBUTIVE FUND

For the year ended June 30, 2011

	Salem Community Unit #111	Odin Community Unit #122	Central City Community Unit #133	Centralia Community Unit #135	Centralia High Community Unit #200
General State Aid	\$ 4,393,058	\$ 1,087,989	\$ 1,093,951	\$ 6,635,838	\$ 4,493,869
Reorg. Incentive - Feasibility Study	-	-	-	-	-
Special Ed. Private Fac. Tuition	-	-	-	-	-
Special Ed. Extraordinary	193,193	41,328	43,308	282,958	203,397
Special Ed. - Personnel	159,122	29,874	51,405	268,203	153,742
Special Ed. - Orphanage - Individual	36,482	9,469	15,709	39,994	629,778
Special Ed.-Orphanage-Summer Ind	-	-	-	-	-
Special Ed. - Summer School	2,929	-	-	1,123	4,375
V.E.-Career & Tech Ed. Impr.	-	-	-	-	-
Agriculture Education	-	-	-	-	-
State Free Lunch and Breakfast	16,107	2,133	1,961	26,630	10,854
School Breakfast Incentive	161	2	-	51	161
Driver Education	-	-	-	-	62,163
Transportation Regular	316,096	59,756	38,266	390,240	254,472
Transportation - Special Ed.	81,764	3,069	1,780	200,021	14,957
ROE School Bus Driver Training	-	-	-	-	-
National Board Certification Initiatives	-	-	-	1,760	5,282
Truant Alternative/Optional Ed.	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-
Early Childhood - Block Grant	-	95,150	-	-	-
Reading Improvement-Block Grant	23,149	5,682	6,021	38,183	-
ROE/ISC - Operations	-	-	-	-	-
ADA Safety & Ed. Block Grant	4,252	931	973	5,621	4,476
Arts Education and Foreign Language	-	-	-	-	-
Rural Education Initiative	-	-	-	25,000	24,860
National School Lunch Program	236,699	52,631	51,261	399,994	143,855
Special Milk Program	-	-	-	518	-
School Breakfast Program	82,461	14,288	13,398	134,132	56,731
Fresh Fruits and Vegetables	-	7,605	43	43,557	-
NLSP Equipment Assistance Grant	-	-	13,824	17,046	-
Title I Low Income	269,991	81,471	127,355	464,973	316,627
Title I Low Income-Negl	-	-	-	25,593	-
Reading First Part B SEA	-	-	-	-	-
Title IV Safe and Drug Free Sch.	-	-	-	-	-
Fed. Special Ed. Pre-School Flow	-	-	-	-	-
Fed. Special Ed. IDEA Flow Through	-	-	-	-	-
Special Ed. IDEA Room and Board	42	-	259	2,336	-
V.E. Perkins-Title II C Secondary	-	-	-	-	-
ARRA - Title I - Low Income	60,480	4,832	5,216	139,109	25,000
ARRA-Title I-Low Income-Negl Priv	-	-	-	15,267	-
ARRA-Title I-School Imprv & Acct	-	-	-	-	-
ARRA - Fed Special Ed. Pre-School	-	-	-	-	-
ARRA - Fed Special Ed. IDEA Flow	-	-	-	-	-
ARRA - Technology Enhancing	-	-	-	-	-
ARRA-Education Jobs Program	399,732	99,061	99,604	31,110	409,167
Title II Teacher Quality	76,221	12,616	24,955	120,523	63,576
Technology Literacy Challenge	-	-	1	32	-
TOTAL	\$ 6,351,939	\$ 1,607,887	\$ 1,589,290	\$ 9,309,812	\$ 6,877,342

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT
TREASURERS AND OTHER ENTITIES (Continued)**

DISTRIBUTIVE FUND

For the year ended June 30, 2011

	South Central Community Unit #401	Sandoval Community Unit #501	Salem Community Unit #600	Odin Community Unit #700	Oakdale Community Unit #1
General State Aid	\$ 2,856,078	\$ 2,690,771	\$ 3,435,364	\$ 432,251	\$ 328,328
Reorg. Incentive - Feasibility Study	-	-	-	-	-
Special Ed. Private Fac. Tuition	-	-	33,635	-	-
Special Ed. Extraordinary	134,430	103,678	154,407	17,037	15,343
Special Ed. - Personnel	144,433	114,544	99,490	17,985	17,799
Special Ed. - Orphanage - Individual	24,141	14,085	-	-	1,554
Special Ed.-Orphanage-Summer Ind	-	-	-	-	-
Special Ed. - Summer School	-	-	2,224	-	-
V.E.-Career & Tech Ed. Impr.	-	-	-	-	-
Agriculture Educatiom	-	-	-	-	-
State Free Lunch and Breakfast	11,438	10,559	5,428	375	390
School Breakfast Incentive	52	53	-	3	12
Driver Education	12,086	9,376	57,493	4,964	-
Transportation Regular	345,574	249,510	119,837	12,779	61,585
Transportation - Special Ed.	91,648	13,382	43,705	1,226	11,300
ROE School Bus Driver Training	-	-	-	-	-
National Board Certification Initiatives	-	1,761	-	-	-
Truant Alternative/Optional Ed.	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-
Early Childhood - Block Grant	-	100,248	-	-	-
Reading Improvement-Block Grant	11,512	9,733	-	-	1,683
ROE/ISC - Operations	-	-	-	-	-
ADA Safety & Ed. Block Grant	3,026	2,126	3,626	394	375
Arts Education and Foreign Language	-	-	49,816	-	-
Rural Education Initiative	-	-	-	-	-
National School Lunch Program	159,053	104,028	126,533	9,191	11,588
Special Milk Program	-	290	-	-	-
School Breakfast Program	48,204	35,347	18,421	2,897	4,746
Fresh Fruits and Vegetables	18,067	4,108	-	-	-
NLSP Equipment Assistance Grant	-	-	-	-	-
Title I Low Income	230,529	180,929	150,052	24,791	7,144
Title I Low Income-Negl	-	-	-	-	-
Reading First Part B SEA	-	-	-	-	-
Title IV Safe and Drug Free Sch.	142	1	-	-	-
Fed. Special Ed. Pre-School Flow	-	-	-	-	-
Fed. Special Ed. IDEA Flow Through	-	-	-	-	-
Special Ed. IDEA Room and Board	-	511	228	-	-
V.E. Perkins-Title II C Secondary	-	-	-	-	-
ARRA - Title I - Low Income	69,156	-	4,749	444	-
ARRA-Title I-Low Income-Negl Priv	-	-	-	-	-
ARRA-Title I-School Imprv & Acct	-	-	-	-	-
ARRA - Fed Special Ed. Pre-School	-	-	-	-	-
ARRA - Fed Special Ed. IDEA Flow	-	-	-	-	-
ARRA - Technology Enhancing	-	-	-	-	-
ARRA-Education Jobs Program	260,046	244,995	312,790	39,434	29,894
Title II Teacher Quality	50,810	49,661	36,457	4,721	2,583
Technology Literacy Challenge	418	-	1,291	-	-
TOTAL	\$ 4,470,843	\$ 3,939,696	\$ 4,655,546	\$ 568,492	\$ 494,324

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT
TREASURERS AND OTHER ENTITIES (Continued)
DISTRIBUTIVE FUND
For the year ended June 30, 2011**

	West Washington Co. Community Unit #10	Irvington Community Unit #11	Ashley Community Unit #15	Hoyleton Cons Community Unit #29	Nashville Community Unit #49
General State Aid	\$ 1,567,313	\$ 325,222	\$ 486,755	\$ 161,103	\$ 1,101,391
Reorg. Incentive - Feasibility Study	-	-	-	-	-
Special Ed. Private Fac. Tuition	-	-	-	-	-
Special Ed. Extraordinary	95,658	17,390	26,037	13,570	94,285
Special Ed. - Personnel	56,131	15,920	21,470	17,928	79,305
Special Ed. - Orphanage - Individual	-	3,503	-	-	-
Special Ed.-Orphanage-Summer Ind	-	-	-	-	-
Special Ed. - Summer School	-	-	-	-	-
V.E.-Career & Tech Ed. Impr.	-	-	-	-	-
Agriculture Education	-	-	-	-	-
State Free Lunch and Breakfast	1,387	803	1,924	553	4,502
School Breakfast Incentive	-	17	18	19	1
Driver Education	9,817	-	-	-	-
Transportation Regular	197,548	35,442	75,326	34,542	119,774
Transportation - Special Ed.	76,832	1,405	38,080	8,016	25,047
ROE School Bus Driver Training	-	-	-	-	-
National Board Certification Initiatives	-	-	-	-	3,521
Truant Alternative/Optional Ed.	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-
Early Childhood - Block Grant	-	-	-	-	155,681
Reading Improvement-Block Grant	5,563	1,977	4,297	1,438	9,333
ROE/ISC - Operations	-	-	-	-	-
ADA Safety & Ed. Block Grant	2,411	-	549	-	2,279
Arts Education and Foreign Language	-	-	-	-	-
Rural Education Initiative	-	-	-	-	-
National School Lunch Program	56,110	15,825	34,511	12,880	78,928
Special Milk Program	-	-	-	-	1,030
School Breakfast Program	-	6,328	17,106	3,248	25,359
Fresh Fruits and Vegetables	-	-	-	-	-
NLSP Equipment Assistance Grant	-	-	-	-	-
Title I Low Income	44,768	29,296	52,624	-	37,623
Title I Low Income-Negl	-	-	-	-	-
Reading First Part B SEA	-	-	-	-	-
Title IV Safe and Drug Free Sch.	-	-	-	-	-
Fed. Special Ed. Pre-School Flow	-	-	-	-	-
Fed. Special Ed. IDEA Flow Through	-	-	-	-	-
Special Ed. IDEA Room and Board	-	-	-	-	-
V.E. Perkins-Title II C Secondary	-	-	-	-	-
ARRA - Title I - Low Income	19,633	940	3,101	-	5,160
ARRA-Title I-Low Income-Negl Priv	-	-	-	-	-
ARRA-Title I-School Imprv & Acct	-	-	-	-	-
ARRA - Fed Special Ed. Pre-School	-	-	-	-	-
ARRA - Fed Special Ed. IDEA Flow	-	-	-	-	-
ARRA - Technology Enhancing	-	-	-	-	-
ARRA-Education Jobs Program	142,909	29,910	44,298	14,668	100,282
Title II Teacher Quality	21,449	7,546	4,908	3,562	25,097
Technology Literacy Challenge	-	-	2	-	-
TOTAL	\$ 2,297,529	\$ 491,524	\$ 811,006	\$ 271,527	\$ 1,868,598

**CLINTON, MARION, AND WASHINGTON COUNTIES
REGIONAL OFFICE OF EDUCATION #13**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT
TREASURERS AND OTHER ENTITIES (Continued)
DISTRIBUTIVE FUND
For the year ended June 30, 2011**

	Nashville Community Unit #99	Kaskaskia Special Education District #801	Career/ Technology Education System	Regional Office of Education #13	Total
General State Aid	\$ 1,622,264	\$ -	\$ -	\$ 296,204	\$ 52,422,823
Reorg. Incentive - Feasibility Study	-	-	-	5,000	5,000
Special Ed. Private Fac. Tuition	-	-	-	-	111,898
Special Ed. Extraordinary	86,873	-	-	-	2,668,939
Special Ed. - Personnel	52,765	680,795	-	-	2,890,788
Special Ed. - Orphanage - Individual	-	2,582,592	-	-	3,545,283
Special Ed.-Orphanage-Summer Ind	-	29,386	-	-	29,386
Special Ed. - Summer School	688	-	-	-	12,128
V.E.-Career & Tech Ed. Impr.	-	-	417,645	-	417,645
Agriculture Education	-	-	22,681	-	22,681
State Free Lunch and Breakfast	812	1,326	-	406	137,467
School Breakfast Incentive	-	2	-	42	895
Driver Education	24,916	-	-	-	298,684
Transportation Regular	271,390	-	-	-	4,350,798
Transportation - Special Ed.	56,854	-	-	-	1,261,504
ROE School Bus Driver Training	-	-	-	1,009	1,009
National Board Certification Initiatives	8,802	-	-	-	45,771
Truant Alternative/Optional Ed.	-	-	-	119,218	119,218
Regional Safe Schools	-	-	-	121,710	121,710
Early Childhood - Block Grant	-	-	-	814,193	1,840,448
Reading Improvement-Block Grant	-	-	-	-	218,086
ROE/ISC - Operations	-	-	-	59,933	59,933
ADA Safety & Ed. Block Grant	2,266	-	-	-	60,898
Arts Education and Foreign Language	-	-	-	-	49,816
Rural Education Initiative	-	-	-	-	49,860
National School Lunch Program	35,004	23,825	-	6,661	2,400,764
Special Milk Program	-	-	-	-	1,838
School Breakfast Program	-	13,188	-	4,124	702,977
Fresh Fruits and Vegetables	-	3,697	-	-	84,180
NLSP Equipment Assistance Grant	-	-	-	-	40,846
Title I Low Income	42,849	-	-	-	2,759,389
Title I Low Income-Negl	-	-	-	-	25,593
Reading First Part B SEA	-	-	-	11,420	11,420
Title IV Safe and Drug Free Sch.	654	-	-	-	3,393
Fed. Special Ed. Pre-School Flow	-	165,797	-	-	165,797
Fed. Special Ed. IDEA Flow Through	-	2,812,249	-	-	2,812,249
Special Ed. IDEA Room and Board	122	-	-	-	13,755
V.E. Perkins-Title II C Secondary	-	-	151,374	-	151,374
ARRA - Title I - Low Income	14,802	-	-	-	442,085
ARRA-Title I-Low Income-Negl Priv	-	-	-	-	15,267
ARRA-Title I-School Imprv & Acct	-	-	-	62,405	62,405
ARRA - Fed Special Ed. Pre-School	-	48,002	-	-	48,002
ARRA - Fed Special Ed. IDEA Flow	-	871,199	-	-	871,199
ARRA - Technology Enhancing	-	-	-	83,548	83,548
ARRA-Education Jobs Program	147,707	-	-	26,970	4,132,488
Title II Teacher Quality	14,184	-	-	-	770,711
Technology Literacy Challenge	-	-	-	-	1,950
TOTAL	\$ 2,382,952	\$ 7,232,058	\$ 591,700	\$ 1,612,843	\$ 86,343,898