

**State of Illinois  
MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
FINANCIAL AUDIT  
For the Year Ended June 30, 2012**

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

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
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 JUNE 30, 2012

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MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
JUNE 30, 2012

OFFICIALS

Regional Superintendent  
(Current and During the Audit Period)

Mr. Matthew Snyder

Assistant Regional Superintendent  
(Current, Acting Effective August 1, 2012)

Mr. Charles Shonkwiler

Assistant Regional Superintendent  
(Acting Effective December 1, 2011 through July 31, 2012)

Mr. Matt Andrews

Assistant Regional Superintendent  
(Acting Effective August 15, 2011 through November 30, 2011)

No Assistant Regional  
Superintendent

Assistant Regional Superintendent  
(Acting Effective July 1, 2011 through August 15, 2011)

Mr. Matt Andrews

Office is located at:

1690 Huston Dr.  
Decatur, IL 62526

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
JUNE 30, 2012

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	0	0
Repeated audit findings	0	0
Prior recommendations implemented Or not repeated	0	3

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

SUMMARY OF FINDINGS AND RESPONSES

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

None

PRIOR FINDINGS NOT REPEATED (*GOVERNMENT AUDITING STANDARDS*)

None

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
JUNE 30, 2012

FINANCIAL REPORT SUMMARY (Concluded)

EXIT CONFERENCE

An informal exit conference was held on September 27, 2012. There were no audit findings to discuss. Attending were Matthew Snyder, Regional Superintendent, Ann Neal, Director of Business Operations, and Matt Price, Kemper CPA Group LLP.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
JUNE 30, 2012

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Regional Office of Education #39 was performed by Kemper CPA Group LLP, Certified Public Accountants and Consultants.

Based on their audit, the auditors expressed an unqualified opinion on the Regional Office of Education #39's basic financial statements.



## INDEPENDENT AUDITOR'S REPORT

Honorable William G. Holland  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Macon/Piatt Counties Regional Office of Education #39, as of and for the year ended June 30, 2012, which collectively comprise the Macon/Piatt Counties Regional Office of Education #39's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Macon/Piatt Counties Regional Office of Education #39's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Macon/Piatt Counties Regional Office of Education #39, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 14, 2013 on our consideration of the Macon/Piatt Counties Regional Office of Education #39's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Illinois Municipal Retirement Fund Schedule of Funding Progress, and Other Post-Employment Benefits – Health Insurance Schedule of Funding Progress on pages 12a through 12f, 50, and 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Macon/Piatt Counties Regional Office of Education #39's financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and Schedule of Disbursements to School District Treasurers and Other Entities are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the Schedule of Disbursements to School District Treasurers and Other Entities are fairly stated in all material respects in relation to the financial statements taken as a whole.

*Kemper CPA Group LLP*

*Certified Public Accountants  
and Consultants*

Mattoon, Illinois  
January 14, 2013



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

Honorable William G. Holland  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Macon/Piatt Counties Regional Office of Education #39, as of and for the year ended June 30, 2012, which collectively comprise the Macon/Piatt Counties Regional Office of Education #39's basic financial statements and have issued our report thereon dated January 14, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of the Macon/Piatt Counties Regional Office of Education #39 is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Macon/Piatt Counties Regional Office of Education #39'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 Macon/Piatt Counties Regional Office of Education #39's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Macon/Piatt Counties Regional Office of Education #39's internal control over financial reporting.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Macon/Piatt Counties Regional Office of Education #39'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 noted a certain matter which we have reported to management of the Regional Office of Education #39 in a separate letter dated January 14, 2013.

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, and Illinois State Board of Education and is not intended to be and should not be used by anyone other than these specified parties.

*Kemper CPA Group LLP*

*Certified Public Accountants  
and Consultants*

Mattoon, Illinois  
January 14, 2013

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 SCHEDULE OF FINDINGS AND RESPONSES  
 JUNE 30, 2012

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies)? No
- Noncompliance material to financial statements noted? No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? N/A
- Significant deficiency(ies)?

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

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

Identification of **major** programs:

CFDA Number(s)	Name of Federal Program or Cluster
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N/A	N/A
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Dollar threshold used to distinguish between Type A and Type B programs: N/A

Auditee qualified as a low-risk auditee? N/A

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2012

**SECTION II – FINANCIAL STATEMENT FINDINGS**

There were no audit findings for the year ended June 30, 2012

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2012

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
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	There were no audit findings for the year ended June 30, 2011.	
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## MANAGEMENT'S DISCUSSION AND ANALYSIS

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012

The Macon/Piatt Counties Regional Office of Education #39 provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2012. Readers are encouraged to consider the information in conjunction with the Regional Office's financial statements which follows.

2012 Financial Highlights

- Within the Governmental Funds, the General Fund revenues increased by \$1,620,955 from \$3,360,977 in FY11 to \$4,981,932 in FY12. General Fund expenditures increased by \$1,882,515 from \$3,097,114 in FY11 to \$4,979,629 in FY12. This was a result of an additional School Improvement Grant for Sandoval High School, as well as additional expenses coming from BabyTalk and General State Aid due to cuts in both state and federal grant funding.
- Within the Governmental Funds, the Education Fund and Non-Major Funds revenue decreased by \$228,295 from \$2,245,235 in FY11 to \$2,016,940 in FY12. The Special Revenue Fund expenditures decreased by \$219,351 from \$2,014,497 in FY11 to \$1,795,146 in FY12. This was a result of less funding for grants the Regional Office receives.
- Within the Proprietary Funds, revenues increased \$4,092 from \$9,331 in FY11 to \$13,423 in FY12. Expenditures increased \$1,026 from \$11,036 in FY11 to \$12,062 in FY12. This was a result of the increase in fees collected for teacher certification in addition to increased fees for GED testing and bus driver certification.

Using This Report

This report consists of a series of financial statements and other information, as follows:

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

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012

Reporting the office as a Whole

The Statement of Net Assets and the Statement of Activities

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

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

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

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

*Fund Financial Statements*

The fund financial statements provide detailed information about the Regional Office's funds. Funds are accounting devices which allows the tracking of specific sources of funding and spending on particular programs. Some funds are required by state law. The Regional Office established other funds to control and manage money for particular purposes.

The Regional Office has three kinds of funds:

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

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

2. Proprietary funds' are funds generated from hosting educational workshops for professional development.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012

Reporting the office as a Whole (Concluded)

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

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

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

Office-Wide Financial Analysis

As noted earlier, net assets may serve when examined over time as one indicator of the financial position of the Regional Office. The net assets at the end of FY12 totaled approximately \$2,986,617. The analysis that follows provides a summary of the Regional Office's net assets at June 30, 2012 and 2011.

**CONDENSED STATEMENT OF NET ASSETS**  
**June 30, 2012 and 2011**

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current assets	\$ 3,227,306	\$ 3,158,016	\$ 12,043	\$ 7,523	\$ 3,239,349	\$ 3,165,539
Noncurrent, net	77,892	82,203	365	1,001	78,257	83,204
Total assets	<u>3,305,198</u>	<u>3,240,219</u>	<u>12,408</u>	<u>8,524</u>	<u>3,317,606</u>	<u>3,248,743</u>
Current liabilities	328,416	284,083	2,573	50	330,989	284,133
Long-term liabilities	-	3,465	-	-	-	3,465
Total liabilities	<u>328,416</u>	<u>287,548</u>	<u>2,573</u>	<u>50</u>	<u>330,989</u>	<u>287,598</u>
Net assets:						
Invested in capital assets	77,892	82,203	365	1,001	78,257	83,204
Restricted for educational purposes	114,673	94,586	-	-	114,673	94,586
Unrestricted	<u>2,784,217</u>	<u>2,775,882</u>	<u>9,470</u>	<u>7,473</u>	<u>2,793,687</u>	<u>2,783,355</u>
Total net assets	<u>\$ 2,976,782</u>	<u>\$ 2,952,671</u>	<u>\$ 9,835</u>	<u>\$ 8,474</u>	<u>\$ 2,986,617</u>	<u>\$ 2,961,145</u>

The following analysis shows the changes in net assets for the years ended June 30, 2012 and 2011.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012

**CHANGES IN NET ASSETS**  
**For the Years Ended June 30, 2012 and 2011**

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for services	\$ -	\$ -	\$ 13,423	\$ 9,331	\$ 13,423	\$ 9,331
Operating grants and contributions	1,564,394	1,907,874	-	-	1,564,394	1,907,874
General revenues:						
Local sources	3,435,200	1,794,247	-	-	3,435,200	1,794,247
State sources	945,312	1,060,534	-	-	945,312	1,060,534
Administrative:						
On-behalf payments - State	852,259	582,094	-	-	852,259	582,094
Interest	2,567	5,301	-	-	2,567	5,301
Total revenues	<u>6,799,732</u>	<u>5,350,050</u>	<u>13,423</u>	<u>9,331</u>	<u>6,813,155</u>	<u>5,359,381</u>
Expenses:						
Program expenses:						
Instructional services:						
Salaries and benefits	4,206,775	3,013,006	-	-	4,206,775	3,013,006
Purchased services	1,547,292	1,315,636	-	-	1,547,292	1,315,636
Supplies and materials	123,692	202,652	-	-	123,692	202,652
Other objects	3,633	719	-	-	3,633	719
Depreciation expense	41,970	37,930	-	-	41,970	37,930
Administrative:						
On-behalf payments - State	852,259	582,094	-	-	852,259	582,094
Business-type expenses	-	-	12,062	11,036	12,062	11,036
Total expenses	<u>6,775,621</u>	<u>5,152,037</u>	<u>12,062</u>	<u>11,036</u>	<u>6,787,683</u>	<u>5,163,073</u>
Change in net assets	24,111	198,013	1,361	(1,705)	25,472	196,308
Net assets, beginning of year	<u>2,952,671</u>	<u>2,754,658</u>	<u>8,474</u>	<u>10,179</u>	<u>2,961,145</u>	<u>2,764,837</u>
Net assets, end of year	<u>\$ 2,976,782</u>	<u>\$ 2,952,671</u>	<u>\$ 9,835</u>	<u>\$ 8,474</u>	<u>\$ 2,986,617</u>	<u>\$ 2,961,145</u>

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012

Governmental Activities

Revenues for governmental activities were \$6,799,732 and expenses were \$6,775,621. The Regional Office experienced an increase in net assets of \$24,111. The increase was a result of adding an additional School Improvement Grant at Sandoval High School.

Financial Analysis of the Regional Office's Funds

As previously noted, the Regional Office uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Regional Office's governmental funds' reported combined fund balances of \$2,891,944 for FY12, an increase of \$226,664 over FY11 fund balance of \$2,665,280.

Governmental Fund Highlights:

- County support for the Regional Office remained at FY11 levels in FY12.
- The State aid foundation level was reduced to 95% of the Foundation Level of \$6,119 for FY12.
- Added one school as the fiscal agent for the Illinois Association of Regional Superintendents of Schools School Improvement Grant resulting in an increase of funds.

Proprietary Fund Highlights:

- In FY12, the Regional Office offered 38 administrator and teacher workshops. As of July 1, 2012, the Regional Office anticipates having at least 42 workshops in FY13.
- The Regional Office used less of the Institute Fund to pay for workshops for local school districts during FY12. This resulted in more money being collected by the Regional Office for this fund.

Budgetary Highlights:

The Regional Office annually adopts budgets for several funds. The Heartland Vocational Cooperative budget is prepared by the program coordinator and serves as a guideline for activities and expenditures. This is considered separate from the Regional Office. It is audited on an annual basis by an outside auditing firm and budgets are submitted to the Illinois State Board of Education. The Regional Superintendent annually prepares an Office Operations Budget and submits it to the two county boards for their approval. The Office Operations budget covers a fiscal year which runs from December 1 to November 30. All grant budgets are prepared by the Regional Office and submitted to the granting agency for approval. Amendments must be submitted under guidelines established by the granting agency. Schedules showing the budget amounts compared to the Regional Office's actual financial activity are included in the supplementary information of this report.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012

Capital Assets

Capital assets of the Regional Office include office equipment, lease improvements, computers, audio-visual equipment and office furniture. The Regional Office maintains an inventory of capital assets which have been accumulated over time. Governmental activities net capital assets for FY12 were \$77,892 and for FY11 were \$82,203. Excess depreciation expense over current year capital asset additions has caused the net book value of capital assets to decrease in FY12.

Economic Factors and Next Year's Budget

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

- The interest rate on investments continues to increase very slightly and will impact interest earned.
- Grant funding will decrease for Illinois State Board of Education-Regional Safe Schools Program, Truants Alternative/Optional Education Program, School Services, and Early Childhood Programs.
- The state will prorate General State Aid at 89% of Foundation Level.
- County funding for FY13 will likely decrease from the FY12 level.
- Slow receipt of monies from the State due to the State's budget issues and backlogs.
- The Regional Office will be the fiscal agent for School Improvement 1003(g) grants to the Sandoval, DePue, and Egyptian school districts through the Illinois State Board of Education and Administrative Agent for Heartland Region Education for Employment.

Contacting the Regional Office's Financial Management

This financial report is designed to provide the Regional Offices' citizens, taxpayers, clients, and other constituents with a general overview of its finances and to demonstrate the accountability for the money it receives. If the reader has questions concerning this report or needs additional financial information, please contact the Regional Superintendent of the Macon/Piatt Counties Regional Office of Education #39 at 1690 Huston Drive, Decatur, IL 62526.

## BASIC FINANCIAL STATEMENTS

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
STATEMENT OF NET ASSETS  
JUNE 30, 2012

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 2,409,842	\$ 12,043	\$ 2,421,885
Due from other governments:			
Local	364,232	-	364,232
State	342,268	-	342,268
Federal	28,656	-	28,656
Accounts receivable	82,308	-	82,308
Total current assets	<u>3,227,306</u>	<u>12,043</u>	<u>3,239,349</u>
Noncurrent assets:			
Capital assets, being depreciated, net	77,892	365	78,257
Total noncurrent assets	<u>77,892</u>	<u>365</u>	<u>78,257</u>
<b>TOTAL ASSETS</b>	<u>3,305,198</u>	<u>12,408</u>	<u>3,317,606</u>
<b>LIABILITIES</b>			
Accounts payable	325,324	2,573	327,897
Deferred revenue	3,092	-	3,092
<b>TOTAL LIABILITIES</b>	<u>328,416</u>	<u>2,573</u>	<u>330,989</u>
<b>NET ASSETS</b>			
Invested in capital assets	77,892	365	78,257
Restricted for educational purposes	114,673	-	114,673
Unrestricted	2,784,217	9,470	2,793,687
<b>TOTAL NET ASSETS</b>	<u>\$ 2,976,782</u>	<u>\$ 9,835</u>	<u>\$ 2,986,617</u>

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

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2012

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activities	Total
Primary Government:						
Governmental Activities:						
Instructional Services						
Salaries and benefits	\$ 4,206,775	\$ -	\$ 1,193,766	\$ (3,013,009)	\$ -	\$ (3,013,009)
Purchased services	1,547,292	-	255,115	(1,292,177)	-	(1,292,177)
Supplies and materials	123,692	-	77,854	(45,838)	-	(45,838)
Other objects	3,633	-	-	(3,633)	-	(3,633)
Depreciation expense	41,970	-	-	(41,970)	-	(41,970)
Capital outlay	-	-	37,659	37,659	-	37,659
Administrative:						
On-behalf payments - State	852,259	-	-	(852,259)	-	(852,259)
Total Governmental Activities	<u>6,775,621</u>	<u>-</u>	<u>1,564,394</u>	<u>(5,211,227)</u>	<u>-</u>	<u>(5,211,227)</u>
Business-Type Activities:						
Workshop fees	12,062	13,423	-	-	1,361	1,361
Total Business-Type Activities	<u>12,062</u>	<u>13,423</u>	<u>-</u>	<u>-</u>	<u>1,361</u>	<u>1,361</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 6,787,683</u>	<u>\$ 13,423</u>	<u>\$ 1,564,394</u>	<u>(5,211,227)</u>	<u>1,361</u>	<u>(5,209,866)</u>
<b>GENERAL REVENUES:</b>						
Local sources				3,435,200	-	3,435,200
State sources				945,312	-	945,312
On-behalf payments - State				852,259	-	852,259
Investment earnings (net)				2,567	-	2,567
Total General Revenues				<u>5,235,338</u>	<u>-</u>	<u>5,235,338</u>
CHANGE IN NET ASSETS				24,111	1,361	25,472
NET ASSETS - BEGINNING				2,952,671	8,474	2,961,145
NET ASSETS - ENDING				<u>\$ 2,976,782</u>	<u>\$ 9,835</u>	<u>\$ 2,986,617</u>

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

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 JUNE 30, 2012

	General Fund	Education Fund	Non-Major Funds	Eliminations	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,296,348	\$ 2,262	\$ 111,232	\$ -	\$ 2,409,842
Due from other funds	632,171	-	-	(632,171)	-
Due from other governments:					
Local	350,203	13,939	90	-	364,232
State	-	342,268	-	-	342,268
Federal	-	28,656	-	-	28,656
Accounts receivable	82,308	-	-	-	82,308
<b>TOTAL ASSETS</b>	<b><u>\$ 3,361,030</u></b>	<b><u>\$ 387,125</u></b>	<b><u>\$ 111,322</u></b>	<b><u>\$ (632,171)</u></b>	<b><u>\$ 3,227,306</u></b>
<b>LIABILITIES</b>					
Accounts payable	\$ 264,240	\$ 60,827	\$ 257	\$ -	\$ 325,324
Due to other funds	307,908	324,263	-	(632,171)	-
Deferred revenue	4,665	5,373	-	-	10,038
<b>Total Liabilities</b>	<b><u>576,813</u></b>	<b><u>390,463</u></b>	<b><u>257</u></b>	<b><u>(632,171)</u></b>	<b><u>335,362</u></b>
<b>FUND BALANCES (DEFICIT)</b>					
Restricted	-	394	111,065	-	111,459
Assigned	32,620	-	-	-	32,620
Unassigned	2,751,597	(3,732)	-	-	2,747,865
<b>Total Fund Balances (Deficit)</b>	<b><u>2,784,217</u></b>	<b><u>(3,338)</u></b>	<b><u>111,065</u></b>	<b><u>-</u></b>	<b><u>2,891,944</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 3,361,030</u></b>	<b><u>\$ 387,125</u></b>	<b><u>\$ 111,322</u></b>	<b><u>\$ (632,171)</u></b>	<b><u>\$ 3,227,306</u></b>

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

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2012

TOTAL FUND BALANCES — GOVERNMENTAL FUNDS \$ 2,891,944

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 77,892

Some revenues will not be collected for several months after the Regional Office's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. 6,946

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 2,976,782

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

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	Education Fund	Non-Major Funds	Eliminations	Total Governmental Funds
REVENUES					
Local sources	\$ 3,173,932	\$ 206,292	\$ 54,976	\$ -	\$ 3,435,200
State sources	949,599	1,577,300	1,140	-	2,528,039
On-behalf payments - State	852,259	-	-	-	852,259
Federal sources	6,142	177,232	-	-	183,374
Total Revenues	<u>4,981,932</u>	<u>1,960,824</u>	<u>56,116</u>	<u>-</u>	<u>6,998,872</u>
EXPENDITURES					
Instructional Services:					
Salaries and benefits	2,856,121	1,346,973	7,146	-	4,210,240
Purchased services	1,217,147	304,577	25,568	-	1,547,292
Supplies and materials	33,552	83,786	6,354	-	123,692
Other objects	3,458	-	175	-	3,633
On-behalf payments - State	852,259	-	-	-	852,259
Capital outlay	17,092	20,567	-	-	37,659
Total Expenditures	<u>4,979,629</u>	<u>1,755,903</u>	<u>39,243</u>	<u>-</u>	<u>6,774,775</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	<u>2,303</u>	<u>204,921</u>	<u>16,873</u>	<u>-</u>	<u>224,097</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	221,758	-	-	(221,758)	-
Transfers out	(221,758)	-	-	221,758	-
Interest	3,477	-	-	-	3,477
Investment loss	(910)	-	-	-	(910)
Total Other Financing Sources (Uses)	<u>2,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,567</u>
NET CHANGE IN FUND BALANCE	4,870	204,921	16,873	-	226,664
FUND BALANCE (DEFICIT) - BEGINNING,	<u>2,779,347</u>	<u>(208,259)</u>	<u>94,192</u>	<u>-</u>	<u>2,665,280</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ 2,784,217</u>	<u>\$ (3,338)</u>	<u>\$ 111,065</u>	<u>\$ -</u>	<u>\$ 2,891,944</u>

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

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 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, 2012

NET CHANGE IN FUND BALANCES — GOVERNMENTAL FUNDS		\$ 226,664
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay	\$ 37,659	
Depreciation expense	<u>(41,970)</u>	(4,311)
<p>Accrued payroll and benefits costs which reflect the amount of vacation pay that has been earned by the Regional Office of Education #39's employees in prior years and was paid in the current year, but is not reported in the governmental funds</p>		
		3,465
<p>Some revenues will not be collected for several months after the Regional Office's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds.</p>		
FY11 deferred revenue recognized in FY12	\$ (208,653)	
FY12 revenue deferred	<u>6,946</u>	<u>(201,707)</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES		<u>\$ 24,111</u>

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

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 STATEMENT OF NET ASSETS  
 PROPRIETARY FUND  
 JUNE 30, 2012

ASSETS	Business-Type Activities - Enterprise Fund	
	Workshop Reimbursement	Total
	Current Assets:	
Cash and cash equivalents	\$ 12,043	\$ 12,043
Total current assets	12,043	12,043
Noncurrent assets:		
Capital assets, net	365	365
TOTAL ASSETS	12,408	12,408
Current Liabilities:		
Accounts payable	2,573	2,573
TOTAL LIABILITIES	2,573	2,573
NET ASSETS		
Invested in capital assets	365	365
Unrestricted	9,470	9,470
TOTAL NET ASSETS	\$ 9,835	\$ 9,835

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

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN FUND NET ASSETS  
 PROPRIETARY FUND  
 FOR THE YEAR ENDED JUNE 30, 2012

	Business-Type Activities - Enterprise Fund	
	Workshop Reimbursement	Total
OPERATING REVENUES		
Workshop fees	\$ 13,423	\$ 13,423
Total Operating Revenues	13,423	13,423
OPERATING EXPENSES		
Purchased services	9,653	9,653
Supplies and materials	1,773	1,773
Depreciation	636	636
Total Operating Expenses	12,062	12,062
CHANGE IN NET ASSETS	1,361	1,361
TOTAL NET ASSETS - BEGINNING	8,474	8,474
TOTAL NET ASSETS - ENDING	\$ 9,835	\$ 9,835

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

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND  
 FOR THE YEAR ENDED JUNE 30, 2012

	Business-Type Activities - Enterprise Fund	
	Workshop Reimbursement	Total
Cash Flows from Operating Activities:		
Receipts from customers	\$ 13,423	\$ 13,423
Payments to suppliers and providers of goods and services	(8,903)	(8,903)
Net Cash Provided by Operating Activities	4,520	4,520
Net Increase in Cash	4,520	4,520
Cash and cash equivalents - Beginning	7,523	7,523
Cash and cash equivalents - Ending	\$ 12,043	\$ 12,043
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	\$ 1,361	\$ 1,361
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	636	636
Increase in accounts payable	2,523	2,523
Net Cash Provided by Operating Activities	\$ 4,520	\$ 4,520

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

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 STATEMENT OF FIDUCIARY NET ASSETS  
 FIDUCIARY FUND  
 JUNE 30, 2012

	Agency Funds
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,005,059
Due from other governments	3,230,451
<b>TOTAL ASSETS</b>	<b>\$ 4,235,510</b>
 <b>LIABILITIES</b>	
Accounts payable	\$ 100,986
Due to other governments	4,134,524
<b>TOTAL LIABILITIES</b>	<b>\$ 4,235,510</b>

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

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Macon/Piatt Counties Regional Office of Education #39 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

In 2012, the Regional Office of Education #39 implemented Governmental Accounting Standards Board (GASB) Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*; and GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53*. The Regional Office of Education #39 implemented these standards during the current year; however, GASB Statement No. 64 had no impact on the financial statements. The implementation of GASB Statement No. 57 amends GASB Statement No. 45, permitting an agent employer with an OPEB plan with fewer than 100 plan members to use the alternative measurement method to produce actuarially based information for purposes of financial reporting.

A. DATE OF MANAGEMENT’S REVIEW

Management has evaluated subsequent events through January 14, 2013, the date when the financial statements were available to be issued.

B. FINANCIAL REPORTING ENTITY

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

The Regional Superintendent is also charged with the responsibilities of conducting a special census, when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of the school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education #39’s districts; providing township treasurers with a list of district treasurers; to inspect and approve building plans which comply with State law; to perform and report on annual building inspections; to investigate bus drivers for valid bus driver permits and take related action as may be required; to maintain a list of unfilled teaching positions and to carry out other related duties required or permitted by law.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FINANCIAL REPORTING ENTITY (Concluded)

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

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

For the period ended June 30, 2012, the Regional Office of Education #39 applied for, received, and administered numerous State and federal programs and grants in assistance and support of the educational activities of the school districts in Regional Office of Education #39. Such activities are reported as a single special revenue fund (Education Fund).

C. SCOPE OF THE REPORTING ENTITY

The Regional Office of Education #39's reporting entity includes all related organizations for which they exercise oversight responsibility.

The Regional Office of Education #39 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the region, including districts or joint agreements which serve pupils from numerous regions, should be included in its financial reporting entity. The criteria include, but are not limited to, whether the Regional Office of Education #39 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The districts and joint agreements have been determined not to be a part of the reporting entity after applying the manifesting of oversight, scope of public service, and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the Regional Office of Education #39 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education #39 is not aware of any entity, which would exercise such oversight as to result in the Regional Office of Education #39 being considered a component unit of the entity.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities are government-wide financial statements. They report information on all of the Regional Office of Education #39's activities with most of the inter-fund activities removed. Governmental activities include programs supported primarily by State and federal grants and other intergovernmental revenues. The Regional Office of Education has one business-type activity that relies on fees and charges for support.

The Regional Office of Education #39's government-wide financial statements include a Statement of Net Assets and a Statement of Activities. These statements present a summary of governmental and business-type activities for the Regional Office of Education #39 accompanied by a total column. These statements are presented on an "economic resources" measurement focus as prescribed by GASB Statement No. 34. All of the Regional Office of Education #39's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Assets. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges for services, and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function.

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

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

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

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. PROPRIETARY FUND FINANCIAL STATEMENTS

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

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

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

F. GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

The governmental fund financial statements have been prepared in accordance with generally accepted accounting principles on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues received more than 60 days after the end of the current period are deferred in the governmental fund financial statements but are recognized as current revenues in the government-wide financial statements. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for prepaid expenses, and other long-term obligations, which are recognized when paid.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Regional Office of Education #39; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually recoverable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible-to-accrual criteria are met.

Under the terms of grant agreements, Macon/Piatt Counties Regional Office of Education #39 funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funding resources available to finance the program. It is the Regional Office of Education #39’s policy to first apply restricted funds to such programs, and then unrestricted funds. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned funds if any.

H. FUND ACCOUNTING

The Regional Office of Education #39 uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Regional Office of Education #39 uses governmental, proprietary, and fiduciary funds.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS

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

As prescribed by GASB Statement No. 34, governmental fund reporting focuses on the major funds, rather than on the fund type. There is a two-step process for determining if a fund should be reported as a major fund: (1) total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 10% of the corresponding total for the fund type, and (2) total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as non-major funds. The Regional Office of Education #39 has presented all major funds that met the above qualifications.

The Regional Office of Education #39 reports the following major governmental funds:

General Fund - The General Fund is the operating fund of the Regional Office of Education #39. It is used to account for all financial resources in the Region except those required to be accounted and reported for in other funds. General Funds include the following:

General - This fund accounts for interest earned on Distributive Fund monies.

Business Office - This fund accounts for various business office expenditures, such as insurance, utilities, rent, and business personnel, and reimbursements from Macon and Piatt counties to help cover these costs. It also accounts for pop machine revenues and expenditures as well as interest on the pooled cash account.

Film Library - This program accounts for revenues and expenditures of the Macon County Cooperative Film Library. The Macon County Cooperative Film Library was formed by an intergovernmental agreement among nine member school districts. The Film Library is governed by a board of control consisting of the Superintendent of each member district. The purpose of the Film Library is to provide educational films, video tapes, and computer disks to the member districts in return for an assessment based on district enrollment.

Water Street Pop Fund - This program accounts for revenue and expenses from the pop machine at the Water Street facility.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

General Fund (Continued)

Adult Education - The program accounts for General State Aid proceeds used for adult education. Funding is also provided by the Macon County Health Board.

Junior Achievement - This program accounts for sales of candy, etc.

ADA State Aid - This program accounts for General State Aid for the Futures Unlimited School.

Futures Pop Fund - This program accounts for revenue and expenses from the Futures Unlimited pop machine.

St. Mary's Hospital School - This program accounts for charges to local school districts for educational services provided to students being treated by St. Mary's Adolescent Mental Health Services.

Student Council - This program accounts for the sales of candy, bake sales, etc. for class trips.

Recycling and Energy - This program accounts for proceeds from Caterpillar, Inc., for recycling and energy education curriculum for all students (K-12) in Macon and Piatt Counties.

Teachers' Exchange - This program accounts for revenue generated by fees from classes.

General State Aid and Lunch and Breakfast - This program accounts for General State Aid received from the Illinois State Board of Education based on the average daily attendance at the Regional Safe School and accounts for federal and State nutrition reimbursements.

Baby Talk - This program accounts for monies for outreach and family literacy programs, STEPS Early Intervention, and resources for professionals, including professional training, certification seminars, and an extensive program curriculum.

Department of Corrections - GED Contract - This program provides GED testing at Decatur, Taylorville, Lincoln, Logan, Danville, and Pontiac correctional facilities.

Futures Foundation - This program accounts for Futures Unlimited contributions from the Community Foundation of Decatur/Macon County and various other donors.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

General Fund (Concluded)

School Improvement - This fund accounts for activities related to an agreement between the Regional Office and Egyptian, DePue, and Sandoval school districts. The Regional Office provides services to the three school districts through the parameters set by the School Improvement Grant - Section 1003(g).

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

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

Adult Education Performance - This program accounts for the proceeds of a grant awarded by the Illinois Community College Board under its Adult Education program.

Adult Education Public Assistance - This program accounts for the proceeds of a grant awarded by the Illinois Community College Board under its Adult Education program.

Adult Education State Basic - This program accounts for the proceeds of a grant awarded by the Illinois Community College Board under its Adult Education program.

Adult Education Federal Basic - This fund accounts for the proceeds of a U.S. Department of Education grant passed through the Illinois Community College Board. The purpose of this and the other Adult Education programs is to improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary for literate functioning. The programs are also to enable adults who so desire to complete secondary school, enable adults to benefit from job training and retaining programs, and enable adults to obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship.

Adult Education Transition Center - This program accounts for a grant between the Department of Corrections and Regional Office of Education #39 to provide educational services at the Adult Transition Center, a work release correctional facility.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

Major Special Revenue Funds (Continued)

Education Funds (Continued)

Building Capacity Grant - This program provides professional development to Maroa/Forsyth, Sangamon Valley, and Mt. Zion school districts.

Workforce Investment Solutions (WIS) - Year Round Youth Program I - This program accounts for an adult/teen GED program that allows youth ages 16 - 21 access to intensive workforce training, as well as opportunities for educational growth.

Truants Alternative/Optional Education - This program accounts for the proceeds of a grant from the Illinois State Board of Education to provide educational opportunities for drop-outs and truants.

ROE/ISC Operations - These funds are provided by the Illinois State Board of Education, through a budget application process, to the Regional Office to provide professional development to district schools and teachers in Macon and Piatt county school districts.

Title II Teacher Quality - This program accounts for the proceeds of a grant from the Illinois State Board of Education to improve teacher effectiveness in the classroom.

Regional Safe Schools - This program accounts for the proceeds of a grant from the Illinois State Board of Education to remove violent and unproductive youths from a public school setting and place them in a program where they can receive individualized attention.

Early Childhood Block Grant - This program accounts for the proceeds of a grant awarded by the Illinois State Board of Education for the systematic identification and recruitment of teen moms and dads and the delivery of culturally appropriate education in order to engage them in their child's learning.

Not on Tobacco - This program accounts for a grant awarded to Futures Unlimited for students to learn the hazards of tobacco products.

Regional System of Support Provider (RESPRO) - This program accounts for resources for schools identified by the Illinois State Board of Education as being in school improvement status.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

Major Special Revenue Funds (Continued)

Education Funds (Continued)

Secretary of State - This program accounts for a contract between Richland Community College and Baby Talk for a Secretary of State Family Literacy Project that provides coordination and parenting instruction for adults enrolled in the Family Literacy Program served at Central Christian Church.

Early Childhood Block Grant II - This program accounts for the proceeds of a grant from the Illinois State Board of Education to bring intensive services to families for whom the mother is a high school student.

Early Childhood Block Grant - Continuing Three to Five - This program accounts for the proceeds of a grant from the Illinois State Board of Education for early childhood and family education programs and services that help young children enter school ready to learn.

Homeless Children Youth Program - This program accounts for the proceeds of a grant from the Illinois State Board of Education for identification, referral, and enrollment of homeless and displaced youth in Macon County schools.

New Principals Mentoring - This program provides for the selection and training of experienced principals to serve as mentors for new principals and for the new principals' participation in the mentoring program designed for them. Funds flow through the Illinois Principals Association for the Illinois State Board of Education.

American Recovery and Reinvestment (ARRA) - Education Jobs - Accounts for the federal funding provided to LEAs to save or create education jobs for school year 2010-2011.

Professional Development - This program provides professional development of Statewide Common Core Development Train the Trainer Trainings by working with multiple agencies to coordinate, develop and conduct the trainings.

The Regional Office of Education #39 reports the following non-major governmental funds:

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

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Concluded)

Non-major Special Revenue Funds (Concluded)

Institute Fund - This fund accounts for the proceeds earned from teacher registration, certificate renewals, and examinations. The proceeds are used to pay administrative expenses incurred on behalf of the teachers' institute, such as certificates, workshops, and general meetings, to ensure compliance with 105 ILCS 5/3-12. All funds generated remain restricted until expended only on the aforementioned activities.

General Education Development (GED) - This program accounts for monies received from students who participate in the high school equivalency programs. These proceeds are used to pay the administrative expenses incurred to administer the GED program.

Bus Permit - This program accounts for registration and user fees and a distribution from the Illinois State Board of Education. These monies are used to pay the administrative expenses incurred to ensure compliance with 105 ILCS 5/3-14.23 (school bus driver permits).

PROPRIETARY FUND

Proprietary Fund - The Proprietary Fund accounts for revenue and expenses related to services provided to organizations inside the Regional Office of Education #39 on a cost-reimbursement basis. The Regional Office of Education #39 reports the following proprietary fund:

Workshop Reimbursement - This program provides workshops for professional development presented by Regional Office of Education employees.

FIDUCIARY FUNDS

Agency Funds - Agency Funds are used to account for assets held by the Regional Office of Education #39 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency Funds include the following:

Distributive Fund - This fund accounts for the assets held by the Regional Office of Education #39 to be distributed to local school districts and other governmental units. The Regional Office of Education #39 has agreements with all entities that receive distributions from this fund to keep all accumulated interest.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Concluded)

FIDUCIARY FUNDS (Concluded)

Agency Funds (Concluded)

Summer Administration Workshop - This fund accounts for assets held for the benefit of the Illinois Association – Regional Superintendents of Schools (IARSS), an agreement between the Regional Office of Education #39 and IARSS to host the Summer Administration Institute updates.

Heartland Region Fund - This fund accounts for the assets held for the benefit of Heartland Region, an intergovernmental agreement between school districts that provides quality and efficient delivery of orientation and skill level vocational programs accessible to all residents in member districts.

Regional Board of Trustees - This program accounts for receipts and disbursements related to school annexation, consolidations, and school grievances.

School Occupation Facility Tax - This fund accounts for the assets held by the Regional Office of Education #39 to be distributed to local school districts. Monies are received from the State Comptroller for the School Facilities Occupation Tax and are forwarded directly to the school districts.

I. GOVERNMENTAL FUND BALANCES

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, due to either their form or legal restrictions. The Regional Office of Education #39 has no nonspendable fund balances.

Restricted Fund Balance - The portion of a Governmental Fund's net assets that are subject to external enforceable legal restrictions. The following account fund balance is restricted by grant agreements or contracts: Not on Tobacco. The following funds are restricted by Illinois Statute: Institute, General Education Development, and Bus Permit funds.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. GOVERNMENTAL FUND BALANCES (Concluded)

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. The Regional Office of Education #39 has no committed fund balances.

Assigned Fund Balance - The portion of a Governmental Fund's net assets for which an intended use of resources has been denoted. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The Regional Office of Education #39 has assigned fund balances in the Junior Achievement, Futures Pop Fund, Student Council, and Futures Foundation programs.

Unassigned Fund Balance - Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The Regional Office of Education #39 has unassigned fund balances (deficits) in the General, Business Office, Water Street Pop Fund, Adult Education, ADA State Aid, St. Mary's Hospital School, Teachers' Exchange, General State Aid & Lunch & Breakfast, Department of Corrections-GED Contract, and Adult Education Public Assistance.

J. NET ASSETS

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

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

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

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

K. CASH AND CASH EQUIVALENTS

The Macon/Piatt Counties Regional Office of Education #39's cash and cash equivalents are considered to be demand deposits and short-term investments. All interest income is recognized as revenue in the appropriate fund's Statement of Revenues, Expenditures and Changes in Fund Balance.

L. INVENTORY

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

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

N. CAPITAL ASSETS

Capital assets purchased or acquired with an original cost of \$500 or more and estimated useful lives of greater than one year are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received.

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Leasehold improvements	3
Equipment	4

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

O. COMPENSATED ABSENCES

After one year of employment, noncertified and certified employees who have a 261-day contract can earn up to 20 vacation days per year, prorated based on the number of days worked. Employees with less than full-year contracts do not earn vacation days. The Regional Office currently employs five individuals eligible to carry forward a maximum of five days of unused vacation time to the next year with director's approval, but the previous year's unused vacation time is forfeited if unused by the end of the next year. Unused vacation time is paid on termination of employment. See Note 8 for detail of vacation accrual.

Employees who have at least a 182-day contract receive two personal days per year. Unused personal days are allowed to accrue as sick leave. Employees earn up to 15 sick days per year, depending on the length of their annual contract, and the unused portion accumulates indefinitely. Employee sick leave is recorded when paid. Upon retirement, unused sick leave may be used as service credits toward the employee's retirement fund. Upon termination, employees do not receive any accumulated sick leave pay, and therefore no liability is accrued.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

P. BUDGET INFORMATION

The Regional Office of Education #39 acts as the administrative agent for certain grant programs that are accounted for in the General and Education Funds. Certain programs have separate budgets and are required to report to the Illinois State Board of Education and the Illinois Community College Board; however, none of the annual budgets have been legally adopted, nor are they required to be. Certain programs within the General Fund and Special Revenue Funds do not have separate budgets. Comparisons of budgeted and actual results are presented as supplemental information. Budgetary comparison schedules have been provided in supplemental schedules for the following funds: Adult Education Performance, Adult Education Public Assistance, Adult Education State Basic, Adult Education Federal Basic, WIS-Year Round Youth Program I, Truants Alternative/Optional Education Program, ROE/ISC Operations, Title II Teacher Quality, Regional Safe Schools, Early Childhood Block Grant, Regional System of Support Provider (RESPRO), Early Childhood Block Grant - Continuing Three to Five, and Homeless Children Youth Program.

NOTE 2 – CASH

The Regional Office of Education #39 does not have a formal investment policy. The Regional Office of Education #39 is allowed to invest in securities as authorized by 30 ILCS 235/2 and 6 and 105 ILCS 5/8-7.

A. DEPOSITS

At June 30, 2012, the carrying amount of the Regional Office of Education #39's government-wide and Agency Fund deposits were \$2,421,885 and \$1,005,059, respectively, and the bank balances were \$2,463,505 and \$1,005,059, respectively. Of the total bank balances as of June 30, 2012, \$511,879 was secured by federal depository insurance and \$17,401 was invested in Illinois Funds Money Market Fund. For the period from December 31, 2010 through December 31, 2012, the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) provides separate and unlimited deposit insurance coverage for accounts that meet the definition of a 'noninterest-bearing account'. This unlimited coverage for such accounts is separate from the \$250,000 coverage provided for other types of accounts. At June 30, 2012, the Regional Office had bank deposits of \$2,939,284 in excess of the \$250,000 FDIC coverage, which were covered under the Dodd-Frank Act.

CUSTODIAL CREDIT RISK

Custodial credit risk for deposits with financial institutions is the risk that, in the event of bank failure, the ROE's deposits may not be returned to it. To guard against custodial credit risk for deposits with financial institutions, the Regional Office of Education #39's investment policy requires that deposits with financial institutions in excess of FDIC limits be secured by some form of collateral, by a written agreement, and held at an independent, third-party institution in the name of the Regional Office of Education #39.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 2 - CASH (Concluded)

B. INVESTMENTS

The Regional Office of Education #39's only investments are internally pooled in the Illinois Funds Money Market Fund. As noted earlier, at June 30, 2012, the Regional Office of Education #39 had investments with carrying and fair values of \$17,401, invested in the Illinois Funds Money Market Fund, which is reported as cash and cash equivalents in the financial statements.

CREDIT RISK

At June 30, 2012, the Illinois Funds Money Market Fund had a Standard and Poor's AAAM rating. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provision of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

CONCENTRATION OF CREDIT RISK

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

INTEREST RATE RISK

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

NOTE 3 - DEFINED BENEFIT PENSION PLAN

**Plan Description.** The Regional Office of Education #39'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 #39's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on line at [www.imrf.org](http://www.imrf.org).

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2012

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Concluded)

**Funding Policy.** As set by statute, the Regional Office of Education #39's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2011 was 9.64 percent of annual covered payroll. The Regional Office of Education #39 also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Annual Pension Cost.** The required contribution for calendar year 2011 was \$91,663.

THREE YEAR TREND INFORMATION FOR THE REGULAR PLAN			
Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
<hr/>	<hr/>	<hr/>	<hr/>
12/31/11	\$ 91,663	100%	\$ -
12/31/10	54,052	100%	-
12/31/09	86,485	100%	-

The required contribution for 2011 was determined as part of the December 31, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), b) projected salary increases of 4.00% a year, attributable to inflation, c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and d) post retirement benefit increases of 3% annually. The actuarial value of the Regional Office of Education #39's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Regional Office of Education #39's Regular plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 10 year basis.

**Funded Status and Funding Progress.** As of December 31, 2011, the most recent actuarial valuation date, the Regular plan was 89.65 percent funded. The actuarial accrued liability for benefits was \$2,213,558 and the actuarial value of assets was \$1,984,348, resulting in an underfunded actuarial accrued liability (UAAL) of \$229,210. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$950,865 and the ratio of the UAAL to the covered payroll was 24 percent.

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

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

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

The Regional Office of Education #39 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago.

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

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2012, was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after Jan. 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2011 and 2010.

The State of Illinois makes contributions directly to TRS on behalf of the Regional Office of Education #39's TRS-covered employees.

**On-behalf contributions.** The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #39. For the year ended June 30, 2012, the State of Illinois contributions were based on 24.91 percent of creditable earnings not paid from federal funds, and the Regional Office of Education #39 recognized revenue and expenditures of \$620,125 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2011, and June 30, 2010, the State of Illinois contribution rates as percentages of creditable earnings, not paid from federal funds were 23.10 percent (\$329,432) and 23.38 percent (\$357,235), respectively.

The Regional Office of Education #39 makes other types of employer contributions directly to TRS.

**2.2 formula contributions.** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ending June 30, 2012, were \$18,616. Contributions for the years ending June 30, 2011, and June 30, 2010, were \$9,889 and \$8,154, 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 #39, there is a statutory requirement for the Regional Office of Education #39 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.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

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

For the year ended June 30, 2012, the employer pension contribution was 24.91 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2011 and 2010, the employer contribution was 23.10 and 23.38 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2012, salaries totaling \$893,018 were paid from federal and special trust funds that required employer contributions of \$222,451. For the years ended June 30, 2011 and 2010, required Regional Office of Education #39 contributions were \$108,700 and \$14,496, respectively.

**Early retirement option.** The Regional Office of Education #39 is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member.

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

For the years ended June 30, 2012, 2011, and 2010, the Regional Office of Education #39 paid no contributions to TRS for employer contributions under the ERO program.

**Salary increases over 6 percent and excess sick leave.** If the Regional Office of Education #39 grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the Regional Office of Education #39 makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increase of up to 6 percent.

For the year ended June 30, 2012, the Regional Office of Education #39 paid no employer contributions to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2011 and 2010, the Regional Office of Education #39 paid no employer contributions due on salary increases in excess of 6 percent.

If the Regional Office of Education #39 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 #39 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 (17.83 percent of salary during the year ended June 30, 2012).

For the year ended June 30, 2012, the Regional Office of Education #39 paid no employer contributions to TRS for sick leave days granted in the excess of the normal annual allotment. For the years ended June 30, 2011 and 2010, the Regional Office of Education #39 paid no employer contributions granted for sick leave days.

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

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

**Further information of TRS.** TRS financial information, an explanation of TRS benefits, and descriptions of member, employer and State funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2011. The report for the year ended June 30, 2012, is expected to be available in late 2012.

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

NOTE 5 - TEACHERS' HEALTH INSURANCE SYSTEM

The Regional Office of Education #39 participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants may participate in the State administered participating provider option plan or choose from several managed care options.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The Illinois Department of Healthcare and Family Services (HFS) and the Illinois Department of Central Management Services (CMS) administer the plan with the cooperation of TRS. Effective July, 1 2012, in accordance with Executive Order 12-01, the plan is administered by CMS with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to the TRS who are not employees of the State make a contribution to THIS Fund.

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

**On behalf contributions to THIS Fund.** The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office. State contributions are intended to match contributions to THIS Fund from active members which were 0.88 percent of pay during the year ended June 30, 2012. State of Illinois contributions were \$28,258, and the Regional Office of Education #39 recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the year ended June 30, 2011 and June 30, 2010 were 0.88 percent and 0.84 percent of pay, respectively. State contributions on behalf of Regional Office of Education #39 employees were \$15,006 and \$11,811, respectively.

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
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 JUNE 30, 2012

NOTE 5 - TEACHERS' HEALTH INSURANCE SYSTEM (Concluded)

**Employer contributions to THIS Fund.** The Regional Office of Education #39 also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.66 percent during the years ended June 30, 2012 and June 30, 2011, and 0.63 percent during the years ended June 30, 2010. For the year ended June 30, 2012, the Regional Office of Education #39 paid \$21,193, to the THIS Fund. For the year ended June 30, 2011 and June 30, 2010, the Regional Office of Education #39 paid \$11,254 and \$8,858 which was 100% percent of the required contribution.

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

NOTE 6 - RISK MANAGEMENT

The Regional Office of Education #39 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Regional Office of Education #39 has purchased commercial insurance to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past three years.

NOTE 7 - ON BEHALF PAYMENTS

The State of Illinois paid the following salaries on behalf of the Regional Office of Education #39:

Regional Superintendent Salary	\$ 104,616
Assistant Regional Superintendent Salary	66,691
Regional Superintendent Benefits (Includes State paid insurance)	20,467
Assistant Regional Superintendent Benefits (Includes State paid insurance)	12,102
TRS Pension Contribution	620,125
Teachers' Health Insurance System (THIS) Contribution	<u>28,258</u>
Total	<u>\$ 852,259</u>

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

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

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

NOTE 8 - COMPENSATED ABSENCES

Due to the nature of the obligation for compensated absences, annual requirements to amortize such obligations are not determinable and have not been presented. Compensated absences are liquidated through the fund that provides the particular employee's salary.

Balance at July 1, 2011	\$ 3,465
Net change in liability	3,465
Balance at June 30, 2012	<u>\$ -</u>

NOTE 9 - CAPITAL ASSETS

In accordance with GASB Statement No. 34, the Regional Office of Education #39 has reported capital assets in the government-wide Statement of Net Assets. Purchases are reported as capital outlay in the governmental fund statements. Purchases of business-type activities are capitalized when purchased. The following table provides a summary of changes in total capital assets, accumulated depreciation, and investment in capital assets for the year ended June 30, 2012:

	<u>Balance 7/1/2011</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance 6/30/2012</u>
Governmental Activities				
<u>General Fund</u>				
Leasehold improvements	\$ 45,000	\$ -	\$ -	\$ 45,000
Equipment and furniture	131,910	17,092	-	149,002
<u>Education Fund</u>				
Equipment and furniture	289,009	20,567	-	309,576
Governmental Activities				
Total Capital Assets	465,919	37,659	-	503,578
Less: Accumulated Depreciation	<u>(383,716)</u>	<u>(41,970)</u>	<u>-</u>	<u>(425,686)</u>
Governmental Activities				
Investment in Capital Assets, Net	<u>\$ 82,203</u>	<u>\$ (4,311)</u>	<u>\$ -</u>	<u>\$ 77,892</u>
Business-Type Activities				
<u>Enterprise Fund</u>				
Equipment and furniture	\$ 5,555	\$ -	\$ -	\$ 5,555
Business-Type Activities				
Total Capital Assets	5,555	-	-	5,555
Less: Accumulated Depreciation	<u>(4,554)</u>	<u>(636)</u>	<u>-</u>	<u>(5,190)</u>
Business-Type Activities				
Investment in Capital Assets, Net	<u>\$ 1,001</u>	<u>\$ (636)</u>	<u>\$ -</u>	<u>\$ 365</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2012

NOTE 9 - CAPITAL ASSETS (Concluded)

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended June 30, 2012 of \$41,970 and \$636 were charged to the governmental activities and business type activities, respectively, on the government-wide Statement of Activities. Investment in capital assets is the component of net assets that reports capital assets net of accumulated depreciation.

NOTE 10 - INTERFUND ACTIVITY

DUE TO/FROM OTHER FUNDS

Inter-fund due to/from other fund balances at June 30, 2012 consist of the following individual due to/from other funds in the governmental fund's Balance Sheet. The balances between governmental funds were eliminated in the government-wide Statement of Net Assets.

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 632,171	\$ 307,908
Education Fund	-	324,263
Total	<u>\$ 632,171</u>	<u>\$ 632,171</u>

TRANSFERS

Interfund transfers in/out to other fund balances at June 30, 2012 consist of the following individual transfers in/out to other funds in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances. The transfer balances between governmental funds were eliminated in the government-wide Statement of Activities.

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	<u>\$ 221,758</u>	<u>\$ 221,758</u>
Total	<u>\$ 221,758</u>	<u>\$ 221,758</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2012

NOTE 11 - OPERATING LEASE

The Regional Office of Education #39 is committed through July 31, 2014 under a lease agreement for the ground and second floor of a building located at 250 East William Street, Decatur, Illinois. This lease called for monthly rental payments of \$7,073 through July 31, 2011. For the period August 1, 2011 through July 31, 2014 the monthly rental payments increase to \$7,573. The lease also calls for the Regional Office to pay all utilities and liability insurance.

The Regional Office of Education #39 is committed through March 31, 2014 under a lease agreement for the first floor of the building located at 432 North Water Street, Decatur, Illinois. This lease calls for monthly rent payments of \$3,975. The lease also calls for the Regional Office to pay all utilities and liability insurance.

The Regional Office of Education #39 is committed through June 30, 2013 under a lease agreement for the building located at 1690 Huston Drive, Decatur, Illinois. The lease calls for monthly rental payments of \$3,750.

The counties served by the Regional Office of Education #39 are required by statute to provide the Regional Superintendents of Schools with office space. Therefore, Macon and Piatt Counties share a portion of the facility costs associated with the office space and reimburse the Regional Office of Education #39 for the rent, building maintenance and utilities expense incurred as a result of the lease for this office space.

Future minimum payments are as follows for the years ending June 30:

2013	\$ 183,576
2014	126,651
2015	<u>7,573</u>
<u>Total</u>	<u><u>\$ 317,800</u></u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2012

NOTE 12 - DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education #39's Agency Fund, General Fund, Education Funds, and Non-Major Special Revenue Funds have funds due from/to various other governmental units which consist of the following:

Due from Other Governments:

<u>General Fund</u>	
Local Governments	\$ 350,203
<u>Education Fund</u>	
Illinois Community College Board	47,178
Illinois State Board of Education	300,372
Workforce Investment Solutions	3,362
Iroquois/Kankakee ROE	12,341
Richland Community College	7,271
Illinois Principal Association	400
Local Governments	13,939
<u>Non-Major Special Revenue Fund</u>	
Illinois Comptroller	90
<u>Agency Funds</u>	
Local Governments	3,230,451
Total	<u>\$ 3,965,607</u>

Due to Other Governments:

<u>Agency Funds</u>	
Local Governments	<u>\$ 4,229,922</u>

NOTE 13 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

Because some revenues from the State of Illinois will not be collected for several months after the Regional Office's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. The deferral of the revenues caused deficit fund balances as of June 30, 2012 in the following funds:

Adult Education Public Assistance	\$ 3,732
Department of Corrections - GED Contract	3,144

NOTE 14 - OTHER POST EMPLOYMENT BENEFITS - HEALTH INSURANCE

The Governmental Accounting Standards Board (GASB) issued Statement No. 43 & 45 that established generally accepted accounting principles for the annual financial statement for postemployment benefit plans other than pension plans. The Regional Office of Education #39 did not recognize an Other Post-Employment Benefits (OPEB) liability at June 30, 2012. The required information is as follows:

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2012

NOTE 14 - OTHER POST EMPLOYMENT BENEFITS - HEALTH INSURANCE (Continued)

Membership in the plan consisted of the following as of:

	<u>June 30, 2011</u>
Retirees and beneficiaries receiving benefits	-
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	14
Active nonvested plan members	<u>15</u>
Total	<u>29</u>
Number of participating employers	1

ANNUAL OPEB COST AND NET OPEB OBLIGATION

	<u>June 30, 2011</u>
Annual required contribution	\$ 3,846
Interest on net OPEB obligation	-
Adjustment to annual required contribution	<u>-</u>
Annual OPEB cost	3,846
Contributions made	<u>-</u>
Increase (decrease) in net OPEB obligation	3,846
Net OPEB obligation beginning of year	<u>-</u>
Net OPEB obligation end of year	<u><u>\$ 3,846</u></u>

THREE-YEAR TREND INFORMATION

Fiscal Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2011	\$ 3,846	0.00%	\$ 3,846
6/30/2010			
6/30/2009			

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2012

NOTE 14 - OTHER POST EMPLOYMENT BENEFITS - HEALTH INSURANCE (Concluded)

ANNUAL REQUIRED CONTRIBUTION

	<u>June 30, 2012</u>	<u>June 30, 2011</u>
Service cost	\$ 2,618	\$ 2,728
Amortization	1,009	935
Interest	<u>181</u>	<u>183</u>
Annual required contribution	<u>\$ 3,808</u>	<u>\$ 3,846</u>

FUNDING POLICY AND ACTUARIAL ASSUMPTIONS

Actuarial cost method	Entry age
Amortization period	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return*	5.00%
Projected salary increases	5.00%
Healthcare inflation rate	8.00% initial, 6.00% ultimate
Mortality, Turnover, Disability, Retirement ages	Same rates utilized for IMRF
Active utilization rate:	20%
Employer provided benefit	Explicit: None Implicit: 40% of premium to age 65 (50% of \$486/mo + 50% of \$1,091/mo)
* Includes inflation at	3.00%

GASB 45 Summary as of June 30, 2011

<u>Division</u>	<u>Service Cost</u>	<u>Active Liability</u>	<u>Retired Liability</u>	<u>Total Liability</u>	<u>Annual Required Contribution</u>	<u>Expected Payments</u>	<u>Actives</u>	<u>Retirees</u>	<u>Total</u>
All	2,618	30,260	-	30,260	3,808	-	29	-	29

Discount Rate: 5.0%

Medical Inflation Rate: 8.0% initial, 6.0% ultimate

Future Payroll Increases: 5.0%

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

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 ILLINOIS MUNICIPAL RETIREMENT FUND  
 SCHEDULE OF FUNDING PROGRESS  
 (UNAUDITED)  
 JUNE 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	(2) Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	(3) Funded Ratio (a/b)	(4) Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ( (b-a)/c )
12/31/11	\$ 1,984,348	\$ 2,213,558	\$ 229,210	89.65%	\$ 950,865	24.11%
12/31/10	1,794,952	1,997,317	202,365	89.87%	679,898	29.76%
12/31/09	2,037,136	2,102,898	65,762	96.87%	854,598	7.70%

On a market value basis, the actuarial value of assets as of December 31, 2011 is \$1,838,530.

On a market basis, the funded ratio would be 83.06%.

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 OTHER POST-EMPLOYMENT BENEFITS - HEALTH INSURANCE  
 SCHEDULE OF FUNDING PROGRESS  
 (UNAUDITED)  
 JUNE 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	(2) Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	(3) Funded Ratio (a/b)	(4) Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ( (b-a)/c )
6/30/11	\$ -	\$ 30,260	\$ 30,260	0.00%		
6/30/10						
6/30/09						

OTHER SUPPLEMENTARY INFORMATION

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING SCHEDULE OF ACCOUNTS  
 GENERAL FUNDS  
 JUNE 30, 2012

	General	Business Office	Film Library	Water Street Pop Fund	Adult Education
<b>ASSETS</b>					
Cash and cash equivalents	\$ 22,210	\$ 929,703	\$ -	\$ 306	\$ 296,486
Due from other funds	-	-	-	-	-
Due from other governments - Local	-	21,973	-	-	-
Accounts receivable	-	-	-	32	-
<b>TOTAL ASSETS</b>	<b>\$ 22,210</b>	<b>\$ 951,676</b>	<b>\$ -</b>	<b>\$ 338</b>	<b>\$ 296,486</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 8,986	\$ -	\$ -	\$ 3,209
Due to other funds	-	-	-	-	-
Deferred revenue	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>8,986</b>	<b>-</b>	<b>-</b>	<b>3,209</b>
<b>FUND BALANCE (DEFICIT)</b>					
Assigned	-	-	-	-	-
Unassigned	22,210	942,690	-	338	293,277
<b>Total Fund Balance (Deficit)</b>	<b>22,210</b>	<b>942,690</b>	<b>-</b>	<b>338</b>	<b>293,277</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 22,210</b>	<b>\$ 951,676</b>	<b>\$ -</b>	<b>\$ 338</b>	<b>\$ 296,486</b>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING SCHEDULE OF ACCOUNTS  
 GENERAL FUNDS  
 JUNE 30, 2012

	Junior Achievement	ADA State Aid	Futures Pop Fund	St. Mary's Hospital School	Student Council
<b>ASSETS</b>					
Cash and cash equivalents	\$ 3,483	\$ 621,265	\$ 637	\$ 98,588	\$ 119
Due from other funds	-	632,171	-	-	-
Due from other governments - Local	-	-	-	18,354	-
Accounts receivable	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 3,483</b>	<b>\$ 1,253,436</b>	<b>\$ 637</b>	<b>\$ 116,942</b>	<b>\$ 119</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 31,100	\$ -	\$ 553	\$ -
Due to other funds	-	-	-	-	-
Deferred revenue	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>31,100</b>	<b>-</b>	<b>553</b>	<b>-</b>
<b>FUND BALANCE (DEFICIT)</b>					
Assigned	3,483	-	637	-	119
Unassigned	-	1,222,336	-	116,389	-
<b>Total Fund Balance (Deficit)</b>	<b>3,483</b>	<b>1,222,336</b>	<b>637</b>	<b>116,389</b>	<b>119</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 3,483</b>	<b>\$ 1,253,436</b>	<b>\$ 637</b>	<b>\$ 116,942</b>	<b>\$ 119</b>

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
COMBINING SCHEDULE OF ACCOUNTS  
GENERAL FUNDS  
JUNE 30, 2012

	Recycling and Energy	Teachers' Exchange	General State Aid & Lunch & Breakfast	Baby Talk	Department of Corrections - GED Contract
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,451	\$ 160,738	\$ 160,287	\$ -	\$ -
Due from other funds	-	-	-	-	-
Due from other governments - Local	-	9,626	-	-	-
Accounts receivable	-	-	49	48,941	5,980
<b>TOTAL ASSETS</b>	<b>\$ 1,451</b>	<b>\$ 170,364</b>	<b>\$ 160,336</b>	<b>\$ 48,941</b>	<b>\$ 5,980</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 166,943	\$ 6,256	\$ 1,739	\$ 2,148
Due to other funds	-	-	-	47,202	3,762
Deferred revenue	1,451	-	-	-	3,214
<b>Total Liabilities</b>	<b>1,451</b>	<b>166,943</b>	<b>6,256</b>	<b>48,941</b>	<b>9,124</b>
<b>FUND BALANCE (DEFICIT)</b>					
Assigned	-	-	-	-	-
Unassigned	-	3,421	154,080	-	(3,144)
<b>Total Fund Balance (Deficit)</b>	<b>-</b>	<b>3,421</b>	<b>154,080</b>	<b>-</b>	<b>(3,144)</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 1,451</b>	<b>\$ 170,364</b>	<b>\$ 160,336</b>	<b>\$ 48,941</b>	<b>\$ 5,980</b>

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
COMBINING SCHEDULE OF ACCOUNTS  
GENERAL FUNDS  
JUNE 30, 2012

	Futures Foundation	School Improvement	TOTALS
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,075	\$ -	\$ 2,296,348
Due from other funds	-	-	632,171
Due from other governments - Local	-	300,250	350,203
Accounts receivable	27,306	-	82,308
<b>TOTAL ASSETS</b>	<b>\$ 28,381</b>	<b>\$ 300,250</b>	<b>\$ 3,361,030</b>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ 43,306	\$ 264,240
Due to other funds	-	256,944	307,908
Deferred revenue	-	-	4,665
<b>Total Liabilities</b>	<b>-</b>	<b>300,250</b>	<b>576,813</b>
<b>FUND BALANCE (DEFICIT)</b>			
Assigned	28,381	-	32,620
Unassigned	-	-	2,751,597
<b>Total Fund Balance (Deficit)</b>	<b>28,381</b>	<b>-</b>	<b>2,784,217</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 28,381</b>	<b>\$ 300,250</b>	<b>\$ 3,361,030</b>

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GENERAL FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2012

	General	Business Office	Film Library	Water Street Pop Fund	Adult Education
<b>REVENUES</b>					
Local sources	\$ -	\$ 212,939	\$ -	\$ 238	\$ -
State sources	-	-	-	-	-
On-behalf payments - State	852,259	-	-	-	-
Federal sources	-	-	-	-	-
Total Revenues	<u>852,259</u>	<u>212,939</u>	<u>-</u>	<u>238</u>	<u>-</u>
<b>EXPENDITURES</b>					
Salaries and benefits	-	128,331	4,450	-	162,952
Purchased services	-	57,682	33	216	38,992
Supplies and materials	-	8,039	-	-	1,789
Capital outlay	-	-	-	-	4,200
Other objects	-	3,458	-	-	-
On-behalf payments - State	852,259	-	-	-	-
Total Expenditures	<u>852,259</u>	<u>197,510</u>	<u>4,483</u>	<u>216</u>	<u>207,933</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>15,429</u>	<u>(4,483)</u>	<u>22</u>	<u>(207,933)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer in	-	-	-	-	220,866
Transfer out	-	-	-	-	-
Interest	18	3,459	-	-	-
Investment loss	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>18</u>	<u>3,459</u>	<u>-</u>	<u>-</u>	<u>220,866</u>
NET CHANGE IN FUND BALANCE	18	18,888	(4,483)	22	12,933
FUND BALANCE - BEGINNING	<u>22,192</u>	<u>923,802</u>	<u>4,483</u>	<u>316</u>	<u>280,344</u>
FUND BALANCE - ENDING	<u>\$ 22,210</u>	<u>\$ 942,690</u>	<u>\$ -</u>	<u>\$ 338</u>	<u>\$ 293,277</u>

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GENERAL FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2012

	Junior Achievement	ADA State Aid	Futures Pop Fund	St. Mary's Hospital School	Student Council
<b>REVENUES</b>					
Local sources	\$ -	\$ 8,150	\$ 5,103	\$ 87,300	\$ -
State sources	-	810,816	-	-	-
On-behalf payments - State	-	-	-	-	-
Federal sources	-	-	-	-	-
Total Revenues	-	818,966	5,103	87,300	-
<b>EXPENDITURES</b>					
Salaries and benefits	-	318,430	-	89,796	-
Purchased services	-	164,513	-	5,125	-
Supplies and materials	-	13,414	5,178	106	-
Capital outlay	-	12,892	-	-	-
Other objects	-	-	-	-	-
On-behalf payments - State	-	-	-	-	-
Total Expenditures	-	509,249	5,178	95,027	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	309,717	(75)	(7,727)	-
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer in	-	-	-	892	-
Transfer out	-	(221,758)	-	-	-
Interest	-	-	-	-	-
Investment loss	-	-	-	-	-
Total Other Financing Sources (Uses)	-	(221,758)	-	892	-
NET CHANGE IN FUND BALANCE	-	87,959	(75)	(6,835)	-
FUND BALANCE - BEGINNING	3,483	1,134,377	712	123,224	119
FUND BALANCE - ENDING	\$ 3,483	\$ 1,222,336	\$ 637	\$ 116,389	\$ 119

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GENERAL FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2012

	Recycling and Energy	Teachers' Exchange	State Aid & Lunch & Breakfast	Baby Talk	Department of Corrections - GED Contract
<b>REVENUES</b>					
Local sources	\$ -	\$ 477,678	\$ 25,674	\$ 188,314	\$ -
State sources	-	-	127,675	-	11,108
On-behalf payments - State	-	-	-	-	-
Federal sources	-	-	6,142	-	-
Total Revenues	-	477,678	159,491	188,314	11,108
<b>EXPENDITURES</b>					
Salaries and benefits	-	-	209,545	177,412	-
Purchased services	-	477,678	46,720	10,902	14,322
Supplies and materials	-	-	2,659	-	-
Capital outlay	-	-	-	-	-
Other objects	-	-	-	-	-
On-behalf payments - State	-	-	-	-	-
Total Expenditures	-	477,678	258,924	188,314	14,322
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(99,433)	-	(3,214)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer in	-	-	-	-	-
Transfer out	-	-	-	-	-
Interest	-	-	-	-	-
Investment loss	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	(99,433)	-	(3,214)
FUND BALANCE - BEGINNING	-	3,421	253,513	-	70
FUND BALANCE - ENDING	\$ -	\$ 3,421	\$ 154,080	\$ -	\$ (3,144)

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GENERAL FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2012

	Futures Foundation	School Improvement	TOTALS
<b>REVENUES</b>			
Local sources	\$ -	\$ 2,168,536	\$ 3,173,932
State sources	-	-	949,599
On-behalf payments - State	-	-	852,259
Federal sources	-	-	6,142
Total Revenues	<u>-</u>	<u>2,168,536</u>	<u>4,981,932</u>
<b>EXPENDITURES</b>			
Salaries and benefits	-	1,765,205	2,856,121
Purchased services	-	400,964	1,217,147
Supplies and materials	-	2,367	33,552
Capital outlay	-	-	17,092
Other objects	-	-	3,458
On-behalf payments - State	-	-	852,259
Total Expenditures	<u>-</u>	<u>2,168,536</u>	<u>4,979,629</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>2,303</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	-	221,758
Transfer out	-	-	(221,758)
Interest	-	-	3,477
Investment loss	(910)	-	(910)
Total Other Financing Sources (Uses)	<u>(910)</u>	<u>-</u>	<u>2,567</u>
<b>NET CHANGE IN FUND BALANCE</b>	(910)	-	4,870
<b>FUND BALANCE - BEGINNING</b>	<u>29,291</u>	<u>-</u>	<u>2,779,347</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 28,381</u>	<u>\$ -</u>	<u>\$ 2,784,217</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND  
 JUNE 30, 2012

	Adult Education Performance	Adult Education Public Assistance	Adult Education State Basic	Adult Education Federal Basic	Adult Education Transition Center
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments:					
Local	-	-	-	-	-
State	18,102	15,859	5,965	-	-
Federal	-	-	-	7,252	-
<b>TOTAL ASSETS</b>	<b>\$ 18,102</b>	<b>\$ 15,859</b>	<b>\$ 5,965</b>	<b>\$ 7,252</b>	<b>\$ -</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 891	\$ 228	\$ 169	\$ 121	\$ -
Due to other funds	17,211	15,631	5,796	7,131	-
Deferred revenue	-	3,732	-	-	-
<b>Total Liabilities</b>	<b>18,102</b>	<b>19,591</b>	<b>5,965</b>	<b>7,252</b>	<b>-</b>
<b>FUND BALANCE (DEFICIT)</b>					
Restricted	-	-	-	-	-
Unassigned	-	(3,732)	-	-	-
<b>Total Fund Balance (Deficit)</b>	<b>-</b>	<b>(3,732)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 18,102</b>	<b>\$ 15,859</b>	<b>\$ 5,965</b>	<b>\$ 7,252</b>	<b>\$ -</b>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND  
 JUNE 30, 2012

	Building Capacity Grant	WIS - Year Round Youth Program I	Truants Alternative/ Optional Education	ROE/ISC Operations	Title II Teacher Quality
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 1,868	\$ -
Due from other governments:					
Local	-	-	-	-	-
State	-	-	63,009	-	-
Federal	-	3,362	-	-	942
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 3,362</b>	<b>\$ 63,009</b>	<b>\$ 1,868</b>	<b>\$ 942</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 405	\$ 24,433	\$ 1,868	\$ 183
Due to other funds	-	2,957	38,576	-	759
Deferred revenue	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>3,362</b>	<b>63,009</b>	<b>1,868</b>	<b>942</b>
<b>FUND BALANCE (DEFICIT)</b>					
Restricted	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balance (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ -</b>	<b>\$ 3,362</b>	<b>\$ 63,009</b>	<b>\$ 1,868</b>	<b>\$ 942</b>

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND  
JUNE 30, 2012

	Regional Safe Schools	Early Childhood Block Grant	Not on Tobacco	RESPRO	Secretary of State
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ 394	\$ -	\$ -
Due from other governments:					
Local	-	-	-	-	-
State	12,347	201,945	-	-	7,271
Federal	-	-	-	12,341	-
<b>TOTAL ASSETS</b>	<b>\$ 12,347</b>	<b>\$ 201,945</b>	<b>\$ 394</b>	<b>\$ 12,341</b>	<b>\$ 7,271</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 8,072	\$ 16,100	\$ -	\$ 4,725	\$ 102
Due to other funds	4,275	185,845	-	7,616	7,169
Deferred revenue	-	-	-	-	-
<b>Total Liabilities</b>	<b>12,347</b>	<b>201,945</b>	<b>-</b>	<b>12,341</b>	<b>7,271</b>
<b>FUND BALANCE (DEFICIT)</b>					
Restricted	-	-	394	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balance (Deficit)</b>	<b>-</b>	<b>-</b>	<b>394</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 12,347</b>	<b>\$ 201,945</b>	<b>\$ 394</b>	<b>\$ 12,341</b>	<b>\$ 7,271</b>

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND  
JUNE 30, 2012

	Early Childhood Block Grant II	Early Childhood Block Grant- Continuing Three to Five	Homeless Children Youth Program	New Principals Mentoring	ARRA - Educations Jobs
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments:					
Local	-	-	-	-	-
State	-	17,370	-	400	-
Federal	-	-	4,759	-	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 17,370</b>	<b>\$ 4,759</b>	<b>\$ 400</b>	<b>\$ -</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 1,533	\$ 842	\$ -	\$ -
Due to other funds	-	15,837	3,917	400	-
Deferred revenue	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>17,370</b>	<b>4,759</b>	<b>400</b>	<b>-</b>
<b>FUND BALANCE (DEFICIT)</b>					
Restricted	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balance (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ -</b>	<b>\$ 17,370</b>	<b>\$ 4,759</b>	<b>\$ 400</b>	<b>\$ -</b>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND  
 JUNE 30, 2012

	Professional Development	TOTALS
<b>ASSETS</b>		
Cash and cash equivalents	\$ -	\$ 2,262
Due from other governments:		
Local	13,939	13,939
State	-	342,268
Federal	-	28,656
<b>TOTAL ASSETS</b>	<b>\$ 13,939</b>	<b>\$ 387,125</b>
<b>LIABILITIES</b>		
Accounts payable	\$ 1,155	\$ 60,827
Due to other funds	11,143	324,263
Deferred revenue	1,641	5,373
Total Liabilities	13,939	390,463
<b>FUND BALANCE (DEFICIT)</b>		
Restricted	-	394
Unassigned	-	(3,732)
Total Fund Balance (Deficit)	-	(3,338)
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 13,939</b>	<b>\$ 387,125</b>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 FOR THE YEAR ENDED JUNE 30, 2012

	Adult Education Performance	Adult Education Public Assistance	Adult Education State Basic	Adult Education Federal Basic	Adult Education Transition Center
REVENUES					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	107,534	72,609	35,981	-	5,007
Federal sources	-	-	-	23,205	-
Total Revenues	<u>107,534</u>	<u>72,609</u>	<u>35,981</u>	<u>23,205</u>	<u>5,007</u>
EXPENDITURES					
Salaries and benefits	44,483	43,571	20,594	23,031	-
Purchased services	22,344	6,235	265	174	-
Supplies and materials	4,449	2,435	1,999	-	-
Capital outlay	1,130	-	1,000	-	-
Total Expenditures	<u>72,406</u>	<u>52,241</u>	<u>23,858</u>	<u>23,205</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>35,128</u>	<u>20,368</u>	<u>12,123</u>	<u>-</u>	<u>5,007</u>
NET CHANGE IN FUND BALANCE	35,128	20,368	12,123	-	5,007
FUND BALANCE (DEFICIT) - BEGINNING	<u>(35,128)</u>	<u>(24,100)</u>	<u>(12,123)</u>	<u>-</u>	<u>(5,007)</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ (3,732)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 FOR THE YEAR ENDED JUNE 30, 2012

	Building Capacity Grant	WIS - Year Round Youth Program I	Truants Alternative/ Optional Education	ROE/ISC Operations	Title II Teacher Quality
REVENUES					
Local sources	\$ 3,000	\$ -	\$ -	\$ -	\$ -
State sources	-	-	250,612	34,562	-
Federal sources	-	47,994	-	-	2,805
Total Revenues	<u>3,000</u>	<u>47,994</u>	<u>250,612</u>	<u>34,562</u>	<u>2,805</u>
EXPENDITURES					
Salaries and benefits	-	40,631	162,772	1,330	-
Purchased services	3,000	2,563	58,177	13,953	2,403
Supplies and materials	-	4,800	10,094	1,902	402
Capital outlay	-	-	-	14,376	-
Total Expenditures	<u>3,000</u>	<u>47,994</u>	<u>231,043</u>	<u>31,561</u>	<u>2,805</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>19,569</u>	<u>3,001</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	19,569	3,001	-
FUND BALANCE (DEFICIT) - BEGINNING	<u>-</u>	<u>-</u>	<u>(19,569)</u>	<u>(3,001)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 FOR THE YEAR ENDED JUNE 30, 2012

	Regional Safe Schools	Early Childhood Block Grant	Not on Tobacco	RESPRO	Secretary of State
REVENUES					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 29,083
State sources	104,747	881,220	-	-	-
Federal sources	-	-	-	88,778	-
Total Revenues	<u>104,747</u>	<u>881,220</u>	<u>-</u>	<u>88,778</u>	<u>29,083</u>
EXPENDITURES					
Salaries and benefits	84,432	624,569	-	75,055	28,795
Purchased services	5,929	132,494	-	6,929	288
Supplies and materials	14,386	29,454	-	6,794	-
Capital outlay	-	3,274	-	-	-
Total Expenditures	<u>104,747</u>	<u>789,791</u>	<u>-</u>	<u>88,778</u>	<u>29,083</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>91,429</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	91,429	-	-	-
FUND BALANCE (DEFICIT) - BEGINNING	<u>-</u>	<u>(91,429)</u>	<u>394</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 394</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2012

	Early Childhood Block Grant II	Early Childhood Block Grant- Continuing Three to Five	Homeless Children Youth Program	New Principals Mentoring	ARRA - Educations Jobs
<b>REVENUES</b>					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	9,146	68,732	-	7,150	-
Federal sources	-	-	13,056	-	1,394
Total Revenues	<u>9,146</u>	<u>68,732</u>	<u>13,056</u>	<u>7,150</u>	<u>1,394</u>
<b>EXPENDITURES</b>					
Salaries and benefits	-	52,487	12,269	-	1,394
Purchased services	-	7,608	-	3,066	-
Supplies and materials	-	3,571	-	-	-
Capital outlay	-	-	787	-	-
Total Expenditures	<u>-</u>	<u>63,666</u>	<u>13,056</u>	<u>3,066</u>	<u>1,394</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>9,146</u>	<u>5,066</u>	<u>-</u>	<u>4,084</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	9,146	5,066	-	4,084	-
FUND BALANCE (DEFICIT) - BEGINNING	<u>(9,146)</u>	<u>(5,066)</u>	<u>-</u>	<u>(4,084)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 FOR THE YEAR ENDED JUNE 30, 2012

	Professional Development	TOTALS
REVENUES		
Local sources	\$ 174,209	\$ 206,292
State sources	-	1,577,300
Federal sources	-	177,232
Total Revenues	174,209	1,960,824
EXPENDITURES		
Salaries and benefits	131,560	1,346,973
Purchased services	39,149	304,577
Supplies and materials	3,500	83,786
Capital outlay	-	20,567
Total Expenditures	174,209	1,755,903
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	204,921
NET CHANGE IN FUND BALANCE	-	204,921
FUND BALANCE (DEFICIT) - BEGINNING	-	(208,259)
FUND BALANCE (DEFICIT) - ENDING	\$ -	\$ (3,338)

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to June 30, 2012)  
 EDUCATION FUND ACCOUNT  
 ADULT EDUCATION PERFORMANCE  
 FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>REVENUES</b>			
State sources	\$ 72,406	\$ 72,406	\$ 107,534
Total Revenues	<u>72,406</u>	<u>72,406</u>	<u>107,534</u>
<b>EXPENDITURES</b>			
Salaries and benefits	44,864	44,864	44,483
Purchased services	25,593	25,593	22,344
Supplies and materials	1,949	1,949	4,449
Capital outlay	-	-	1,130
Total Expenditures	<u>72,406</u>	<u>72,406</u>	<u>72,406</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>35,128</u>
<b>FUND BALANCE (DEFICIT) - BEGINNING</b>	<u>-</u>	<u>-</u>	<u>(35,128)</u>
<b>FUND BALANCE - ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to June 30, 2012)  
 EDUCATION FUND ACCOUNT  
 ADULT EDUCATION PUBLIC ASSISTANCE  
 FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 48,509	\$ 48,509	\$ 72,609
Total Revenues	<u>48,509</u>	<u>48,509</u>	<u>72,609</u>
EXPENDITURES			
Salaries and benefits	43,904	43,904	43,571
Purchased services	3,659	3,659	6,235
Supplies and materials	946	946	2,435
Total Expenditures	<u>48,509</u>	<u>48,509</u>	<u>52,241</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>20,368</u>
FUND BALANCE (DEFICIT) - BEGINNING	<u>-</u>	<u>-</u>	<u>(24,100)</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,732)</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to June 30, 2012)  
 EDUCATION FUND ACCOUNT  
 ADULT EDUCATION STATE BASIC  
 FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 23,858	\$ 23,858	\$ 35,981
Total Revenues	<u>23,858</u>	<u>23,858</u>	<u>35,981</u>
EXPENDITURES			
Salaries and benefits	20,783	20,783	20,594
Purchased services	75	75	265
Supplies and materials	3,000	3,000	1,999
Capital outlay	-	-	1,000
Total Expenditures	<u>23,858</u>	<u>23,858</u>	<u>23,858</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>12,123</u>
FUND BALANCE (DEFICIT) - BEGINNING	<u>-</u>	<u>-</u>	<u>(12,123)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to June 30, 2012)  
 EDUCATION FUND ACCOUNT  
 ADULT EDUCATION FEDERAL BASIC  
 FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
REVENUES			
Federal sources	\$ 23,205	\$ 23,205	\$ 23,205
Total Revenues	<u>23,205</u>	<u>23,205</u>	<u>23,205</u>
EXPENDITURES			
Salaries and benefits	23,205	23,205	23,031
Purchased services	-	-	174
Total Expenditures	<u>23,205</u>	<u>23,205</u>	<u>23,205</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to June 30, 2012)  
 EDUCATION FUND ACCOUNT  
 WIS-YEAR ROUND YOUTH PROGRAM I  
 FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
REVENUES			
Federal sources	\$ 75,208	\$ 51,525	\$ 47,994
Total Revenues	<u>75,208</u>	<u>51,525</u>	<u>47,994</u>
EXPENDITURES			
Salaries and benefits	59,208	43,200	40,631
Purchased services	1,500	200	2,563
Supplies and materials	14,500	8,125	4,800
Total Expenditures	<u>75,208</u>	<u>51,525</u>	<u>47,994</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to June 30, 2012)  
 EDUCATION FUND ACCOUNT  
 TRUANTS ALTERNATIVE/OPTIONAL EDUCATION  
 FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 231,042	\$ 231,042	\$ 250,612
Total Revenues	<u>231,042</u>	<u>231,042</u>	<u>250,612</u>
EXPENDITURES			
Salaries and benefits	162,864	162,864	162,772
Purchased services	58,178	58,178	58,177
Supplies and materials	10,000	10,000	10,094
Total Expenditures	<u>231,042</u>	<u>231,042</u>	<u>231,043</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>19,569</u>
FUND BALANCE (DEFICIT) - BEGINNING	<u>-</u>	<u>-</u>	<u>(19,569)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to June 30, 2012)  
 EDUCATION FUND ACCOUNT  
 ROE/ISC OPERATIONS  
 FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
<b>REVENUES</b>			
State sources	\$ 31,561	\$ 31,561	\$ 34,562
Total revenues	<u>31,561</u>	<u>31,561</u>	<u>34,562</u>
<b>EXPENDITURES</b>			
Salaries and benefits	29,490	1,823	1,330
Purchased services	2,071	14,386	13,953
Supplies and materials	-	976	1,902
Capital outlay	-	14,376	14,376
Total expenditures	<u>31,561</u>	<u>31,561</u>	<u>31,561</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>3,001</u>
<b>FUND BALANCE (DEFICIT) - BEGINNING</b>	<u>-</u>	<u>-</u>	<u>(3,001)</u>
<b>FUND BALANCE - ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to June 30, 2012)  
 EDUCATION FUND ACCOUNT  
 TITLE II TEACHER QUALITY  
 FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
REVENUES			
Federal sources	\$ 3,023	\$ 3,023	\$ 2,805
Total Revenues	<u>3,023</u>	<u>3,023</u>	<u>2,805</u>
EXPENDITURES			
Purchased services	2,523	2,523	2,403
Supplies and materials	500	500	402
Total Expenditures	<u>3,023</u>	<u>3,023</u>	<u>2,805</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to June 30, 2012)  
 EDUCATION FUND ACCOUNT  
 REGIONAL SAFE SCHOOLS  
 FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>REVENUES</b>			
State sources	\$ 104,747	\$ 104,747	\$ 104,747
Total Revenues	<u>104,747</u>	<u>104,747</u>	<u>104,747</u>
<b>EXPENDITURES</b>			
Salaries and benefits	86,727	84,433	84,432
Purchased services	5,706	5,706	5,929
Supplies and materials	12,314	14,608	14,386
Total Expenditures	<u>104,747</u>	<u>104,747</u>	<u>104,747</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - BEGINNING</b>			
	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>			
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to June 30, 2012)  
 EDUCATION FUND ACCOUNT  
 EARLY CHILDHOOD BLOCK GRANT  
 FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 771,791	\$ 789,791	\$ 881,220
Total Revenues	<u>771,791</u>	<u>789,791</u>	<u>881,220</u>
EXPENDITURES			
Salaries and benefits	607,535	628,839	624,569
Purchased services	128,202	130,035	132,494
Supplies and materials	34,554	27,317	29,454
Capital outlay	1,500	3,600	3,274
Total Expenditures	<u>771,791</u>	<u>789,791</u>	<u>789,791</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>91,429</u>
FUND BALANCE (DEFICIT) - BEGINNING	<u>-</u>	<u>-</u>	<u>(91,429)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to June 30, 2012)  
 EDUCATION FUND ACCOUNT  
 REGIONAL SYSTEM OF SUPPORT PROVIDER (RESPRO)  
 FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 85,571	\$ 89,172	\$ 88,778
Total Revenues	<u>85,571</u>	<u>89,172</u>	<u>88,778</u>
EXPENDITURES			
Salaries and benefits	84,231	75,057	75,055
Purchased services	1,340	7,322	6,929
Supplies and materials	-	6,793	6,794
Total Expenditures	<u>85,571</u>	<u>89,172</u>	<u>88,778</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to June 30, 2012)  
 EDUCATION FUND ACCOUNT  
 EARLY CHILDHOOD BLOCK GRANT - CONTINUING THREE TO FIVE  
 FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 63,666	\$ 63,666	\$ 68,732
Total Revenues	<u>63,666</u>	<u>63,666</u>	<u>68,732</u>
EXPENDITURES			
Salaries and benefits	52,588	52,588	52,487
Purchased services	7,438	7,438	7,608
Supplies and materials	3,640	3,640	3,571
Total Expenditures	<u>63,666</u>	<u>63,666</u>	<u>63,666</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>5,066</u>
FUND BALANCE (DEFICIT) - BEGINNING	<u>-</u>	<u>-</u>	<u>(5,066)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 BUDGETARY COMPARISON SCHEDULE  
 (For the Period of July 1, 2011 to September 30, 2012)  
 EDUCATION FUND ACCOUNT  
 HOMELESS CHILDREN YOUTH PROGRAM  
 FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 11,306	\$ 13,056	\$ 13,056
Total Revenues	<u>11,306</u>	<u>13,056</u>	<u>13,056</u>
EXPENDITURES			
Salaries and benefits	11,011	12,206	12,269
Supplies and materials	295	-	-
Capital outlay	-	850	787
Total Expenditures	<u>11,306</u>	<u>13,056</u>	<u>13,056</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES  
REGIONAL OFFICE OF EDUCATION #39  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2012

	Institute	General Education Development	Bus Permit	TOTALS
<b>ASSETS</b>				
Cash and cash equivalents	\$ 82,490	\$ 17,668	\$ 11,074	\$ 111,232
Due from other governments - Local	-	90	-	90
<b>TOTAL ASSETS</b>	<b>\$ 82,490</b>	<b>\$ 17,758</b>	<b>\$ 11,074</b>	<b>\$ 111,322</b>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 257	\$ -	\$ 257
Total Liabilities	-	257	-	257
<b>FUND BALANCE</b>				
Restricted	82,490	17,501	11,074	111,065
Total Fund Balance	82,490	17,501	11,074	111,065
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 82,490</b>	<b>\$ 17,758</b>	<b>\$ 11,074</b>	<b>\$ 111,322</b>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2012

	Institute	General Education Development	Bus Permit	TOTALS
<b>REVENUES</b>				
Local sources	\$ 30,566	\$ 22,125	\$ 2,285	\$ 54,976
State sources	-	-	1,140	1,140
Total Revenues	<u>30,566</u>	<u>22,125</u>	<u>3,425</u>	<u>56,116</u>
<b>EXPENDITURES</b>				
Salaries and benefits	3,160	3,986	-	7,146
Purchased services	21,207	3,195	1,166	25,568
Supplies and materials	1,069	5,269	16	6,354
Other objects	175	-	-	175
Total Expenditures	<u>25,611</u>	<u>12,450</u>	<u>1,182</u>	<u>39,243</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>4,955</u>	<u>9,675</u>	<u>2,243</u>	<u>16,873</u>
NET CHANGE IN FUND BALANCE	4,955	9,675	2,243	16,873
FUND BALANCE - BEGINNING	<u>77,535</u>	<u>7,826</u>	<u>8,831</u>	<u>94,192</u>
FUND BALANCE - ENDING	<u>\$ 82,490</u>	<u>\$ 17,501</u>	<u>\$ 11,074</u>	<u>\$ 111,065</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 AGENCY FUNDS  
 JUNE 30, 2012

	Distributive Fund	Summer Administration Workshop	Heartland Region Fund	Regional Board of Trustees	School Occupation Facility Tax	TOTALS
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ 4,900	\$ 118,631	\$ 1,341	\$ 880,187	\$ 1,005,059
Due from other governments	518,276	3,270	222,594	-	2,486,311	3,230,451
<b>TOTAL ASSETS</b>	<u>\$ 518,276</u>	<u>\$ 8,170</u>	<u>\$ 341,225</u>	<u>\$ 1,341</u>	<u>\$ 3,366,498</u>	<u>\$ 4,235,510</u>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ 5,588	\$ 95,398	\$ -	\$ -	\$ 100,986
Due to other governments	518,276	2,582	245,827	1,341	3,366,498	4,134,524
<b>TOTAL LIABILITIES</b>	<u>\$ 518,276</u>	<u>\$ 8,170</u>	<u>\$ 341,225</u>	<u>\$ 1,341</u>	<u>\$ 3,366,498</u>	<u>\$ 4,235,510</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2012

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<u>Distributive Fund</u>				
ASSETS				
Cash and cash equivalents	\$ -	\$ 3,920,671	\$ 3,920,671	\$ -
Due from other governments	-	518,276	-	518,276
Total Assets	<u>\$ -</u>	<u>\$ 4,438,947</u>	<u>\$ 3,920,671</u>	<u>\$ 518,276</u>
LIABILITIES				
Due to other governments	\$ -	\$ 4,438,947	\$ 3,920,671	\$ 518,276
Total Liabilities	<u>\$ -</u>	<u>\$ 4,438,947</u>	<u>\$ 3,920,671</u>	<u>\$ 518,276</u>
 <u>Summer Administration Workshop</u>				
ASSETS				
Cash and cash equivalents	\$ -	\$ 5,430	\$ 530	\$ 4,900
Due from other governments	-	3,270	-	3,270
Total Assets	<u>\$ -</u>	<u>\$ 8,700</u>	<u>\$ 530</u>	<u>\$ 8,170</u>
LIABILITIES				
Accounts payable	\$ -	\$ 5,588	\$ -	\$ 5,588
Due to other governments	-	3,112	530	2,582
Total Liabilities	<u>\$ -</u>	<u>\$ 8,700</u>	<u>\$ 530</u>	<u>\$ 8,170</u>
 <u>Heartland Region Fund</u>				
ASSETS				
Cash and cash equivalents	\$ -	\$ 2,219,525	\$ 2,100,894	\$ 118,631
Due from other governments	401,972	222,594	401,972	222,594
Total Assets	<u>\$ 401,972</u>	<u>\$ 2,442,119</u>	<u>\$ 2,502,866</u>	<u>\$ 341,225</u>
LIABILITIES				
Accounts payable	\$ -	\$ 95,398	\$ -	\$ 95,398
Due to other governments	401,972	2,346,721	2,502,866	245,827
Total Liabilities	<u>\$ 401,972</u>	<u>\$ 2,442,119</u>	<u>\$ 2,502,866</u>	<u>\$ 341,225</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2012

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<u>Regional Board of Trustees</u>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,341	\$ -	\$ -	\$ 1,341
Total Assets	<u>\$ 1,341</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,341</u>
<b>LIABILITIES</b>				
Due to other governments	\$ 1,341	\$ -	\$ -	\$ 1,341
Total Liabilities	<u>\$ 1,341</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,341</u>
<u>School Occupation Facility Tax</u>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 8,362,200	\$ 7,482,013	\$ 880,187
Due from other governments	-	2,486,311	-	2,486,311
Total Assets	<u>\$ -</u>	<u>\$ 10,848,511</u>	<u>\$ 7,482,013</u>	<u>\$ 3,366,498</u>
<b>LIABILITIES</b>				
Due to other governments	\$ -	\$ 10,848,511	\$ 7,482,013	\$ 3,366,498
Total Liabilities	<u>\$ -</u>	<u>\$ 10,848,511</u>	<u>\$ 7,482,013</u>	<u>\$ 3,366,498</u>
<b>TOTALS</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,341	\$ 14,507,826	\$ 13,504,108	\$ 1,005,059
Due from other governments	401,972	3,230,451	401,972	3,230,451
Total Assets	<u>\$ 403,313</u>	<u>\$ 17,738,277</u>	<u>\$ 13,906,080</u>	<u>\$ 4,235,510</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 100,986	\$ -	\$ 100,986
Due to other governments	403,313	17,637,291	13,906,080	4,134,524
Total Liabilities	<u>\$ 403,313</u>	<u>\$ 17,738,277</u>	<u>\$ 13,906,080</u>	<u>\$ 4,235,510</u>

MACON/PIATT COUNTIES  
 REGIONAL OFFICE OF EDUCATION #39  
 SCHEDULE OF DISBURSEMENTS TO  
 SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES  
 DISTRIBUTIVE FUND  
 FOR THE YEAR ENDED JUNE 30, 2012

	<u>Heartland Region</u>	<u>ROE #39</u>	<u>Total</u>
General State Aid	\$ -	\$ 938,285	\$ 938,285
Career & Technical Ed Imp	980,557	-	980,557
Agricultural Education	12,025	-	12,025
State Free Breakfast & Lunch	-	213	213
School Bus Driver Training	-	1,140	1,140
Truants Alternative Optional Education	-	383,295	383,295
Regional Safe Schools	-	130,708	130,708
Early Childhood - Block Grant	-	1,155,964	1,155,964
School Improvement - Operations	-	62,462	62,462
Federal Lunch	-	4,113	4,113
Federal Breakfast	-	2,030	2,030
VE Perkins Title IIC Sec	228,662	-	228,662
ARRA - Education Jobs	-	6,613	6,613
Title II - Teacher Quality	-	1,862	1,862
ARRA - Title I School Improvement	-	12,742	12,742
<b>TOTAL</b>	<u>\$ 1,221,244</u>	<u>\$ 2,699,427</u>	<u>\$ 3,920,671</u>