



STATE OF ILLINOIS
**OFFICE OF THE
AUDITOR GENERAL**

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #45
MONROE AND RANDOLPH COUNTIES

**FINANCIAL AUDIT (In accordance with the Single
Audit Act and OMB Circular A-133)
For the Year Ended: June 30, 2012
Release Date: March 7, 2013**

Summary of Findings:
Total this audit: 1
Total last audit: 1
Repeated from last audit: 0

SYNOPSIS

- The Regional Office of Education #45 had to record material journal entries for the proper preparation of GAAP based financial statements.

{Revenues and expenditures are summarized on the reverse page.}

REGIONAL OFFICE OF EDUCATION #45
MONROE AND RANDOLPH COUNTIES

FINANCIAL AUDIT
(In accordance with the Single Audit Act and OMB Circular A-133)
For The Year Ended June 30, 2012

	FY 2012	FY 2011
TOTAL REVENUES	\$2,109,076	\$2,235,085
Local Sources	\$613,214	\$529,486
% of Total Revenues	29.08%	23.69%
State Sources	\$680,352	\$793,877
% of Total Revenues	32.26%	35.52%
Federal Sources	\$815,510	\$911,722
% of Total Revenues	38.67%	40.79%
TOTAL EXPENDITURES	\$2,019,750	\$2,202,086
Salaries and Benefits	\$1,171,917	\$1,159,966
% of Total Expenditures	58.02%	52.68%
Purchased Services	\$371,844	\$460,403
% of Total Expenditures	18.41%	20.91%
All Other Expenditures	\$475,989	\$581,717
% of Total Expenditures	23.57%	26.42%
TOTAL NET ASSETS	\$933,794	\$844,468
INVESTMENT IN CAPITAL ASSETS	\$44,815	\$56,288
Percentages may not add due to rounding.		

REGIONAL SUPERINTENDENT
During Audit Period: Honorable Marc Kiehna (Retired effective November 30, 2012) Currently: Honorable Kelton Davis (Effective December 1, 2012)

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

JOURNAL ENTRIES

The Regional Office of Education #45 had to record material journal entries for the proper preparation of GAAP based financial statements.

The Monroe and Randolph Counties Regional Office of Education #45 is required to maintain a system of internal controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP) in order to detect, prevent, and/or correct misstatements in the financial statements.

As a result of the audit, the ROE had to record material adjusting journal entries for the purpose of proper preparation of the GAAP based financial statements. These adjusting journal entries were:

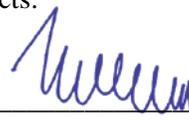
1. To reverse a prior year adjusting journal entry;
2. To move transfer entries out of fund balance and into a transfer in/out account; and
3. To recognize deferred revenue for FY2013 revenue that was received in FY2012. (Finding 12-01, page 12)

Misstatements or omissions in the application of GAAP were not detected by management. The auditors recommended that the Regional Office of Education #45 should take appropriate steps to ensure that all transactions are properly recorded in accordance with GAAP prior to the audit being performed.

The Regional Office of Education #45 responded that it agrees with the finding. The Regional Office's staff will more closely monitor journal entries to detect, prevent, and/or correct misstatements in the financial statements.

AUDITORS' OPINION

Our auditors state the Regional Office of Education #45's financial statements as of June 30, 2012 are fairly presented in all material respects.



WILLIAM G. HOLLAND
Auditor General

WGH:JRB

AUDITORS ASSIGNED: Kemper CPA Group, LLP were our special assistant auditors.