

**State of Illinois  
VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
FINANCIAL AUDIT  
For the Year Ended June 30, 2012**

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

VERMILION COUNTY  
 REGIONAL OFFICE OF EDUCATION #54  
 TABLE OF CONTENTS  
 FOR THE YEAR ENDED JUNE 30, 2012

**TABLE OF CONTENTS**

	<u>Page</u>
Officials.....	1
Financial Report Summary .....	2-3
Financial Statement Report Summary .....	4
 <b>FINANCIAL SECTION</b>	
Independent Auditor’s Report.....	5-6
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	7-8
 Schedule of Findings and Responses	
Section I - Summary of Auditor’s Results .....	9
Section II - Financial Statement Findings.....	10a-10c
Corrective Action Plan for Current-Year Audit Findings.....	11a-11b
Summary Schedule of Prior Audit Findings.....	12
Management’s Discussion and Analysis.....	13a-13e
 <b>BASIC FINANCIAL STATEMENTS</b>	
Government-wide Financial Statements	
Statement of Net Assets .....	14
Statement of Activities.....	15
 Fund Financial Statements	
Balance Sheet - Governmental Funds.....	16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets - Governmental Funds .....	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds .....	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities - Governmental Funds .....	19
Statement of Net Assets - Proprietary Fund.....	20
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Fund.....	21

Statement of Cash Flows - Proprietary Fund.....	22
Statement of Fiduciary Net Assets - Fiduciary Funds.....	23
Statement of Changes in Fiduciary Net Assets - Fiduciary Funds.....	24
Notes to the Financial Statements .....	25–38

## SUPPLEMENTARY INFORMATION

Combining Schedule of Accounts - General Fund .....	39
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - General Fund Accounts.....	40
Combining Schedule of Accounts - Education Fund.....	41
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Education Fund Accounts .....	42
Budgetary Comparison Schedules	
Education Fund Accounts	
IDEA - Improvement Grants - Part D (RTI).....	43
McKinney-Vento Homeless Children and Youth Program .....	44
Regional Safe Schools Program.....	45
ROE/ISC Operations.....	46
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	47
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	48
Combining Statement of Fiduciary Net Assets - Agency Funds.....	49
Combining Statement of Changes in Assets and Liabilities - Agency Funds.....	50–51
Schedule of Disbursements to School District Treasurers and Other Entities - Distributive Fund .....	52–53

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54

OFFICIALS

Regional Superintendent  
(Current and During the Audit Period)

Ms. Cheryl S. Reifsteck

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

Mr. Mark Janesky

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

No Assistant Regional  
Superintendent

Office is located at:

200 South College Street, Suite B  
Danville, IL 61832

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54

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.

AUDITOR’S REPORTS

The auditor’s reports do not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	2	3
Repeated audit findings	2	2
Prior recommendations implemented or not repeated	1	0

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

SUMMARY OF FINDINGS AND RESPONSES

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
<i>FINDINGS (GOVERNMENT AUDITING STANDARDS)</i>			
12-01	10a	Inadequate Internal Control Procedures	Material weakness
12-02	10b	Controls over Financial Statement Preparation	Material weakness
<i>PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)</i>			
11-03	12	Inadequate Recording of American Recovery and Reinvestment Act Awards	Material weakness

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Agency personnel at an informal exit conference on August 3, 2012. Attending were Cheryl Reifsteck, Regional Superintendent; Mark Janesky, Assistant Regional Superintendent; and Karen Bojda, CPA, Kemper CPA Group LLP. Responses to the recommendations were provided by Cheryl Reifsteck, Regional Superintendent.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Vermilion County Regional Office of Education #54 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 #54'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 Vermilion County Regional Office of Education #54 as of and for the year ended June 30, 2012, which collectively comprise the Vermilion County Regional Office of Education #54's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Vermilion County Regional Office of Education #54'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 Vermilion County Regional Office of Education #54, 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 March 22, 2013 on our consideration of the Vermilion County Regional Office of Education #54'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 on pages 13a through 13e 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 Vermilion County Regional Office of Education #54'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 - Distributive Fund 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 Schedule of Disbursements to School District Treasurers and Other Entities - Distributive Fund are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Kemper CPA Group LLP*

*Certified Public Accountants  
and Consultants*

Mattoon, Illinois  
March 22, 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 Vermilion County Regional Office of Education #54 as of and for the year ended June 30, 2012, which collectively comprise the Regional Office of Education #54's basic financial statements and have issued our report thereon dated March 22, 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 Vermilion County Regional Office of Education #54 is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Vermilion County Regional Office of Education #54'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 Vermilion County Regional Office of Education #54's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Vermilion County Regional Office of Education #54's internal control over financial reporting.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in findings 12-01 and 12-02 in the accompanying Schedule of Findings and Responses to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Vermilion County Regional Office of Education #54's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Regional Office of Education #54's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. We did not audit the Regional Office of Education #54's responses, and accordingly, we express no opinion on the responses.

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 the 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  
March 22, 2013

VERMILION COUNTY  
 REGIONAL OFFICE OF EDUCATION #54  
 SCHEDULE OF FINDINGS AND RESPONSES  
 FOR THE YEAR ENDED 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?	Yes
● 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)?	N/A
Type of auditor's report issued on compliance for major programs:	N/A
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section .510(a)?	N/A

Identification of **major** programs:

<b>CFDA Number(s)</b>	<b>Name of Federal Program or Cluster</b>
N/A	

Dollar threshold used to distinguish between Type A and Type B programs:	N/A
Auditee qualified as a low-risk auditee?	N/A

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2012

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**Finding No. 12-01 – Inadequate Internal Control Procedures (Partial Repeat from Finding 11-01, 10-01, and 09-01)**

**Criteria/Specific Requirement:**

The Regional Superintendent of Schools is responsible for establishing and maintaining an internal control system over receipts, disbursements, and reporting to prevent errors and fraud.

**Condition:**

We noted the following weaknesses in the Regional Office of Education’s system of internal controls over financial reporting:

- A. Due to inadequate segregation of duties, one person is responsible for preparing, recording, and mailing disbursement checks. In addition, for two funds, one person is responsible for depositing funds and recording receipts in the general ledger.
- B. Not all bank reconciliations are reviewed by an individual independent of the recording and reconciliation process.

**Effect:**

Lack of effective internal control procedures could result in unintentional or intentional errors or misappropriation of assets that could be material to the financial statements and may not be detected in a timely manner by employees in the normal course of performing their assigned duties.

**Cause:**

The Regional Office has not established sufficient internal control procedures.

**Auditor’s Recommendation:**

- A. The Regional Office should segregate duties so that no one individual has access to all steps of an accounting process.
- B. Although the Regional Office has improved segregation of duties for bank reconciliations, all bank reconciliations should be reviewed by an individual independent of the recording and reconciliation process and the review should be documented.

**Management’s Response:**

The Regional Superintendent agrees with this finding.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2012

**SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)**

**Finding No. 12-02 – Controls Over Financial Statement Preparation (Repeat from Finding 11-02 and 10-02)**

**Criteria/Specific Requirement:**

The Regional Office of Education #54 is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). The Regional Office's internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge and expertise to prepare and/or thoroughly review GAAP based financial statements to ensure that they are free of material misstatements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

**Condition:**

The Regional Office of Education #54 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains its accounting records on the cash basis of accounting. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner. For example, in our review of the Regional Office's accounting records, we noted the following:

- The Regional Office's financial information required numerous adjusting entries to present the financial statements in accordance with generally accepted accounting principles.
- The Regional Office did not have adequate controls over the maintenance of complete records of accounts receivable, accounts payable, or deferred revenue. While the Regional Office did maintain records to indicate the balances of accounts payable, accounts receivable, and deferred revenue, no entries were provided to reconcile the Regional Office of Education #54's grant activity, such as posting grant receivables and deferred revenues.

**Effect:**

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

**Cause:**

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2012

**SECTION II – FINANCIAL STATEMENT FINDINGS (Concluded)**

**Finding No. 12-02 – Controls Over Financial Statement Preparation (Repeat from Finding 11-02 and 10-02)**

**Auditor’s Recommendation:**

As part of internal control over the preparation of its financial statements, including disclosures, the Regional Office of Education #54 should implement a comprehensive preparation and/or review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such procedures should be performed by a properly trained individual(s) possessing a thorough understanding of applicable generally accepted accounting principles, GASB pronouncements, and knowledge of the Regional Office of Education’s activities and operations.

**Management’s Response:**

The Regional Office of Education #54 accepts the degree of risk associated with this condition because the additional expense to seek outside accounting expertise to prepare and/or review financial statements would take away from the funds available to provide educational services for the schools in the region.

The Regional Office of Education #54 will continue to work with the other Regional Offices of Education to determine the most effective method of ensuring that our employees possess the knowledge required to compile the necessary GAAP based financial statements.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
CORRECTIVE ACTION PLAN FOR CURRENT-YEAR AUDIT FINDINGS  
JUNE 30, 2012

**CORRECTIVE ACTION PLAN**

**Finding No. 12-01 – Inadequate Internal Control Procedures (Partial Repeat from Finding 11-01, 10-01, and 09-01)**

**Condition:**

We noted the following weaknesses in the Regional Office of Education’s system of internal controls over financial reporting:

- A. Due to inadequate segregation of duties, one person is responsible for preparing, recording, and mailing disbursement checks. In addition, for two funds, one person is responsible for depositing funds and recording receipts in the general ledger.
- B. Not all bank reconciliations are reviewed by an individual independent of the recording and reconciliation process.

**Plan:**

- A. The Regional Office will segregate duties so that no one individual has access to all steps of an accounting process.
- B. The Regional Office will ensure that all bank reconciliations are reviewed by an individual independent of the recording and reconciliation process and that all bank reconciliations are dated and initialed by both the preparer and reviewer.

**Anticipated Date of Completion:**

July 1, 2012

**Name of Contact Person:**

Ms. Cheryl Reifsteck, Regional Superintendent

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
CORRECTIVE ACTION PLAN FOR CURRENT-YEAR AUDIT FINDINGS  
JUNE 30, 2012

**Finding No. 12-02 – Controls Over Financial Statement Preparation (Repeat from Finding 11-02 and 10-02)**

**Condition:**

The Regional Office of Education #54 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains its accounting records on the cash basis of accounting. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner. For example, in our review of the Regional Office's accounting records, we noted the following:

- The Regional Office's financial information required numerous adjusting entries to present the financial statements in accordance with generally accepted accounting principles.
- The Regional Office did not have adequate controls over the maintenance of complete records of accounts receivable, accounts payable, or deferred revenue. While the Regional Office did maintain records to indicate the balances of accounts payable, accounts receivable, and deferred revenue, no entries were provided to reconcile the Regional Office of Education #54's grant activity, such as posting grant receivables and deferred revenues.

**Plan:**

The Regional Office of Education #54 accepts the degree of risk associated with this condition because the additional expense to seek outside accounting expertise to prepare and/or review financial statements would take away from the funds available to provide educational services for the schools in the region.

The Regional Office of Education #54 will continue to work with the other Regional Offices of Education to determine the most effective method of ensuring that our employees possess the knowledge required to compile the necessary GAAP based financial statements.

**Anticipated Date of Completion:**

Not Applicable

**Name of Contact Person:**

Ms. Cheryl Reifsteck, Regional Superintendent

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2012

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u>
11-01	Inadequate Internal Control Procedures	Partial Repeat
11-02	Controls Over Financial Statement Preparation	Repeat
11-03	Inadequate Recording of American Recovery and Reinvestment Act Awards	Corrected

## MANAGEMENT'S DISCUSSION AND ANALYSIS

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012

**I. USING THIS REPORT**

These financial statements and accompanying statement are presented in a format consistent with the presentation requirements of GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

**II. REPORT COMPONENTS**

These financial statements and their accompanying information consist of several parts as follows:

1. Independent Auditor's Report
2. Basic financial statements including governmental-wide and fund financial statements
3. Supplemental information including the Management's Discussion and Analysis

**III. BASIS OF ACCOUNTING**

The accounting for the Regional Office of Education #54 (Regional Office) is organized on the basis of fund accounting.

Revenues and expenses on the government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when cash is received or paid. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Revenues and expenditures on the governmental fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The Regional Office has not adopted a formal budgetary accounting system for its various funds. There is a formal budget and accounting for expenses relating to the operation and maintenance of the Regional Office operations as they relate to the funding and control of the Vermilion County General Fund and the County Board.

Capital assets for the Regional Office have been capitalized at a \$1,000 entry level. In an effort to standardize the accounting for capital assets the Regional Office had adopted this level. Capital assets are capitalized and reported by Vermilion County for office operations and maintenance of the Regional Office at a level of \$500; thus, the reporting by the County may differ from the Regional Office. At June 30, 2012, the Regional Office of Education #54 had an investment in capital assets of \$4,263 which is the original cost of the assets less the accumulated depreciation.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012

**IV. OTHER SIGNIFICANT POLICIES**

State regulations have strict requirements regarding the deposits and usage of funds that are deposited with the Regional Office. All funds have been deposited and expended in compliance with those regulations.

Because the Regional Office operates mainly on a "pass-through" basis, there is no control over the amount of funds that come through the Regional Office to be disbursed. Further, there is no significant information that could be shown that would reflect changes in the funding that are under the control of the Regional Office.

All expenditures that are made by the Regional Office are made in compliance with the purposes as set forth by the funding bodies.

All expenditures made through the General Fund of Vermilion County are examined prior to disbursement by the Vermilion County Auditor and approved according to their policies for such expenses. All other records of the Regional Office are open to examination by the Vermilion County Auditor, to the extent allowed by laws regulating such.

**V. FINANCIAL HIGHLIGHTS**

This report consists of a series of financial statements and notes to those statements. The statements are organized to assist the reader in understanding the Vermilion County Regional Office of Education #54 as an entire operating entity. The statements go further to provide a detailed look at specific financial activities. The governmental-wide statements, which are the Statement of Net Assets and the Statement of Activities, provide information about the activities of the whole Regional Office.

The fund financial statements provide the next level of activity. For governmental-type funds, the statements tell how services were financed on a short-term basis, as well as what balances remain for future spending. The major funds of the Regional Office are also looked at on an individual basis, with nonmajor funds being combined and presented as a total in one column. In the Regional Office, the General Fund is by far the most significant.

The financial statements also reflect three types of funds. The governmental funds used by the Regional Office are actually special revenue funds used to account for revenue from specific sources. The Regional Office operates several of these special revenue funds under the blanket of the governmental funds. Most of the Regional Office's programs and services are accounted for in the governmental funds. These include institute services, direct services, education services, and various other services and activities.

Proprietary funds account for resources from fees charged directly to those entities or individuals that use its services. Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by government-wide financial statements.

Fiduciary funds are accounts that are used solely to account for assets held by the Regional Office as a trustee or an agent for other governmental agencies. Overall, the fiduciary fund is custodial in nature and thus does not involve measurement of results of its operation.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012

**V. FINANCIAL HIGHLIGHTS (Continued)**

The following table provides a summary of the Regional Office's net assets for the fiscal years 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	\$ 191,390	\$ 249,843	\$ 19,653	\$ -	\$ 211,043	\$ 249,843
Noncurrent, net	4,263	6,077	-	-	4,263	6,077
Total assets	<u>195,653</u>	<u>255,920</u>	<u>19,653</u>	<u>-</u>	<u>215,306</u>	<u>255,920</u>
Current liabilities	51,832	114,701	-	-	51,832	114,701
Total liabilities	<u>51,832</u>	<u>114,701</u>	<u>-</u>	<u>-</u>	<u>51,832</u>	<u>114,701</u>
Net assets:						
Invested in capital assets	4,263	6,077	-	-	4,263	6,077
Restricted for educational purposes	124,866	104,161	-	-	124,866	104,161
Unrestricted	14,692	30,981	19,653	-	34,345	30,981
Total net assets	<u>\$ 143,821</u>	<u>\$ 141,219</u>	<u>\$ 19,653</u>	<u>\$ -</u>	<u>\$ 163,474</u>	<u>\$ 141,219</u>

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012

**V. FINANCIAL HIGHLIGHTS (Continued)**

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

**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	\$ -	\$ -	\$ 25,436	\$ -	\$ 25,436	\$ -
Operating grants & contributions	320,680	310,280	-	-	320,680	310,280
General revenues:						
Local sources	65,507	333,413	-	-	65,507	333,413
Transfers in (out)	(16,526)	-	16,526	-	-	-
Investment income	796	1,248	18	-	814	1,248
Administrative:						
On-behalf payments	289,462	294,006	-	-	289,462	294,006
Total revenues	<u>659,919</u>	<u>938,947</u>	<u>41,980</u>	<u>-</u>	<u>701,899</u>	<u>938,947</u>
Expenses:						
Program expenses:						
Instructional services:						
Purchased services	45,241	329,268	-	-	45,241	329,268
Supplies & materials	9,292	14,234	-	-	9,292	14,234
Payments to other governments	311,408	296,727	-	-	311,408	296,727
Other objects	100	250	-	-	100	250
Depreciation	1,814	1,814	-	-	1,814	1,814
Administrative:						
On-behalf payments	289,462	294,006	-	-	289,462	294,006
Business-type expenses	-	-	22,327	-	22,327	-
Total expenses	<u>657,317</u>	<u>936,299</u>	<u>22,327</u>	<u>-</u>	<u>679,644</u>	<u>936,299</u>
Change in net assets	2,602	2,648	19,653	-	22,255	2,648
Net assets, beginning of year	141,219	138,571	-	-	141,219	138,571
Net assets, end of year	<u>\$ 143,821</u>	<u>\$ 141,219</u>	<u>\$ 19,653</u>	<u>\$ -</u>	<u>\$ 163,474</u>	<u>\$ 141,219</u>

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012

**V. FINANCIAL HIGHLIGHTS (Concluded)**

Key financial highlights for fiscal year ended June 30, 2012, are as follows:

Net assets of governmental activities increased \$2,602, representing a 2% increase from fiscal year 2011. Overall revenues have decreased 30%, and expenditures decreased 30%. The decrease in revenues and expenditures is due to reclassifying two programs from the General Fund. In the current year, the EIU Courses activity was moved to an agency fund and the Fingerprint Fund was created as a proprietary fund.

The major expenditures for the government funds are payments to other governments, or flow-through expenditures, representing 47% of total expenditures, and on-behalf payments, representing 44%.

The major funding sources for the government funds are state and federal revenues and on-behalf payments, representing 49% and 44% of revenues, respectively.

In conclusion, the Regional Office continues to rely on state and federal funds for delivering the majority of its services. The flow-through accounts provide revenues to provide services to schools, teachers and administration that they might not otherwise have access to at the local level. The Regional Office needs to continue to pursue cooperative efforts with other LEA's to maximize the programmatic impact with funds available. While this fiscal report is indicative of the current trend, the overall operation of the Regional Office is not greatly affected by decreases at this time. However, the financial crisis and slow payment process of the State of Illinois could have a significant impact on the Regional Office in the future.

This financial report is designed to provide the users with a general overview of the finance on the Vermilion County Regional Office of Education #54. It further serves to demonstrate the Regional Office's accountability for the money it receives and expends. If you have questions about this or need additional financial information, contact the Vermilion County Regional Office of Education #54 at 200 S. College Street, Suite B, Danville, IL 61832.

## BASIC FINANCIAL STATEMENTS

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
STATEMENT OF NET ASSETS  
JUNE 30, 2012

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 146,055	\$ 19,653	\$ 165,708
Due from other governments - State	45,335	-	45,335
Total current assets	<u>191,390</u>	<u>19,653</u>	<u>211,043</u>
Noncurrent assets:			
Capital assets, net of depreciation	<u>4,263</u>	<u>-</u>	<u>4,263</u>
TOTAL ASSETS	<u>195,653</u>	<u>19,653</u>	<u>215,306</u>
<b>LIABILITIES</b>			
Current liabilities:			
Due to other governments - Local	<u>51,832</u>	<u>-</u>	<u>51,832</u>
TOTAL LIABILITIES	<u>51,832</u>	<u>-</u>	<u>51,832</u>
<b>NET ASSETS</b>			
Invested in capital assets	4,263	-	4,263
Restricted for educational purposes	124,866	-	124,866
Unrestricted	<u>14,692</u>	<u>19,653</u>	<u>34,345</u>
TOTAL NET ASSETS	<u>\$ 143,821</u>	<u>\$ 19,653</u>	<u>\$ 163,474</u>

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
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	Governmental Activities	Business-Type Activities	Total
Governmental activities:						
Instructional services:						
Purchased services	\$ 45,241	\$ -	\$ 18,410	\$ (26,831)	\$ -	\$ (26,831)
Supplies and materials	9,292	-	3,279	(6,013)	-	(6,013)
Other objects	100	-	-	(100)	-	(100)
Payments to other governments	311,408	-	298,991	(12,417)	-	(12,417)
Depreciation	1,814	-	-	(1,814)	-	(1,814)
Administrative:						
On-behalf payments - Local	76,431	-	-	(76,431)	-	(76,431)
On-behalf payments - State	213,031	-	-	(213,031)	-	(213,031)
Total governmental activities	<u>657,317</u>	<u>-</u>	<u>320,680</u>	<u>(336,637)</u>	<u>-</u>	<u>(336,637)</u>
Business-Type Activities:						
Service fees	22,327	25,436	-	-	3,109	3,109
Total Business-Type Activities	<u>22,327</u>	<u>25,436</u>	<u>-</u>	<u>-</u>	<u>3,109</u>	<u>3,109</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 679,644</u>	<u>\$ 25,436</u>	<u>\$ 320,680</u>	<u>(336,637)</u>	<u>3,109</u>	<u>(333,528)</u>
GENERAL REVENUES:						
Local sources				65,507	-	65,507
On-behalf payments - Local				76,431	-	76,431
On-behalf payments - State				213,031	-	213,031
Investment income				796	18	814
Transfers				(16,526)	16,526	-
Total general revenues				<u>339,239</u>	<u>16,544</u>	<u>355,783</u>
CHANGE IN NET ASSETS				2,602	19,653	22,255
NET ASSETS - BEGINNING				<u>141,219</u>	<u>-</u>	<u>141,219</u>
NET ASSETS - ENDING				<u>\$ 143,821</u>	<u>\$ 19,653</u>	<u>\$ 163,474</u>

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012

	General Fund	Institute Fund	General Education Development Fund	Education Fund	Other Nonmajor Funds	Eliminations	Total Governmental Funds
<b>ASSETS</b>							
Cash and cash equivalents	\$ 21,189	\$ 88,604	\$ 26,313	\$ -	\$ 9,949	\$ -	\$ 146,055
Due from other funds	316	-	-	6,813	-	(7,129)	-
Due from other governments - State	-	-	-	45,335	-	-	45,335
<b>TOTAL ASSETS</b>	<u>\$ 21,505</u>	<u>\$ 88,604</u>	<u>\$ 26,313</u>	<u>\$ 52,148</u>	<u>\$ 9,949</u>	<u>\$ (7,129)</u>	<u>\$ 191,390</u>
<b>LIABILITIES</b>							
Due to other funds	\$ 6,813	\$ -	\$ -	\$ 316	\$ -	\$ (7,129)	\$ -
Due to other governments - Local	-	-	-	51,832	-	-	51,832
<b>TOTAL LIABILITIES</b>	<u>6,813</u>	<u>-</u>	<u>-</u>	<u>52,148</u>	<u>-</u>	<u>(7,129)</u>	<u>51,832</u>
<b>FUND BALANCES</b>							
Restricted	-	88,604	26,313	-	9,949	-	124,866
Unassigned	14,692	-	-	-	-	-	14,692
<b>TOTAL FUND BALANCES</b>	<u>14,692</u>	<u>88,604</u>	<u>26,313</u>	<u>-</u>	<u>9,949</u>	<u>-</u>	<u>139,558</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 21,505</u>	<u>\$ 88,604</u>	<u>\$ 26,313</u>	<u>\$ 52,148</u>	<u>\$ 9,949</u>	<u>\$ (7,129)</u>	<u>\$ 191,390</u>

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
GOVERNMENTAL FUNDS  
JUNE 30, 2012

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS \$ 139,558

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. 4,263

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 143,821

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	Institute Fund	General Education Development Fund	Education Fund	Other Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>						
Local sources	\$ 13,922	\$ 36,464	\$ 13,755	\$ -	\$ 1,366	\$ 65,507
State sources	89,752	-	-	110,106	840	200,698
Federal sources	-	-	-	119,982	-	119,982
On-behalf payments - Local	76,431	-	-	-	-	76,431
On-behalf payments - State	213,031	-	-	-	-	213,031
<b>Total revenues</b>	<b>393,136</b>	<b>36,464</b>	<b>13,755</b>	<b>230,088</b>	<b>2,206</b>	<b>675,649</b>
<b>EXPENDITURES</b>						
Purchased services	10,414	16,977	8,014	8,656	1,180	45,241
Supplies and materials	3,664	633	4,797	-	198	9,292
Other objects	100	-	-	-	-	100
Payments to other governments	89,976	-	-	221,432	-	311,408
On-behalf payments - Local	76,431	-	-	-	-	76,431
On-behalf payments - State	213,031	-	-	-	-	213,031
<b>Total expenditures</b>	<b>393,616</b>	<b>17,610</b>	<b>12,811</b>	<b>230,088</b>	<b>1,378</b>	<b>655,503</b>
Excess (deficiency) of revenues over expenditures	(480)	18,854	944	-	828	20,146
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers out	(16,526)	-	-	-	-	(16,526)
Investment income	717	71	3	-	5	796
<b>Total other financing sources (uses)</b>	<b>(15,809)</b>	<b>71</b>	<b>3</b>	<b>-</b>	<b>5</b>	<b>(15,730)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(16,289)</b>	<b>18,925</b>	<b>947</b>	<b>-</b>	<b>833</b>	<b>4,416</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>30,981</b>	<b>69,679</b>	<b>25,366</b>	<b>-</b>	<b>9,116</b>	<b>135,142</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 14,692</b>	<b>\$ 88,604</b>	<b>\$ 26,313</b>	<b>\$ -</b>	<b>\$ 9,949</b>	<b>\$ 139,558</b>

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
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 \$ 4,416

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

Governmental funds report capital outlays as expenditures. However,  
in the Statement of Activities the cost of those assets is allocated over  
their estimated useful lives and reported as depreciation expense.

Depreciation expense (1,814)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 2,602

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

VERMILION COUNTY  
 REGIONAL OFFICE OF EDUCATION #54  
 STATEMENT OF NET ASSETS  
 PROPRIETARY FUND  
 June 30, 2012

	Business-Type Activities - Enterprise Fund	
	Fingerprinting Fund	Total
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 19,653	\$ 19,653
TOTAL ASSETS	19,653	19,653
NET ASSETS		
Unrestricted	19,653	19,653
TOTAL NET ASSETS	\$ 19,653	\$ 19,653

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUND  
FOR THE YEAR ENDED JUNE 30, 2012

	Business-Type Activities - Enterprise Fund	
	Fingerprinting Fund	Total
OPERATING REVENUES		
Charges for services	\$ 25,436	\$ 25,436
Total Operating Revenues	25,436	25,436
OPERATING EXPENSES		
Purchased services	21,200	21,200
Supplies and materials	1,127	1,127
Total Operating Expenses	22,327	22,327
OPERATING INCOME	3,109	3,109
NONOPERATING REVENUE		
Transfers in	16,526	16,526
Investment income	18	18
Total Nonoperating Revenue	16,544	16,544
CHANGE IN NET ASSETS	19,653	19,653
TOTAL NET ASSETS - BEGINNING	-	-
TOTAL NET ASSETS - ENDING	\$ 19,653	\$ 19,653

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE YEAR ENDED JUNE 30, 2012

	Business-Type Activities - Enterprise Fund	
	Fingerprinting Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 25,436	\$ 25,436
Payments to suppliers and providers of goods and services	(22,327)	(22,327)
Net cash provided by operating activities	3,109	3,109
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Cash transfers from other funds	16,526	16,526
Net cash provided by noncapital financing activities	16,526	16,526
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	18	18
Net cash provided by investing activities	18	18
Net increase in cash and cash equivalents	19,653	19,653
<b>CASH AND CASH EQUIVALENTS - BEGINNING</b>	-	-
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	\$ 19,653	\$ 19,653
Reconciliation of operating income to net cash provided by operating activities:		
<b>OPERATING INCOME</b>	\$ 3,109	\$ 3,109
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	\$ 3,109	\$ 3,109

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2012

	Private-Purpose Trust Fund	
	<u>DAAPP</u>	<u>Agency Funds</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 12,083	\$ 387,822
Accounts receivable	-	50,057
Due from other governments	-	6,028,046
<b>TOTAL ASSETS</b>	<u>12,083</u>	<u>\$ 6,465,925</u>
<b>LIABILITIES</b>		
Due to other governments	<u>1,965</u>	<u>\$ 6,465,925</u>
<b>TOTAL LIABILITIES</b>	<u>1,965</u>	<u>\$ 6,465,925</u>
<b>NET ASSETS</b>		
Held in trust	<u>\$ 10,118</u>	

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

VERMILION COUNTY  
 REGIONAL OFFICE OF EDUCATION #54  
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 FIDUCIARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2012

	Private-Purpose Trust Fund DAAPP
ADDITIONS	
Local sources	\$ 37,780
Interest	2
Total additions	37,782
DEDUCTIONS	
Salaries	17,500
Purchased services	16,256
Supplies and materials	5,803
Total deductions	39,559
CHANGE IN NET ASSETS	(1,777)
NET ASSETS - BEGINNING	11,895
NET ASSETS - ENDING	\$ 10,118

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education #54 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

In 2012, the Vermilion County Regional Office of Education #54 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 #54 implemented these standards during the current year; however, GASB Statement No. 57 and GASB Statement No. 64 had no impact on the financial statements.

A. DATE OF MANAGEMENT'S REVIEW

Management has evaluated subsequent events through March 22, 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; serving as the official advisor and assistant of school officers and teachers; conducting teachers institutes as well as aiding and encouraging the formation of other teachers' meetings and assisting in their management; evaluating the schools in the region; examining evidence of indebtedness; filing and keeping the returns of elections required to be returned to the Regional Superintendent's office; and filing and keeping 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 #54's districts; providing township treasurers with a list of district treasurers; inspecting and approving building plans which comply with State law; performing and reporting on annual building inspections; investigating bus drivers for valid bus driver permits and taking related action as may be required; maintaining a list of unfilled teaching positions; and carrying out other related duties required or permitted by law.

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FINANCIAL REPORTING ENTITY (Concluded)

The Regional Superintendent is also responsible for apportionment and payment of funds received from the state for the districts in the region, or seeing that no payments are made unless the treasurer has filed or renewed appropriate bond and that the district has certified publication of the annual financial report. The Regional 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 #54 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 the region. Such activities are reported as a single special revenue fund (Education Fund).

C. SCOPE OF THE REPORTING ENTITY

The Regional Office of Education #54 reporting entity includes all related organizations for which it exercises oversight responsibility.

The Regional Office of Education #54 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 #54 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 criteria of manifesting of oversight, scope of public service, and special financing relationships and are therefore excluded from the accompanying financial statements because the Regional Office of Education #54 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education #54 is not aware of any entity that would exercise such oversight as to result in the Regional Office of Education #54 being considered a component unit of the entity.

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 #54's activities with most of the interfund activities removed. Governmental activities include programs supported primarily by State and federal grants and other intergovernmental revenues. The Regional Office of Education #54 has one business-type activity that relies on fees and charges for support.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Concluded)

The Regional Office of Education #54'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 #54 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 #54'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 interfund activities, such as payables, receivables, and transfers. Interfund 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 interfund transactions between governmental funds are eliminated on the government-wide financial statements. Interfund 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, activities between governmental funds have been eliminated; however, transactions between governmental and business-type activities have not been eliminated.

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. GOVERNMENTAL FUND FINANCIAL STATEMENTS

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and nonmajor funds aggregated. An accompanying schedule is presented to reconcile and explain the differences between fund balances and changes in fund balances presented in these statements and 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.

F. 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 nonmajor 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.

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.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Concluded)

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 generally only current assets and current liabilities are 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 a specific purpose or project before any amounts will be paid to the Regional Office of Education #54; 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, Regional Office of Education #54 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 Regional Office of Education #54’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 #54 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 #54 uses governmental, proprietary, and fiduciary funds.

GOVERNMENTAL FUNDS

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

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 total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as nonmajor funds. The Regional Office of Education #54 has presented all major funds that met the above qualifications.

The Regional Office of Education #54 reports the following major governmental funds:

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

Direct Services - The Direct Services accounts are used for various programs that benefit the school districts or the regional office, such as the computer consortium and technology hub. Interest from the Distributive Fund is transferred to this program.

Regional Safe School - General State Aid - This program accounts for the general operations of the Regional Safe School.

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

Institute Fund - This fund accounts for teacher certificate registrations, issuance and evaluation fees for processing certificates, and expenses for teachers' institutes, workshops, or meetings of a professional nature that are designed to promote the professional growth of teachers. All funds generated remain restricted until expended only on the aforementioned activities.

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

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Concluded)

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:

IDEA - Improvement Grants - Part D (RTI) - This program accounts for the IDEA Improvement Grants Part D (RTI) grant monies. The program provides professional development to education personnel to improve intervention results for children with disabilities.

McKinney-Vento Homeless Children and Youth Program - This program accounts for the proceeds of the McKinney-Vento Homeless Children and Youth Program grant. This program is designed to assist in implementing homeless services. The program collaborates with all schools within the region concerning the identification of homeless youth and works with the districts to provide local and State resources to those students.

Regional Safe Schools Program - The program accounts for the Regional Safe Schools grant monies. The program concentrates on the education of students who have been expelled from the school districts served by the Regional Office of Education #54. In addition, this program includes State and federal lunch and breakfast programs.

ROE/ISC Operations - This program accounts for grant monies received for and in payment of expenditures for assisting schools in all areas of school improvement.

The Regional Office of Education #54 reports the following nonmajor governmental funds:

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

Bus Driver Training - This fund accounts for State and local receipts and expenses related to initial and refresher courses of instruction for school bus drivers.

Supervisory Fund - This fund accounts for State receipts provided to the Regional Office of Education to pay day-to-day expenses as approved by the Regional Superintendent.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

PROPRIETARY FUNDS

Proprietary funds account for revenues and expenses related to services provided to organizations inside the Region on a cost-reimbursement basis. The Regional Office of Education #54 reports the following proprietary fund:

Fingerprinting Fund - The Regional Office of Education #54 provides fingerprinting services for background checks to schools in Vermilion County for new hires. The fee for the fingerprinting service is paid by each school district.

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the Regional Office of Education #54 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

Agency Funds - Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency funds include the following:

Distributive Fund - This fund distributes monies received from the State to the school districts and other entities.

EIU Courses Fund - This fund accounts for tuition payments received from teachers for coursework offered by Eastern Illinois University (EIU) and remitted to EIU.

Board of School Trustees - The fund accounts for the Regional Board of School Trustees' operating accounts.

Private-Purpose Trust Fund - This fund is used to account for the resources held by the Regional Office of Education #54 as a trustee for Vermilion County's Drug and Alcohol Abuse Prevention Program (DAAPP).

Interest on Distributive Fund - The Regional Office of Education #54 has agreements with all districts in the region whereby the Regional Office of Education #54 is allowed to keep the interest on the Distributive Fund for expenditures benefiting all districts.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 #54 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 funds are restricted by Illinois Statute: Institute, General Education Development, Bus Driver Training, and Supervisory Funds.

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 #54 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 #54 has no assigned fund balances.

Unassigned Fund Balance - Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The following General Fund account has an unassigned fund balance: Direct Services.

J. NET ASSETS

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

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

Restricted net assets - Consists of net assets with constraints placed on their use by either (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."

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on deposit and on hand. The Regional Office of Education #54 considers certificates of deposit with an original maturity date greater than 90 days to be investments; it currently has no deposits classified as investments. All interest income is recognized as revenue in the appropriate fund's Statement of Revenues, Expenditures, and Changes in Fund Balances.

L. INVENTORY

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

M. CAPITAL ASSETS

Capital assets purchased or acquired with an original cost of \$1,000 or more and estimated useful lives of greater than two years are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Office equipment	5-7 years
Computer equipment	3 years

The majority of capital assets used by the Regional Office of Education #54 have been purchased by Vermilion County. These capital assets are the property of Vermilion County and are included in Vermilion County's financial statements.

N. COMPENSATED ABSENCES AND PENSION AND RETIREMENT COMMITMENTS

These financial statements relate information pertaining to the funds administered by the Regional Superintendent. All personnel of the Regional Office of Education #54 receive their salaries from other sources. The Superintendent and Assistant Superintendent receive their salaries directly from the Illinois State Board of Education. The other personnel are employees of Vermilion County. There are no compensated absence, pension, or retirement obligations to disclose. Employment- and post-employment-related obligations for the Superintendent and Assistant Superintendent are disclosed in the financial statements of the Illinois State Board of Education. Employment- and post-employment-related obligations for other employees are included in the Vermilion County annual financial report.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

O. 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.

P. BUDGET INFORMATION

The Regional Office of Education #54 acts as the administrative agent for certain grant programs that are accounted for in the General and Education Funds. Certain programs have separate budgets and are required to report to the Illinois State Board of Education; however, none of the annual budgets have been legally adopted, nor are they required to be. Certain programs within the General Fund and Special Revenue Funds do not have separate budgets. Comparisons of budgeted and actual results are presented as supplementary information. Budgetary comparison schedules have been presented for the following programs: IDEA Improvement Grants - Part D (RTI), McKinney-Vento Homeless Children and Youth Program, Regional Safe Schools Program, and the ROE/ISC Operations.

NOTE 2 - CASH

The Regional Office of Education #54 does not have a formal investment policy. The Regional Office of Education #54 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 #54's government-wide and fiduciary fund deposits were \$165,708 and \$399,905, respectively, and the bank balances were \$146,869 and \$604,789, respectively. Of the total bank balances as of June 30, 2012, \$294,196 was secured by federal depository insurance, and \$131,382 was collateralized by securities pledged by the Regional Office of Education #54's financial institutions on behalf of the Regional Office.

B. INVESTMENTS

The Regional Office of Education #54's only investments are internally pooled in the Illinois Funds Money Market Fund. As of June 30, 2012, the Regional Office of Education #54 had investments with carrying value of \$326,080 in the Illinois Funds Money Market Fund.

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.

VERMILION COUNTY  
 REGIONAL OFFICE OF EDUCATION #54  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2012

NOTE 2 - CASH (Concluded)

INTEREST RATE RISK

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

CONCENTRATION OF CREDIT RISK

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

NOTE 3 - CAPITAL ASSETS

In accordance with GASB Statement No. 34, the Regional Office of Education #54 has reported capital assets in the government-wide Statement of Net Assets. Purchases are reported as capital outlay in the governmental fund statements. The following table provides a summary of changes in total assets, accumulated depreciation, and investment in capital assets for the year ended June 30, 2012:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>Governmental activities:</u>				
Capital assets being depreciated:				
Office equipment	\$ 10,067	\$ -	\$ -	\$ 10,067
Total capital assets being depreciated	<u>10,067</u>	<u>-</u>	<u>-</u>	<u>10,067</u>
Less accumulated depreciation for:				
Office equipment	(3,990)	(1,814)	-	(5,804)
Total accumulated depreciation	<u>(3,990)</u>	<u>(1,814)</u>	<u>-</u>	<u>(5,804)</u>
Governmental activities capital assets, net	<u>\$ 6,077</u>	<u>\$ (1,814)</u>	<u>\$ -</u>	<u>\$ 4,263</u>

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended June 30, 2012, of \$1,814 was charged to governmental activities on the government-wide Statement of Activities. Investment in capital assets is the component of net assets that reports capital assets net of accumulated depreciation.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 4 - INTERFUND ACTIVITY

DUE TO/FROM OTHER FUNDS

The Regional Office of Education #54's General and Education Funds have funds due from/to various other funds which consist of the following:

	Due To Other Funds	Due From Other Funds
General Fund	\$ 6,813	\$ 316
Education Fund	316	6,813
Totals	\$ 7,129	\$ 7,129

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.

	Transfer In	Transfer Out
General Fund	\$ -	\$ 16,526
Proprietary Fund	16,526	-
Totals	\$ 16,526	\$ 16,526

NOTE 5 - DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education #54's Education and Agency Funds have funds due from/to various other governmental units which consist of the following:

Due from other governments:

Agency Funds	
Illinois State Board of Education	\$ 6,028,046
Governmental Funds	
Illinois State Board of Education	45,335
Total	\$ 6,073,381

Due to other governments:

Agency Funds	
Local school districts	\$ 6,364,304
Local agencies	101,621
Private Purpose Trust Fund	
Local agencies	1,965
Governmental Funds	
Local agencies	51,832
Total	\$ 6,519,722

VERMILION COUNTY  
 REGIONAL OFFICE OF EDUCATION #54  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2012

NOTE 6 - RISK MANAGEMENT

The Regional Office of Education #54 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 #54 is covered by commercial insurance purchased by Vermilion County 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

Vermilion County provides the Regional Office of Education #54 with staff and pays certain expenditures on behalf of the Regional Office of Education #54. The expenditures paid by Vermilion County for the year ended June 30, 2012, were as follows:

Office Salaries & Benefits	\$ 58,584
Travel	8,656
Supplies	2,798
Maintenance	3,171
Other expenses	3,222
	<u>\$ 76,431</u>

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

The State of Illinois paid the following salaries on behalf of the Regional Office of Education #54:

Regional Superintendent	
Salary	\$ 100,128
Benefits (includes state-paid insurance)	17,783
Assistant Regional Superintendent	
Salary	45,060
Benefits (includes state-paid insurance)	13,894
TRS Pension Contribution	36,166
	<u>\$ 213,031</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.

## SUPPLEMENTARY INFORMATION

VERMILION COUNTY  
 REGIONAL OFFICE OF EDUCATION #54  
 COMBINING SCHEDULE OF ACCOUNTS  
 GENERAL FUND  
 JUNE 30, 2012

	<u>Direct Services</u>	<u>Regional Safe School - General State Aid</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 21,189	\$ -	\$ 21,189
Due from other funds	316	-	316
<b>TOTAL ASSETS</b>	<u>\$ 21,505</u>	<u>\$ -</u>	<u>\$ 21,505</u>
<b>LIABILITIES</b>			
Due to other funds	<u>\$ 6,813</u>	<u>\$ -</u>	<u>\$ 6,813</u>
<b>TOTAL LIABILITIES</b>	<u>6,813</u>	<u>-</u>	<u>6,813</u>
<b>FUND BALANCE</b>			
Unassigned	<u>14,692</u>	<u>-</u>	<u>14,692</u>
<b>TOTAL FUND BALANCE</b>	<u>14,692</u>	<u>-</u>	<u>14,692</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 21,505</u>	<u>\$ -</u>	<u>\$ 21,505</u>

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GENERAL FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2012

	Direct Services	Regional Safe School - General State Aid	Total
REVENUES			
Local sources	\$ 13,922	\$ -	\$ 13,922
State sources	2,000	87,752	89,752
On-behalf payments - Local	76,431	-	76,431
On-behalf payments - State	213,031	-	213,031
TOTAL REVENUES	<u>305,384</u>	<u>87,752</u>	<u>393,136</u>
EXPENDITURES			
Purchased services	10,414	-	10,414
Supplies and materials	3,664	-	3,664
Other objects	100	-	100
Payments to other governments	2,224	87,752	89,976
On-behalf payments - Local	76,431	-	76,431
On-behalf payments - State	213,031	-	213,031
TOTAL EXPENDITURES	<u>305,864</u>	<u>87,752</u>	<u>393,616</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(480)	-	(480)
OTHER FINANCING SOURCES (USES)			
Transfer out	(16,526)	-	(16,526)
Investment income	717	-	717
TOTAL OTHER FINANCING SOURCES (USES)	<u>(15,809)</u>	<u>-</u>	<u>(15,809)</u>
NET CHANGE IN FUND BALANCE	(16,289)	-	(16,289)
FUND BALANCE - BEGINNING	<u>30,981</u>	<u>-</u>	<u>30,981</u>
FUND BALANCE - ENDING	<u>\$ 14,692</u>	<u>\$ -</u>	<u>\$ 14,692</u>

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND  
JUNE 30, 2012

	IDEA - Improvement Grants - Part D (RTI)	McKinney-Vento Homeless Children & Youth Program	Regional Safe Schools Program	ROE/ISC Operations	Total
<b>ASSETS</b>					
Due from other funds	\$ -	\$ -	\$ -	\$ 6,813	\$ 6,813
Due from other governments - State	25,348	316	19,671	-	45,335
<b>TOTAL ASSETS</b>	<b>\$ 25,348</b>	<b>\$ 316</b>	<b>\$ 19,671</b>	<b>\$ 6,813</b>	<b>\$ 52,148</b>
<b>LIABILITIES</b>					
Due to other funds	\$ -	\$ 316	\$ -	\$ -	\$ 316
Due to other governments - Local	25,348	-	19,671	6,813	51,832
<b>TOTAL LIABILITIES</b>	<b>\$ 25,348</b>	<b>\$ 316</b>	<b>\$ 19,671</b>	<b>\$ 6,813</b>	<b>\$ 52,148</b>

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2012

	IDEA - Improvement Grants - Part D (RTI)	McKinney-Vento Homeless Children & Youth Program	Regional Safe Schools Program	ROE/ISC Operations	Total
REVENUES					
State sources	\$ -	\$ -	\$ 82,323	\$ 27,783	\$ 110,106
Federal sources	82,479	8,656	28,847	-	119,982
TOTAL REVENUES	<u>82,479</u>	<u>8,656</u>	<u>111,170</u>	<u>27,783</u>	<u>230,088</u>
EXPENDITURES					
Purchased services	-	8,656	-	-	8,656
Payments to other governments	82,479	-	111,170	27,783	221,432
TOTAL EXPENDITURES	<u>82,479</u>	<u>8,656</u>	<u>111,170</u>	<u>27,783</u>	<u>230,088</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
BUDGETARY COMPARISON SCHEDULE  
(For the Period of July 1, 2011 to June 30, 2012)  
EDUCATION FUND ACCOUNT  
IDEA - IMPROVEMENT GRANTS - PART D (RTI)  
FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 111,506	\$ 111,506	\$ 82,479
TOTAL REVENUES	<u>111,506</u>	<u>111,506</u>	<u>82,479</u>
EXPENDITURES			
Payments to other governments	111,506	111,506	82,479
TOTAL EXPENDITURES	<u>111,506</u>	<u>111,506</u>	<u>82,479</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
BUDGETARY COMPARISON SCHEDULE  
(For the Period of July 1, 2011 to June 30, 2012)  
EDUCATION FUND ACCOUNT  
MCKINNEY-VENTO HOMELESS CHILDREN AND YOUTH PROGRAM  
FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 9,979	\$ 11,996	\$ 8,656
TOTAL REVENUES	<u>9,979</u>	<u>11,996</u>	<u>8,656</u>
EXPENDITURES			
Purchased services	8,340	8,340	8,656
Supplies and materials	1,639	3,656	-
TOTAL EXPENDITURES	<u>9,979</u>	<u>11,996</u>	<u>8,656</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
BUDGETARY COMPARISON SCHEDULE  
(For the Period of July 1, 2011 to June 30, 2012)  
EDUCATION FUND ACCOUNTS  
REGIONAL SAFE SCHOOLS PROGRAM  
FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 81,345	\$ 81,345	\$ 82,323
Federal sources	-	-	28,847
TOTAL REVENUES	<u>81,345</u>	<u>81,345</u>	<u>111,170</u>
EXPENDITURES			
Payments to other governments	<u>81,345</u>	<u>81,345</u>	<u>111,170</u>
TOTAL EXPENDITURES	<u>81,345</u>	<u>81,345</u>	<u>111,170</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: The budget amount for Regional Safe Schools reflect only the amounts pertaining to the Regional Safe Schools Grant. The actual amounts reflect grant funds as well as other federal funds which are not subject to grant budget requirements.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
BUDGETARY COMPARISON SCHEDULE  
(For the Period of July 1, 2011 to June 30, 2012)  
EDUCATION FUND ACCOUNTS  
ROE/ISC OPERATIONS  
FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 27,783	\$ 27,783	\$ 27,783
TOTAL REVENUES	<u>27,783</u>	<u>27,783</u>	<u>27,783</u>
EXPENDITURES			
Payments to other governments	27,783	27,783	27,783
TOTAL EXPENDITURES	<u>27,783</u>	<u>27,783</u>	<u>27,783</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VERMILION COUNTY  
 REGIONAL OFFICE OF EDUCATION #54  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2012

SPECIAL REVENUE FUNDS			
	Bus Driver Training	Supervisory Fund	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 5,520	\$ 4,429	\$ 9,949
<b>TOTAL ASSETS</b>	\$ 5,520	\$ 4,429	\$ 9,949
<b>FUND BALANCES</b>			
Restricted	\$ 5,520	\$ 4,429	\$ 9,949
<b>TOTAL FUND BALANCES</b>	\$ 5,520	\$ 4,429	\$ 9,949

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012

	SPECIAL REVENUE FUNDS		
	Bus Driver Training	Supervisory Fund	Total
REVENUES			
Local sources	\$ 1,366	\$ -	\$ 1,366
State sources	840	-	840
TOTAL REVENUES	2,206	-	2,206
EXPENDITURES			
Purchased services	986	194	1,180
Supplies and materials	198	-	198
TOTAL EXPENDITURES	1,184	194	1,378
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,022	(194)	828
OTHER FINANCING SOURCES			
Investment income	-	5	5
TOTAL OTHER FINANCING SOURCES	-	5	5
NET CHANGE IN FUND BALANCES	1,022	(189)	833
FUND BALANCE - BEGINNING	4,498	4,618	9,116
FUND BALANCE - ENDING	\$ 5,520	\$ 4,429	\$ 9,949

VERMILION COUNTY  
 REGIONAL OFFICE OF EDUCATION #54  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 AGENCY FUNDS  
 JUNE 30, 2012

	Distributive Fund	EIU Courses Fund	Board of School Trustees	Totals
<b>ASSETS</b>				
Cash and cash equivalents	\$ 326,069	\$ 51,564	\$ 10,189	\$ 387,822
Accounts receivable	-	50,057	-	50,057
Due from other governments	6,028,046	-	-	6,028,046
<b>TOTAL ASSETS</b>	<b>\$ 6,354,115</b>	<b>\$ 101,621</b>	<b>\$ 10,189</b>	<b>\$ 6,465,925</b>
<b>LIABILITIES</b>				
Due to other governments	\$ 6,354,115	\$ 101,621	\$ 10,189	\$ 6,465,925
<b>TOTAL LIABILITIES</b>	<b>\$ 6,354,115</b>	<b>\$ 101,621</b>	<b>\$ 10,189</b>	<b>\$ 6,465,925</b>

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<b><u>DISTRIBUTIVE FUND</u></b>				
Assets				
Cash and cash equivalents	\$ -	\$ 326,069	\$ -	\$ 326,069
Due from other governments	7,172,652	79,946,640	81,091,246	6,028,046
Total assets	<u>\$ 7,172,652</u>	<u>\$ 80,272,709</u>	<u>\$ 81,091,246</u>	<u>\$ 6,354,115</u>
Liabilities				
Due to other governments	<u>\$ 7,172,652</u>	<u>\$ 80,272,709</u>	<u>\$ 81,091,246</u>	<u>\$ 6,354,115</u>
Total liabilities	<u>\$ 7,172,652</u>	<u>\$ 80,272,709</u>	<u>\$ 81,091,246</u>	<u>\$ 6,354,115</u>
<b><u>EIU COURSES FUND</u></b>				
Assets				
Cash and cash equivalents	\$ -	\$ 544,436	492,872	\$ 51,564
Accounts receivable	-	50,057	-	50,057
Total assets	<u>\$ -</u>	<u>\$ 594,493</u>	<u>\$ 492,872</u>	<u>\$ 101,621</u>
Liabilities				
Due to other governments	<u>\$ -</u>	<u>\$ 594,493</u>	<u>\$ 492,872</u>	<u>\$ 101,621</u>
Total liabilities	<u>\$ -</u>	<u>\$ 594,493</u>	<u>\$ 492,872</u>	<u>\$ 101,621</u>
<b><u>BOARD OF SCHOOL TRUSTEES FUND</u></b>				
Assets				
Cash and cash equivalents	\$ 10,231	\$ 14	\$ 56	\$ 10,189
Due from other governments	48	-	48	-
Total assets	<u>\$ 10,279</u>	<u>\$ 14</u>	<u>\$ 104</u>	<u>\$ 10,189</u>
Liabilities				
Due to other governments	<u>\$ 10,279</u>	<u>\$ 14</u>	<u>\$ 104</u>	<u>\$ 10,189</u>
Total liabilities	<u>\$ 10,279</u>	<u>\$ 14</u>	<u>\$ 104</u>	<u>\$ 10,189</u>

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance End of Year</u>
<b><u>TOTALS - ALL AGENCY FUNDS</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 10,231	\$ 870,519	\$ 492,928	\$ 387,822
Accounts receivable	-	50,057	-	50,057
Due from other governments	<u>7,172,700</u>	<u>79,946,640</u>	<u>81,091,294</u>	<u>6,028,046</u>
Total assets	<u>\$ 7,182,931</u>	<u>\$ 80,867,216</u>	<u>\$ 81,584,222</u>	<u>\$ 6,465,925</u>
<b>Liabilities</b>				
Due to other governments	<u>\$ 7,182,931</u>	<u>\$ 80,867,216</u>	<u>\$ 81,584,222</u>	<u>\$ 6,465,925</u>
Total liabilities	<u>\$ 7,182,931</u>	<u>\$ 80,867,216</u>	<u>\$ 81,584,222</u>	<u>\$ 6,465,925</u>

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES  
DISTRIBUTIVE FUND  
FOR THE YEAR ENDED JUNE 30, 2012

	Community Unit School District #1 Bismarck Illinois	Community Unit School District #2 Westville Illinois	Community Unit School District #4 Georgetown- Ridge Farm Illinois	Community Unit School District #5 Catlin Illinois	Community Unit School District #7 Rossville Illinois	Community Unit School District #10 Potomac Illinois	Community Unit School District #11 Hoopeston Illinois
General State Aid	\$ 2,620,496	\$ 6,115,318	\$ 5,025,924	\$ 1,654,500	\$ 1,372,580	\$ 869,840	\$ 5,568,842
Reorganization Incentive	-	-	-	-	-	-	-
Special Education							
Private Facility Tuition	-	-	21,818	5,225	-	-	13,211
Extraordinary	121,214	194,681	174,499	70,907	55,719	33,286	201,705
Personnel	135,792	346,337	369,249	124,871	39,121	26,018	370,556
Orphanage - Individual	-	47,327	4,549	-	15,402	-	35,172
Summer School	-	584	2,098	-	-	-	-
Career & Technical Education	-	-	-	-	-	-	-
Bilingual Education - TPI	-	-	-	-	-	-	-
State Free Lunch & Breakfast	2,685	15,675	16,833	826	2,051	1,727	19,765
Driver Education	11,489	11,705	7,534	3,912	-	-	13,737
Transportation							
Regular	127,385	250,996	173,835	63,255	90,240	38,741	224,222
Special Education	82,768	85,520	64,960	12,057	57,718	27,711	48,631
ROE School Bus Driver Training	-	-	-	-	-	-	-
National Board Certification Initiatives	-	739	-	-	-	-	-
Truants Alternative/Optional Ed.	-	-	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-	-	-
Early Childhood - Block Grant	-	-	-	-	-	-	-
ROE/ISC Operations	-	-	-	-	-	-	-
Orphanage Tuition	-	-	-	-	-	-	-
National School Lunch Program	109,593	265,206	276,734	37,905	56,473	32,313	329,014
Special Milk Program	-	-	-	-	-	-	1,470
School Breakfast Program	-	63,697	87,153	-	8,236	16,264	86,147
Fresh Fruits & Vegetables	-	-	-	-	-	-	-
Title I - Low Income	93,282	259,813	334,874	45,292	46,493	54,055	412,981
Title I - Migrant Education	-	-	-	-	-	-	65,023
Title IV - Safe & Drug Free Schools - Formula	-	-	-	-	-	-	-
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	-	-	-	-
Fed. - Sp. Ed. - I.D.E.A. Flow Through	-	-	-	-	-	-	-
I.D.E.A. Room and Board	-	2,635	1,865	7,017	-	-	9,580
ARRA-Title I Low Income	-	-	-	-	-	5,923	3,744
ARRA-Special Ed Preschool	-	-	-	-	-	-	-
ARRA-IDEA Flow Through	-	-	-	-	-	-	-
ARRA-Technology	-	-	-	-	-	-	-
ARRA- Education Jobs Funds	3,851	-	335,329	3,925	1,961	71,088	298,974
Title III--Lang Inst Prog-Limited Eng	-	-	-	-	-	-	-
Title III Limited English	-	-	-	-	-	-	-
Learn & Serve America	-	-	-	3,650	-	-	-
Title II - Teacher Quality	27,057	42,396	49,572	8,996	6,190	7,393	66,332
Other Federal Programs	-	-	-	-	-	-	-
	<u>\$ 3,335,612</u>	<u>\$ 7,702,629</u>	<u>\$ 6,946,826</u>	<u>\$ 2,042,338</u>	<u>\$ 1,752,184</u>	<u>\$ 1,184,359</u>	<u>\$ 7,769,106</u>

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION #54  
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES  
DISTRIBUTIVE FUND  
FOR THE YEAR ENDED JUNE 30, 2012

	Community Unit School District #12 Jamaica Illinois	Community Unit School District #61 Armstrong- Ellis Illinois	Community Unit School District #76 Oakwood Illinois	Community Unit School District #118 Danville Illinois	Armstrong Twp. High School District #225 Armstrong Illinois	Vermilion County ROE #54	Total
General State Aid	\$ 1,075,425	\$ 194,796	\$ 3,770,426	\$ 26,144,226	\$ 122,796	\$ 87,752	\$ 54,622,921
Reorganization Incentive	-	-	-	-	-	2,000	2,000
Special Education							
Private Facility Tuition	-	-	13,537	95,983	28,422	-	178,196
Extraordinary	61,531	15,617	161,137	990,230	12,984	-	2,093,510
Personnel	97,674	22,574	165,351	1,299,353	11,250	-	3,008,146
Orphanage - Individual	-	1,102	15,224	92,832	-	-	211,608
Summer School	1,284	-	-	27,393	-	-	31,359
Career & Technical Education	-	-	-	176,818	-	-	176,818
Bilingual Education - TPI	-	-	-	37,798	-	-	37,798
State Free Lunch & Breakfast	2,200	730	5,550	123,338	527	978	192,885
Driver Education	3,762	-	10,588	38,668	4,160	-	105,555
Transportation							
Regular	127,399	10,769	333,516	777,545	5,064	-	2,222,967
Special Education	75,836	14,490	135,582	526,108	-	-	1,131,381
ROE School Bus Driver Training	-	-	-	-	-	840	840
National Board Certification Initiatives	-	-	-	1,479	-	-	2,218
Truants Alternative/Optional Ed.	-	-	-	69,648	-	-	69,648
Regional Safe Schools	-	-	-	-	-	107,965	107,965
Early Childhood - Block Grant	-	-	-	2,397,058	-	-	2,397,058
ROE/ISC Operations	-	-	-	-	-	27,783	27,783
Orphanage Tuition	-	-	-	324,046	-	-	324,046
National School Lunch Program	78,958	16,166	153,950	1,718,514	19,041	17,620	3,111,487
Special Milk Program	-	-	-	8,020	-	-	9,490
School Breakfast Program	-	5,803	31,420	576,458	-	6,369	881,547
Fresh Fruits & Vegetables	-	-	-	-	-	1,687	1,687
Title I - Low Income	49,721	38,146	186,242	2,445,090	44,710	-	4,010,699
Title I - Migrant Education	-	-	-	-	-	-	65,023
Title IV - Safe & Drug Free Schools - Formula	-	-	-	18	-	-	18
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	112,553	-	-	112,553
Fed. - Sp. Ed. - I.D.E.A. Flow Through	-	-	-	2,107,417	-	-	2,107,417
I.D.E.A. Room and Board	12,136	1,044	5,298	73,475	87,701	-	200,751
ARRA-Title I Low Income	-	-	3,623	125,201	-	-	138,491
ARRA-Special Ed Preschool	-	-	-	11,647	-	-	11,647
ARRA-IDEA Flow Through	-	-	-	352,021	-	-	352,021
ARRA-Technology	-	-	33,095	-	-	-	33,095
ARRA- Education Jobs Funds	34,123	21,409	131,984	1,501,888	18,066	3,171	2,425,769
Title III--Lang Inst Prog-Limited Eng	-	-	-	2,087	-	-	2,087
Title III Limited English	-	-	-	18,067	-	-	18,067
Learn & Serve America	-	-	-	-	-	-	3,650
Title II - Teacher Quality	9,587	1,672	25,311	407,691	4,459	-	656,656
Other Federal Programs	-	-	-	4,389	-	-	4,389
	<u>\$ 1,629,636</u>	<u>\$ 344,318</u>	<u>\$ 5,181,834</u>	<u>\$ 42,587,059</u>	<u>\$ 359,180</u>	<u>\$ 256,165</u>	<u>\$ 81,091,246</u>