

State of Illinois
REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS,
EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL AUDIT
FOR THE YEAR ENDED JUNE 30, 2017

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION

For the Year Ended June 30, 2017

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REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION

For the Year Ended June 30, 2017

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REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

AGENCY OFFICIALS

For the Year Ended June 30, 2017

Regional Superintendent (Current and During the Audit Period)

Dr. Bobbi Mattingly

Assistant Regional Superintendent (Current and During the Audit Period)

Mr. Kyle Thompson

Office is located at:

730 7th Street
Charleston, Illinois 61920

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL REPORT SUMMARY

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

AUDITORS' REPORTS

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

SUMMARY OF AUDIT FINDINGS

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

SUMMARY OF FINDINGS AND RESPONSES

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

There were no findings for the year ended June 30, 2017.

PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

There were no findings for the year ended June 30, 2016.

EXIT CONFERENCE

The Regional Office of Education #11 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2017. Throughout the audit, numerous meetings were held between the auditors and Regional Office officials to discuss matters contained in this audit report.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11 was performed by West & Company, LLC.

Based on their audit, the auditors expressed an unmodified opinion on the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's basic financial statements.

MEMBERS

BRIAN E. DANIELL
JANICE K. ROMACK
DIANA R. SMITH
D. RAIF PERRY
JOHN H. VOGT
JOSHUA D. LOWE
DAVID W. FALLER
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INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Financial Statements

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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, on pages 13A - 13H, and the Illinois Municipal Retirement Fund - Schedule of Changes in the Net Pension Liability and Related Ratios, Illinois Municipal Retirement Fund - Schedule of Employer Contributions, Teachers' Retirement System of the State of Illinois - Schedule of Employer's Proportionate Share of the Net Pension Liability, and Teachers' Retirement System of the State of Illinois - Schedule of Employer Contributions on pages 49 - 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's basic financial statements. The combining schedules of accounts, budgetary comparison schedules, combining fund financial statements, and Schedule of Disbursements to School District Treasurers and Other Entities are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules of accounts, budgetary comparison schedules, combining fund financial statements, and Schedule of Disbursements to School District Treasurers and Other Entities are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 schedules of accounts, budgetary comparison schedules, combining fund financial statements, and Schedule of Disbursements to School District Treasurers and Other Entities are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2018, on our consideration of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 solely 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 effectiveness of Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control over financial reporting and compliance.

SIGNED ORIGINAL ON FILE

Mattoon, Illinois

June 25, 2018

MEMBERS

BRIAN E. DANIELL
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**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***

INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's basic financial statements, and have issued our report thereon dated June 25, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Mattoon, Illinois

June 25, 2018

SCHEDULE OF FINDINGS AND RESPONSES

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SCHEDULE OF FINDINGS AND RESPONSES
SECTION I – SUMMARY OF AUDITORS' RESULTS
For the year ended June 30, 2017

Financial Statements in accordance with GAAP

Type of auditors' report issued

UNMODIFIED

Internal control over financial reporting:

- Material weakness(es) identified?

 yes X no

- Significant deficiency(ies) identified?

 yes X none reported

Noncompliance material to financial
statements noted?

 yes X no

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2017

No findings were noted for the year ended June 30, 2017.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the year ended June 30, 2017

Corrective Action Plan

No findings were noted for the year ended June 30, 2017.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED
For the year ended June 30, 2017

Not applicable in the current year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2017

The Regional Office of Education #11 for the Counties of Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, and Shelby provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2017. Readers are encouraged to consider the information in conjunction with the Regional Office's financial statements which follow.

Financial Highlights

- Within the Governmental Funds, the General Fund fund balance increased from \$402,820 in FY16 to \$440,347 in FY17, and the Institute Fund fund balance increased from \$103,370 to \$122,331. These increases are very similar to the increase in fund balance for FY16. The increase was primarily due to operating with expenditures well below revenues in the Institute Fund and in the Youth Services Account in the General Fund.
- Within the Proprietary Fund, Local Workshops total net position increased from \$168,047 in FY16 to \$172,219 in FY17, and the Local Service Fees increased from \$4,231 in FY16 to \$6,712 in FY17. These increases are due to higher revenues than expenses. The increase in total net position was primarily due to an increase in Professional Development workshops and testing/local services than in previous years.

Using This Report

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

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Regional Office's financial activities.
- The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of the Regional Office of Education as a whole and present an overall view of the Office's finances.
- The fund financial statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the Regional Office's operations in more detail than the government-wide statements by providing information about the most significant funds.
- Notes to the financial statements provide additional information that is needed for a full understanding of the data provided in the basic financial statements.
- Required supplementary information further explains and supports the financial statements and supplementary information provides detailed information about the General Fund, the Education Fund, and the Nonmajor Funds.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2017

Reporting the Office as a Whole

The Statement of Net Position and the Statement of Activities

The government-wide statements report information about the Regional Office of Education #11 as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Office's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. All of the current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the Office's net position and how it has changed. Net position, the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, are one way to measure the Office's financial health or position.

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

In the government-wide financial statements, the Regional Office of Education #11's activities are divided into two categories.

- Governmental activities: Most of the Regional Office of Education #11's basic services are included here, such as local, State, and federal grant-funded programs, support services, and administration.
- Business-type activities: The Regional Office of Education #11 charges fees to help cover costs of certain services and workshops it provides.

The fund financial statements provide detailed information about the Regional Office's funds, focusing on its most significant or "major" funds – not the Regional Office of Education as a whole. Funds are accounting devices that allow the tracking of specific sources of funding and spending on particular programs. Some funds are required by state law. The Regional Office of Education #11 established other funds to control and manage money for particular purposes.

The Regional Office of Education #11 has the following types of funds:

1. Governmental funds account for all of the Office's services. These focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer resources that can be spent in the near future to finance the Office's programs. Because this information does not encompass the additional long-term focus of the government-wide financial statements, a reconciliation between the governmental fund financial statements and the government-wide financial statements follow each of the related governmental fund financial statements. The Office's governmental funds include the General Fund and the Special Revenue Funds. The governmental funds' required financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2017

Reporting the Office as a Whole (continued)

2. Proprietary Funds are used to account for registration fees for workshops and other services sponsored by the Regional Office of Education #11. The proprietary funds' required financial statements include a Statement of Net Position, Statement of Revenues, Expenses, and Changes in Fund Net Position, and Statement of Cash Flows.
3. Fiduciary funds are used to account for assets held by the Regional Office of Education #11 in a trust capacity or as an agent for individuals and private or governmental organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The fiduciary funds required financial statements include a Statement of Fiduciary Net Position. The Regional Office of Education #11 excludes these assets from the government-wide financial statements because it cannot use these assets to finance its operations.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the financial position. The Regional Office's governmental activities net position at the end of FY17 totaled \$487,599. This compared to \$493,320 at the end of FY16. The analysis that follows provides a summary of the Office's net position at June 30, 2017 and June 30, 2016 for the governmental and business-type activities.

Condensed Statement of Net Position
Governmental Activities

	2017	2016	Increase/ (Decrease)
Current assets	\$ 766,378	\$ 628,625	\$ 137,753
Capital assets, net of depreciation	36,255	41,806	(5,551)
Total assets	<u>802,633</u>	<u>670,431</u>	<u>132,202</u>
Deferred outflows of resources related to pensions	<u>100,730</u>	<u>118,114</u>	<u>(17,384)</u>
Current liabilities	160,064	80,395	79,669
Net pension liability	<u>231,979</u>	<u>198,207</u>	<u>33,772</u>
Total liabilities	<u>392,043</u>	<u>278,602</u>	<u>113,441</u>
Deferred inflows of resources related to pensions	<u>23,721</u>	<u>16,623</u>	<u>7,098</u>
Net position:			
Net investment in capital assets	36,255	41,806	(5,551)
Restricted - other	159,142	139,964	19,178
Unrestricted	<u>292,202</u>	<u>311,550</u>	<u>(19,348)</u>
Total net position	<u>\$ 487,599</u>	<u>\$ 493,320</u>	<u>\$ (5,721)</u>

Net position decreased from \$493,320 to \$487,599. The decrease in total net position was primarily due to a decrease of local revenues in County Support fund due to how the county fiscal years fall. Cash and cash equivalents made up the majority of current assets. In addition, net position - other is considered restricted.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2017

Government-Wide Financial Analysis (continued)

Condensed Statement of Net Position
Business-Type Activities

	2017	2016	Increase/ (Decrease)
Current assets	\$ 179,609	\$ 172,527	\$ 7,082
Capital assets, net of depreciation	321	573	(252)
Total assets	<u>179,930</u>	<u>173,100</u>	<u>6,830</u>
Current liabilities	<u>999</u>	<u>822</u>	<u>177</u>
Net position:			
Net investment in capital assets	321	573	(252)
Unrestricted	<u>178,610</u>	<u>171,705</u>	<u>6,905</u>
Total net position	<u>\$ 178,931</u>	<u>\$ 172,278</u>	<u>\$ 6,653</u>

The Regional Office of Education #11 uses its business-type net position to provide workshops and training services to school districts in the Region. The increase in total net position was primarily due to increase in Professional Development workshops & testing/local services than in previous years.

The following analysis shows the changes in net position for governmental and business-type activities for the years ended June 30, 2017 and June 30, 2016.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2017

Government-Wide Financial Analysis (continued)

Condensed Statement of Activities
Governmental Activities

	2017	2016	Increase/ (Decrease)
Revenues:			
Program revenues:			
Operating grants and contributions	\$ 728,436	\$ 467,081	\$ 261,355
General revenues:			
Local sources	305,238	336,328	(31,090)
State sources	856,695	815,615	41,080
On-behalf payment	735,038	588,596	146,442
Interest	2,015	653	1,362
	2,627,422	2,208,273	419,149
Expenses:			
Program expenses:			
Instructional services			
Salaries and benefits	938,606	841,536	97,070
Purchased services	323,518	336,200	(12,682)
Supplies and materials	73,277	50,507	22,770
Other objects	2,606	2,635	(29)
Depreciation expense	6,451	7,283	(832)
Payments to other governments	458,844	302,356	156,488
Pension expense	94,803	91,717	3,086
Administrative expenses:			
On-behalf payments - state	735,038	588,596	146,442
	2,633,143	2,220,830	412,313
Change in net position	(5,721)	(12,557)	6,836
Net position - beginning	493,320	505,877	(12,557)
Net position - ending	\$ 487,599	\$ 493,320	\$ (5,721)

Revenues for governmental activities were \$2,627,422 and expenses were \$2,633,143. The increases in total revenues and total expenses are due to an increase in grant funding and related expenses for the Homeless Grant and grant funding and expenses for the new Math & Science Partnership Grant.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2017

Government-Wide Financial Analysis (continued)

**Condensed Statement of Activities
Business-Type Activities**

	<u>2017</u>	<u>2016</u>	<u>Increase/ (Decrease)</u>
Revenues:			
Program revenues:			
Charges for services	\$ 36,827	\$ 35,878	\$ 949
General revenues:			
Interest	232	151	81
Total revenues	<u>37,059</u>	<u>36,029</u>	<u>1,030</u>
Expenses:			
Charges for services:			
Salaries and benefits	5,893	2,992	2,901
Purchased services	23,695	18,545	5,150
Supplies and materials	566	358	208
Depreciation expense	252	252	-
Total expenses	<u>30,406</u>	<u>22,147</u>	<u>8,259</u>
Change in net position	6,653	13,882	(7,229)
Net position - beginning	<u>172,278</u>	<u>158,396</u>	<u>13,882</u>
Net position - ending	<u>\$ 178,931</u>	<u>\$ 172,278</u>	<u>\$ 6,653</u>

Revenues for the business-type activities were \$37,059 and expenses were \$30,406 resulting in an overall increase in total net position of \$6,653. While salaries and benefits and purchased services increased from FY16 to FY17, the revenues continued to exceed the expenses, creating a positive change in net position.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2017

Financial Highlights of the Regional Office of Education #11 Funds

As previously noted, the Regional Office of Education #11 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund Highlights:

- The return on investments (certificates of deposit, short term investments, and interest earned on float), maintained the same levels except for the increase from the certificates of deposit. The rates on these CD's increased from .20% to .50%.
- County support for the Regional Office of Education #11 remained the same at \$285,290 for the counties' FY16 ending November 30, 2016 and FY17 ending November 30, 2017.
- There was level funding in the state aid of \$6,119 per student; appropriations increased back up to 100% funding. State Aid funding increased slightly from \$377,175 in FY16 to \$387,761 in FY17 due to 100% funding for General State Aid. General State Aid TAOEP funding increased from \$435,080 in FY16 to \$463,759 in FY17 due to continued higher student enrollment over the 3 year period and 100% funding for General State Aid TAOEP. Other grant funds increased as follows: The Regional Safe Schools Cooperative Education grant increased from \$38,642 to \$39,347 and the ROE/ISC Operations grant increased from \$84,232 to \$118,533.
- The Regional Office of Education #11 was awarded the Area 4 Lead Liason for the FY17 McKinney Education for Homeless Children grant. The revenue increased from \$24,955 in FY16 to \$202,656 in FY17. The majority of the revenue is paid to other governmental units for the subgrantee awards.
- State funding for several grants are behind schedule. The Regional Safe Schools Coop Education, Truants Alternative/Optional Education, and Regional Safe Schools Grants are all delayed past 60 days after the Regional Office of Education #11's year-end. Due to this the revenues were decreased from \$39,347 to \$19,675 for the Regional Safe Schools Coop Education Grant, from \$116,452 to \$55,000 for the Truants Alternative/Optional Education Grant, and from \$86,135 to \$39,155 for the Regional Safe Schools Grant for FY17.
- Funding for the Math & Science Partnerships Grant began May 18, 2017 and ends August 31, 2017. Due to the late date of the award, the funding was received after 60 days from the end of the Regional Office of Education #11's fiscal year. The amount due from the University of Illinois for the Math & Science Partnerships Grant expenditures was \$43,646 for FY17.

Proprietary Fund Highlights:

The Regional Office of Education #11's Local Workshop Fund & Local Service Fees Fund increased net position in FY17. Workshops in FY17 continued to have lower presenter fees. This in conjunction with Professional Development staff salaries paid from other funding sources resulted in revenues higher than expenses in the Local Workshop Fund for FY17. The continued number of participants in the local testing services generated revenues which exceeded the expenses for FY17 in the Local Service Fees Fund.

Budgetary Highlights:

The Regional Office of Education #11 annually adopts budgets although not legally required to do so. All grant budgets are prepared by the Regional Office of Education #11 and submitted to the granting agency for approval. Amendments must be submitted under guidelines established by the granting agency. Schedules showing the budget amounts compared to the Office's actual financial activity are included in the supplementary information of this report.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2017

Financial Highlights of the Regional Office of Education #11 Funds (continued)

Capital Assets

There were no material changes in capital assets from the previous year. The Regional Office of Education #11 replaced the roof on the office building located at 730 7th street in FY15 at a cost of \$30,846 and will continue to depreciate it over 40 years.

Economic Factors and Next Year's Budget

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

- The State of Illinois Foundation level used in the calculation of State Aid stayed the same at \$6,119 per student for FY17 and was fully funded.
- The interest rate on investments remains low.
- The majority of grants have increased or remained the same from previous levels.
- The State of Illinois funding for several programs are behind schedule. Regional Safe Schools, Truants Alternative/Optional Education, and Regional Safe Schools Coop Education Grant are all behind schedule for funding.
- County Board support of the Regional Office of Education #11 will remain the same for the next fiscal year.

Contacting the Regional Office's Financial Management

This financial report is designed to provide the Regional Offices' citizens, taxpayers, clients, and other constituents with a general overview of its finances and to demonstrate the accountability for the money it receives. If the reader has questions concerning this report or needs additional financial information, please contact the Regional Superintendent of the Regional Office of Education #11 at 730 7th Street, Charleston, IL 61920.

BASIC FINANCIAL STATEMENTS

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF NET POSITION

June 30, 2017

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets			
Current assets:			
Cash and cash equivalents	\$ 375,734	\$ 115,459	\$ 491,193
Investments	29,702	63,157	92,859
Prepaid expense	5,419	388	5,807
Accounts receivable	346	380	726
Due from other governments:			
Local	273	225	498
State	206,166	-	206,166
Federal	148,738	-	148,738
Total current assets	<u>766,378</u>	<u>179,609</u>	<u>945,987</u>
Noncurrent assets:			
Capital assets, net of depreciation	<u>36,255</u>	<u>321</u>	<u>36,576</u>
Total assets	<u>802,633</u>	<u>179,930</u>	<u>982,563</u>
Deferred outflows of resources			
Deferred outflows related to pensions	<u>100,730</u>	<u>-</u>	<u>100,730</u>
Liabilities			
Current liabilities:			
Accounts payable	5,882	364	6,246
Payroll liabilities	83,056	-	83,056
Due to other governments:			
Local	35,129	-	35,129
Federal	35,997	-	35,997
Unearned revenue	-	635	635
Total current liabilities	<u>160,064</u>	<u>999</u>	<u>161,063</u>
Noncurrent liabilities:			
Net pension liability	<u>231,979</u>	<u>-</u>	<u>231,979</u>
Total liabilities	<u>392,043</u>	<u>999</u>	<u>393,042</u>
Deferred inflows of resources			
Deferred inflows related to pensions	<u>23,721</u>	<u>-</u>	<u>23,721</u>
Net position			
Net investment in capital assets	36,255	321	36,576
Restricted - other	159,142	-	159,142
Unrestricted	292,202	178,610	470,812
Total net position	<u>\$ 487,599</u>	<u>\$ 178,931</u>	<u>\$ 666,530</u>

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

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES
 STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Primary Government	
				Governmental Activities	Business-Type Activities	Total
Primary Government:						
Governmental Activities:						
Instructional Services:						
Salaries and benefits	\$ 938,606	\$ -	\$ 375,719	\$ (562,887)	\$ -	\$ (562,887)
Purchased services	323,518	-	169,047	(154,471)	-	(154,471)
Supplies and materials	73,277	-	13,083	(60,194)	-	(60,194)
Other objects	2,606	-	-	(2,606)	-	(2,606)
Depreciation expense	6,451	-	-	(6,451)	-	(6,451)
Payments to other governments	458,844	-	150,325	(308,519)	-	(308,519)
Pension expense	94,803	-	20,262	(74,541)	-	(74,541)
Administrative:						
On-behalf payments - State	735,038	-	-	(735,038)	-	(735,038)
Total governmental activities	<u>2,633,143</u>	<u>-</u>	<u>728,436</u>	<u>(1,904,707)</u>	<u>-</u>	<u>(1,904,707)</u>
Business-type activities						
Charges for services	<u>30,406</u>	<u>36,827</u>	<u>-</u>	<u>-</u>	<u>6,421</u>	<u>6,421</u>
Total business-type activities	<u>30,406</u>	<u>36,827</u>	<u>-</u>	<u>-</u>	<u>6,421</u>	<u>6,421</u>
Total primary government	<u>\$ 2,663,549</u>	<u>\$ 36,827</u>	<u>\$ 728,436</u>	<u>(1,904,707)</u>	<u>6,421</u>	<u>(1,898,286)</u>
General Revenues:						
Local sources				305,238	-	305,238
State sources				856,695	-	856,695
On-behalf payments				735,038	-	735,038
Interest				2,015	232	2,247
Total general revenues				<u>1,898,986</u>	<u>232</u>	<u>1,899,218</u>
Change in net position				(5,721)	6,653	932
Net position, beginning of year				<u>493,320</u>	<u>172,278</u>	<u>665,598</u>
Net position, end of year				<u>\$ 487,599</u>	<u>\$ 178,931</u>	<u>\$ 666,530</u>

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES
BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2017

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Eliminations	Total Governmental Funds
Assets:						
Cash and cash equivalents	\$ 163,908	\$ 70,464	\$ 122,339	\$ 19,023	\$ -	\$ 375,734
Investments	12,183	17,519	-	-	-	29,702
Prepaid expense	5,393	-	19	7	-	5,419
Accounts receivable	346	-	-	-	-	346
Due from other funds	347,558	-	-	-	(347,558)	-
Due from other governments						
Local	-	-	-	273	-	273
State	1,897	204,269	-	-	-	206,166
Federal	5,312	143,426	-	-	-	148,738
Total assets	\$ 536,597	\$ 435,678	\$ 122,358	\$ 19,303	\$ (347,558)	\$ 766,378
Liabilities:						
Accounts payable	\$ 2,827	\$ 3,017	\$ 27	\$ 11	\$ -	\$ 5,882
Payroll liabilities	51,469	31,587	-	-	-	83,056
Due to other funds	-	347,558	-	-	(347,558)	-
Due to other governments						
Local	35,129	-	-	-	-	35,129
Federal	-	35,997	-	-	-	35,997
Total liabilities	89,425	418,159	27	11	(347,558)	160,064
Deferred inflows of resources:						
Unavailable revenue	6,825	182,596	-	-	-	189,421
Fund Balance:						
Nonspendable	\$ 5,393	\$ -	\$ 19	\$ 7	\$ -	\$ 5,419
Restricted	-	17,519	122,312	19,285	-	159,116
Assigned	399,413	-	-	-	-	399,413
Unassigned	35,541	(182,596)	-	-	-	(147,055)
Total fund balance	440,347	(165,077)	122,331	19,292	-	416,893
Total liabilities, deferred inflows of resources, and fund balance	\$ 536,597	\$ 435,678	\$ 122,358	\$ 19,303	\$ (347,558)	\$ 766,378

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

June 30, 2017

Total fund balances - governmental funds	\$	416,893
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
Some revenues will not be collected for several months after the Regional Office fiscal year ends; they are considered "unavailable" revenues and are deferred inflows of resources in the governmental funds.		189,421
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		36,255
Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year, and therefore, are not reported in the governmental funds as follows:		
Deferred outflows of resources	\$ 100,730	
Deferred inflows of resources	<u>(23,721)</u>	77,009
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Net pension liability		<u>(231,979)</u>
Net position of governmental activities	\$	<u><u>487,599</u></u>

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2017

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues:					
Local sources	\$ 253,193	\$ -	\$ 44,016	\$ 8,926	\$ 306,135
State sources	852,709	232,363	-	1,556	1,086,628
State sources - payments made on behalf of region	279,370	-	-	-	279,370
Federal sources	60,779	252,852	-	-	313,631
Interest	1,278	61	674	2	2,015
Total revenues	<u>1,447,329</u>	<u>485,276</u>	<u>44,690</u>	<u>10,484</u>	<u>1,987,779</u>
Expenditures:					
Instructional services					
Salaries and benefits	542,756	375,719	12,452	7,679	938,606
Purchased services	204,058	108,422	9,692	1,346	323,518
Supplies and materials	59,049	13,083	328	817	73,277
Other objects	788	-	1,818	-	2,606
Payments to other governments	308,519	150,325	-	-	458,844
Pension expense	14,362	20,262	1,439	486	36,549
Payments made on behalf of region	279,370	-	-	-	279,370
Capital outlay	900	-	-	-	900
Total expenditures	<u>1,409,802</u>	<u>667,811</u>	<u>25,729</u>	<u>10,328</u>	<u>2,113,670</u>
Net change in fund balance	37,527	(182,535)	18,961	156	(125,891)
Fund balance, beginning of year	402,820	17,458	103,370	19,136	542,784
Fund balance (deficit), end of year	<u>\$ 440,347</u>	<u>\$ (165,077)</u>	<u>\$ 122,331</u>	<u>\$ 19,292</u>	<u>\$ 416,893</u>

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2017

Net change in fund balances		\$ (125,891)
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Some revenues will not be collected for several months after the Regional Office fiscal year ends; they are considered "unavailable" revenues and are deferred inflows of resources in the governmental funds.</p>		
Reported in the funds - current year	\$ 189,421	
Reported in the funds - prior year	<u>(5,446)</u>	183,975
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay	\$ 900	
Depreciation	<u>(6,451)</u>	(5,551)
<p>Certain expenses in the Statement of Activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in the governmental funds.</p>		
Net pension expense		<u>(58,254)</u>
Change in net position of governmental activities		<u><u>\$ (5,721)</u></u>

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

JUNE 30, 2017

	Business-Type Activities- Enterprise Funds		Total
	Local Workshops	Nonmajor Fund - Local Service Fees	
Assets			
Current assets:			
Cash and cash equivalents	\$ 108,795	\$ 6,664	\$ 115,459
Investments	63,157	-	63,157
Prepaid expense	385	3	388
Accounts receivable	-	380	380
Due from other governments			
Local	225	-	225
Total current assets	<u>172,562</u>	<u>7,047</u>	<u>179,609</u>
Noncurrent assets:			
Capital assets, net of depreciation	321	-	321
Total noncurrent assets	<u>321</u>	<u>-</u>	<u>321</u>
Total assets	<u>172,883</u>	<u>7,047</u>	<u>179,930</u>
Liabilities			
Current liabilities:			
Accounts payable	29	335	364
Unearned revenue	635	-	635
Total current liabilities	<u>664</u>	<u>335</u>	<u>999</u>
Net Position			
Net investment in capital assets	321	-	321
Unrestricted	171,898	6,712	178,610
Total net position	<u>\$ 172,219</u>	<u>\$ 6,712</u>	<u>\$ 178,931</u>

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

For the Year Ended June 30, 2017

	Business-Type Activities- Enterprise Funds		Total
	Local Workshops	Nonmajor Fund - Local Service Fees	
Operating revenues			
Local sources	\$ 21,474	\$ 15,353	\$ 36,827
Total operating revenues	21,474	15,353	36,827
Operating expenses			
Salaries and benefits	3,130	2,763	5,893
Purchased services	13,641	10,054	23,695
Supplies and materials	510	56	566
Depreciation	252	-	252
Total operating expenses	17,533	12,873	30,406
Operating income	3,941	2,480	6,421
Nonoperating revenues			
Interest income	231	1	232
Total nonoperating revenue	231	1	232
Change in net position	4,172	2,481	6,653
Total net position, beginning of year	168,047	4,231	172,278
Total net position, end of year	\$ 172,219	\$ 6,712	\$ 178,931

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended June 30, 2017

	Business-Type Activities- Enterprise Funds		
	Local Workshops	Nonmajor Fund - Local Service Fees	Total
Cash flows from operating activities:			
Workshop receipts	\$ 22,373	\$ 15,533	\$ 37,906
Payments to suppliers and providers of goods and services	(14,739)	(9,983)	(24,722)
Payments to employees	(3,130)	(2,763)	(5,893)
Net cash provided by operating activities	<u>4,504</u>	<u>2,787</u>	<u>7,291</u>
Cash flows from investing activities:			
Purchase of investments	(220)	-	(220)
Interest received on investments	231	1	232
Net cash provided by investing activities	<u>11</u>	<u>1</u>	<u>12</u>
Net increase in cash and cash equivalents	4,515	2,788	7,303
Cash and cash equivalents - beginning of year	<u>104,280</u>	<u>3,876</u>	<u>108,156</u>
Cash and cash equivalents - end of year	<u>\$ 108,795</u>	<u>\$ 6,664</u>	<u>\$ 115,459</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 3,941	\$ 2,480	\$ 6,421
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	252	-	252
(Increase)/decrease in assets:			
Decrease in accounts receivable	-	180	180
Decrease in due from other governments	294	-	294
(Increase) in prepaid expense	(33)	-	(33)
Increase/(decrease) in liabilities:			
Increase/(decrease) in accounts payable	(555)	127	(428)
Increase in unearned revenue	605	-	605
Net cash provided by operating activities	<u>\$ 4,504</u>	<u>\$ 2,787</u>	<u>\$ 7,291</u>

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2017

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	<u>\$ 2,888</u>
Total assets	<u><u>\$ 2,888</u></u>
Liabilities	
Accounts payable	<u>\$ 2,888</u>
Total liabilities	<u><u>\$ 2,888</u></u>

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

NOTES TO FINANCIAL STATEMENTS

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2017

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education #11 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

FINANCIAL REPORTING ENTITY

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

The Regional Superintendent is also charged with the responsibilities of conducting a special census when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of the school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education #11'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 to carry out other related duties required or permitted by law.

The Regional Superintendent is responsible for inspection and approval or rejection of school treasurer's 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 the region are properly bonded.

The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for the districts in the region, or seeing that no payments are made unless the treasurer has filed or renewed the 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, 2017 the Regional Office of Education #11 applied for, received, and administered numerous State and federal programs and grants in assistance and support of the educational activities of the school districts in Regional Office of Education #11. Such activities are reported as a single major special revenue fund (i.e. within the Education Fund).

SCOPE OF THE REPORTING ENTITY

The Regional Office of Education #11 reporting entity includes all related organizations for which they exercise oversight responsibility.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

SCOPE OF THE REPORTING ENTITY (Continued)

The Regional Office of Education #11 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the Regional Office of Education #11, 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 #11 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service and special financing relationships.

The districts and joint agreements have been determined not to be a part of the reporting entity after applying the manifesting of oversight, scope of public service and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the Regional Office of Education #11 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education #11 is not aware of any entity which would exercise such oversight as to result in the Regional Office of Education #11 being considered a component unit of the entity.

NEW ACCOUNTING PRONOUNCEMENT

In 2017, the Regional Office of Education #11 implemented Governmental Accounting Standards Board (GASB) Statement No. 74 – *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, GASB Statement No. 77 – *Tax Abatement Disclosures*, GASB Statement No. 78 – *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, GASB Statement No. 80 – *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*, and GASB Statement No. 82 – *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*. These Statements had no significant impact on the financial statements of the Regional Office of Education #11.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Regional Office of Education #11'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 #11 has two business-type activities that rely on fees and charges for support.

The Regional Office of Education #11's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present a summary of governmental and business-type activities for the Regional Office of Education #11 accompanied by a total column. These statements are presented on an "economic resources" measurement as prescribed by GASB Statement No. 34. All of the Regional Office of Education #11's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position. 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.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

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 Position 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 Position. All interfund transactions between governmental funds are eliminated on the government-wide financial statements. All internal balances in the Statement of Net Position have been eliminated. The purpose of interfund borrowing and permanent transfers is to cover temporary or permanent shortfalls in cash flow within grant programs and funds.

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 in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position 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., when both measurable and available. Available means collectible within the current period, typically 60 days, or soon enough thereafter to be used to pay liabilities of the current period. 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. Revenue received after the Regional Office's availability period is reported as deferred inflows of resources in the fund statements and is reported as current revenue in the Statement of Activities.

PROPRIETARY FUND FINANCIAL STATEMENTS

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, 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, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. 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.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPRIETARY FUND FINANCIAL STATEMENTS (Continued)

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.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Regional Office of Education #11; 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, Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, and Shelby Counties Regional Office of Education #11 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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, and Shelby Counties Regional Office of Education #11's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues. For unrestricted fund balance, committed funds are used first, then assigned funds, then unassigned, if any.

FUND ACCOUNTING

The Regional Office of Education #11 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 #11 uses governmental, proprietary, and fiduciary funds.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS

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

As prescribed by GASB Statement No. 34, governmental and proprietary 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 plus deferred outflows of resources, liabilities plus deferred inflows of resources, 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 plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as nonmajor funds. The Regional Office of Education #11 has presented all major funds that met the above qualifications.

The Regional Office of Education #11 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Regional Office of Education #11. It is used to account for and report all financial resources in the region except those required to be accounted and reported for in other funds. General Funds include the following:

County Support - This fund is used to account for financial resources except those required to be accounted for in other funds.

Direct Service - This fund is used to account for interest that is earned on deposits in the Distributive Fund's interest-bearing checking account in fiscal years that interest earned exceeds bank charges.

Youth Services - This program accounts for the general state aid, Lake Land Pathways and non grant expenditures for the Truancy Program and Regional Safe Schools Program which are youth service activities.

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

Education Fund - The 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:

Homeless - This program accounts for federal funds expended to facilitate the educational success of homeless children and youths.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Illinois Violence Prevention Authority - This program accounts for state funds received to develop and implement the operation of violence prevention activities in Regional Office of Education #11.

Truants Alternative/Optional Education - This program accounts for the proceeds from State grants expended under a program to reduce student truancy.

Regional Safe Schools - This program accounts for the proceeds from the Regional Safe Schools monies. The program concentrates on the education of students who have been expelled from the school districts served by Regional Office of Education #11.

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

Regional Safe Schools Coop Education - This program's goal is to assist suspended or expelled students from the school districts served by Regional Office of Education #11 to become reoriented and motivated to complete their education by allowing a student to participate in career-related classroom and structured cooperative work.

Math & Science Partnership - The purpose of the program is to increase the academic achievement of students in mathematics and science by enhancing the content knowledge and teaching skills of classroom teachers.

Title II – Teacher Quality - The program provides funding to support academic achievement of all students by helping schools to improve teacher and principal quality.

Title II - Teacher Quality Leadership - This fund is used to account for a federal grant used to provide professional development services to all schools that failed to make adequate yearly progress on Illinois Standards Achievement Test scores.

Area IV - System of Support - Foundational Services - The program was formed to provide districts and schools within the region professional development, networking and technical assistance representing best practices.

Institute Fund - This fund accounts for teacher license registration, issuance and evaluation fees for processing licenses, and expenses for meetings of a professional nature. All funds generated remain restricted until expended only on the aforementioned activities.

The Regional Office of Education #11 reports the following nonmajor governmental funds:

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

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

Bus Driver Training - This fund accounts for the fees charged for annual training courses. Proceeds from these fees are used to pay administrative expenses incurred pertaining to the program.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPRIETARY FUND

Proprietary Funds are those in which revenues and expenses related to services provided to organizations inside the Regional Office of Education #11 on a cost reimbursement basis are reported.

The Regional Office of Education #11 reports the following major proprietary fund:

Local Workshops - The local workshops fund is used to account for the workshop registration fees and expenses related to workshops sponsored by the Regional Office of Education #11.

The Regional Office of Education #11 reports the following nonmajor proprietary fund:

Local Service Fees – The local service fees fund is used to account for the local fees and expenses related to specific services provided by the Regional Office of Education #11 including fingerprinting and testing.

FIDUCIARY FUND

Agency Funds - Agency Funds are used to account for assets held by the Regional Office of Education #11 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Regional Office of Education #11's Agency Funds include the following:

County School Facility Occupation Tax - This fund receives County School Facility Occupation Tax collected by the Illinois Department of Revenue for distribution to school districts in any county authorizing this tax.

IASA Illini Division - This fund is used to account for IASA Illini Division dues received from division administrators and used to pay IASA Illini Division meeting expenses.

Regional Trustee Fund - This fund accounts for the proceeds from the sale of school properties, royalties, and other receipts by the Superintendent that are forwarded to school districts. It is also used to account for detachment request fees received from landowners. The remainder of fees after expenses of the detachment hearing are returned to the landowner.

GOVERNMENTAL FUND BALANCES

Fund Balance is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources 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 fund balance that is not available to be spent, either short term or long term, in either form or through legal restrictions. The nonspendable fund balance is for prepaid insurance from the County Support, Direct Service, Youth Services, Institute, General Education Development and Bus Driver Training funds.

Restricted Fund Balance – The portion of a Governmental Fund's fund balance that is subject to external enforceable legal restrictions. The following accounts' fund balances are restricted by grant agreements, contracts, or Illinois Statute: ROE/ISC Operations, Institute, General Education Development, and Bus Driver Training.

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

Assigned Fund Balance – The portion of a Governmental Fund's fund balance to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following accounts' fund balances are assigned: County Support, Direct Service, and Youth Services.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUND BALANCES (Continued)

Unassigned Fund Balance – Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The unassigned fund balance is in the Direct Service Fund. General funds and special revenue funds that present a deficit balance have also been reported as unassigned, which applies to Youth Services, Illinois Violence Prevention Authority, Truants Alternative/Optional Education, Regional Safe Schools, Regional Safe Schools Coop Education, and Math & Science Partnership Funds.

NET POSITION

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

Net investment in capital assets - Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted net position - The net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of cash on deposit.

INVENTORY

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

CAPITAL ASSETS

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

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

COMPENSATED ABSENCES

Sick pay must be accumulated but does not vest with the employee. Vacation time is awarded at the beginning of the fiscal year but must be used during the current fiscal year and cannot be carried over from year to year; therefore, it is considered immaterial by management and not reflected in the basic financial statements.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Deferred outflow of resources - Deferred outflows of resources represent a consumption of fund balance/net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.

Deferred inflows of resources - Deferred inflows of resources represent an acquisition of fund balance/net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources are reported in the governmental fund financial statements as unavailable revenue and represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources consist of grant receivables not collected within sixty days after year end.

Deferred inflows of resources in the Statement of Net Position consist of the unamortized portion of the net difference between projected and actual earnings on pension plan investments.

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.

BUDGET INFORMATION

The Regional Office of Education #11 acts as the administrative agent for certain grant programs that are accounted for in the General and Education Fund. 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. Comparisons of budgeted and actual results are presented as supplemental information. Budget information has been provided in supplementary schedules for the following funds: Homeless, Illinois Violence Prevention Authority, Truants Alternative/Optional Education, Regional Safe Schools, ROE/ISC Operations, Regional Safe Schools Coop Education, Math & Science Partnership, Title II - Teacher Quality, Title II - Teacher Quality Leadership, and Area IV - System of Support - Foundational Services.

2 DEPOSITS AND INVESTMENTS

The Regional Office of Education #11 does not have a formal investment policy. The Regional Office of Education #11 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, 2017, the carrying amount of the Regional Office of Education #11's government-wide and Agency fund deposits, which do not include Illinois Funds Money Market Fund accounts, were \$469,506 and \$2,888, respectively, and the bank balances totaled \$606,150. At June 30, 2017, \$331,643 of the Regional Office of Education #11's cash deposits was insured by the Federal Deposit Insurance Corporation. Another \$274,507 was collateralized by securities pledged by the Regional Office's financial institution on behalf of the Regional Office.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

2 DEPOSITS AND INVESTMENTS (Continued)

B. INVESTMENTS

As of June 30, 2017, the Regional Office of Education #11's investments totaled \$92,859. Investments consisted of certificates of deposit which are considered deposits and, as such, are included in the deposits note (2A) above.

At June 30, 2017, the carrying amount and bank balances of the Regional Office of Education #11's deposits in the Illinois Funds Money Market Fund for governmental activities totaled \$114,366. This fund enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. These deposits are included in cash and cash equivalents in the Regional Office of Education #11's governmental activities.

CREDIT RISK

At June 30, 2017, 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.

INTEREST RATE RISK

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

CONCENTRATION OF CREDIT RISK

According to The Illinois Funds' investment policy, "the majority of The Illinois Funds' investments will be in direct obligations of the United States Treasury and United States Government Agencies and Instrumentalities and cash equivalents." Investment limitations include a maximum of 5% of its total assets in securities issued by any single commercial paper issuer, 5% of its assets in obligations of corporations or limited liability companies, and 25% of its total assets in any approved AAAM Money Market Fund.

3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND

IMRF PLAN DESCRIPTION

The Regional Office of Education #11's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Regional Office of Education #11's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

BENEFITS PROVIDED

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)

BENEFITS PROVIDED (Continued)

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

EMPLOYEES COVERED BY BENEFIT TERMS

As of December 31, 2016, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	13
Inactive Plan Members entitled to but not yet receiving benefits	7
Active Plan Members	4
Total	24

CONTRIBUTIONS

As set by statute, the Regional Office of Education #11's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Regional Office of Education #11's annual contribution rate for calendar year 2016 was 10.97%. For the fiscal year ended June 30, 2017, the Regional Office of Education #11 contributed \$19,768 to the plan. The Regional Office of Education #11 also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

NET PENSION LIABILITY

The Regional Office of Education #11's net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)

ACTUARIAL ASSUMPTIONS

The following are the methods and assumptions used to determine total pension liability at December 31, 2016:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2016:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38%	6.85%
International Equity	17%	6.75%
Fixed Income	27%	3.00%
Real Estate	8%	5.75%
Alternative Investments	9%	2.65 - 7.35%
Cash Equivalents	1%	2.25%
Total	100%	

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)

SINGLE DISCOUNT RATE

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.78%, and the resulting single discount rate is 7.50%.

CHANGES IN THE NET PENSION LIABILITY (ASSET)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2015	\$ 1,681,312	\$ 1,570,908	\$ 110,404
Changes for the year:			
Service Cost	15,802	-	15,802
Interest on the Total Pension Liability	122,742	-	122,742
Differences Between Expected and Actual Experience of the Total Pension Liability	61,199	-	61,199
Contributions - Employer	-	17,877	(17,877)
Contributions - Employees	-	8,196	(8,196)
Net Investment Income	-	139,473	(139,473)
Benefit Payments, including Refunds of Employee Contributions	(110,428)	(110,428)	-
Other (Net Transfer)	-	(1,867)	1,867
Net Changes	89,315	53,251	36,064
Balances at December 31, 2016	\$ 1,770,627	\$ 1,624,159	\$ 146,468

SENSITIVITY OF THE NET PENSION LIABILITY (ASSET) TO CHANGES IN THE DISCOUNT RATE

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.50%)	Current Discount Rate (7.50%)	1% Higher (8.50%)
Net Pension Liability (Asset)	\$ 347,615	\$ 146,468	\$ (16,426)

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)

PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the year ended June 30, 2017, the Regional Office of Education #11 recognized pension expense of \$90,492. At June 30, 2017, the Regional Office of Education #11 reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>	
Differences between expected and actual experience	\$ 26,606
Net difference between projected and actual earnings on pension plan investments	30,708
Total Deferred Amounts to be recognized in pension expense in future periods	57,314
<i>Pension contributions made subsequent to the measurement date</i>	
	10,483
Total Deferred Amounts Related to Pensions	\$ 67,797

\$10,483, reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2018.

Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2017	\$ 38,529
2018	11,923
2019	11,543
2020	(4,681)
Total	\$ 57,314

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

4 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

PLAN DESCRIPTION

The Regional Office of Education #11 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/cafrs/fy2016>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675.

BENEFITS PROVIDED

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service. Disability and death benefits are also provided.

Tier II members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

CONTRIBUTIONS

The State of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90 percent of the total actuarial liabilities of the System by the end of fiscal year 2045.

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2016 was 9.4 percent of creditable earnings. On July 1, 2016, the rate dropped to 9.0 percent of pay due to the expiration of the Early Retirement Option (ERO). The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the Regional Office of Education #11.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

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

ON BEHALF CONTRIBUTIONS TO TRS

The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #11. For the year ended June 30, 2017, the State of Illinois contributions recognized by the Regional Office of Education #11 were based on the State's proportionate share of collective net pension liability associated with the Regional Office of Education #11, and the Regional Office of Education #11 recognized revenue and expenditures of \$455,668 in pension contributions from the State of Illinois.

2.2 FORMULA CONTRIBUTIONS

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ending June 30, 2017 were \$3,808, and are deferred because they were paid after the June 30, 2016 measurement date.

FEDERAL AND SPECIAL TRUST FUND CONTRIBUTIONS

When TRS members are paid from federal and special trust funds administered by the Regional Office of Education #11, there is a statutory requirement for the Regional Office of Education #11 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that has been in effect since the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the State contribution rate to TRS. Public Act 98-0674 now requires the two rates to be the same.

For the year ended June 30, 2017, the employer pension contribution was 38.54 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2017, salaries totaling \$33,662 were paid from federal and special trust funds that required employer contributions of \$12,973. These contributions are deferred because they were paid after the June 30, 2016 measurement date.

EMPLOYER RETIREMENT COST CONTRIBUTIONS

Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The Regional Office of Education #11 is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the program that ended June 30, 2016 is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2017, the Regional Office of Education #11 paid no employer contributions under the ERO program.

The Regional Office of Education #11 is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2017, the Regional Office of Education #11 paid \$4,446 to TRS for employer contributions due on salary increases in excess of 6 percent and made no payments for sick leave days granted in excess of the normal annual allotment.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

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

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At June 30, 2017, the Regional Office of Education #11 reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the employer. The State's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the employer were as follows:

Employers proportionate share of the net pension liability	\$	85,511
State's proportionate share of the net pension liability associated with the employer		4,639,912
Total		\$ 4,725,423

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015, and rolled forward to June 30, 2016. The Regional Office of Education #11's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2016, relative to the contributions of all participating TRS employers and the State during that period. At June 30, 2016, the Regional Office of Education #11's proportion was 0.0001083299 percent, which is a decrease of 0.0000257003 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Regional Office of Education #11 recognized pension expense of \$455,668 and revenue of \$455,668 for support provided by the State. For the year ended June 30, 2017, the ROE recognized pension expense of \$4,311. At June 30, 2017, the Regional Office of Education #11 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 632	\$ 58
Net difference between projected and actual earnings on pension plan investments	2,416	-
Changes of assumptions	7,345	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,759	23,663
Employer contributions subsequent to the measurement date	16,781	-
Total	\$ 32,933	\$ 23,721

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

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

\$16,781 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year ending June 30:	Net Deferred Inflow of Resources
2018	1,712
2019	1,712
2020	3,058
2021	767
2022	320
	<u>\$ 7,569</u>

ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.50 percent
Salary increase:	varies by amount of service credit
Investment rate of return:	7.0 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully generational basis using projection table MP-2014.

For the June 30, 2016 valuation, the investment return assumption was lowered from 7.50 percent to 7.0 percent. Salary increase assumptions were lowered from their 2015 levels. Other assumptions were based on the 2015 experience analysis which increased retirement rates, improved mortality assumptions and made other changes.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

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

ACTUARIAL ASSUMPTIONS (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
U.S. equities large cap	14.4%	6.94%
U.S. equities small/mid cap	3.6%	8.09%
International equities developed	14.4%	7.46%
Emerging market equities	3.6%	10.15%
U.S. bonds core	10.7%	2.44%
International debt developed	5.3%	1.70%
Real estate	15.0%	5.44%
Commodities (real return)	11.0%	4.28%
Hedge funds (absolute return)	8.0%	4.16%
Private equity	14.0%	10.63%
Total	<u>100.0%</u>	

DISCOUNT RATE

At June 30, 2016, the discount rate used to measure the total pension liability was a blended rate of 6.83 percent, which is a change from the June 30, 2015 rate of 7.47 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2016 was not projected to be available to make all projected future benefit payments of current active and inactive members and all benefits recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Despite the subsidy, all projected future payments were not covered, so a slightly lower long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2015, the discount rate used to measure the total pension liability was 7.47 percent. The discount rate was lower than the actuarially-assumed rate of return on investments that year as well because TRS's fiduciary net position and the subsidy provided by Tier II were not sufficient to cover all projected benefit payments.

SENSITIVITY OF THE REGIONAL OFFICE OF EDUCATION #11'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the Regional Office of Education #11's proportionate share of the net pension liability calculated using the discount rate of 6.83 percent, as well as what the Regional Office of Education #11's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.83 percent) or 1-percentage-point higher (7.83 percent) than the current rate.

	<u>1% Decrease (5.83%)</u>	<u>Current Discount Rate (6.83%)</u>	<u>1% Increase (7.83%)</u>
Employer's proportionate share of the net pension liability	\$ 104,584	\$ 85,511	\$ 69,934

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

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

TRS FIDUCIARY NET POSITION

Detailed information about the TRS's fiduciary net position as of June 30, 2016 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

5 TEACHER HEALTH INSURANCE SECURITY FUND

The Regional Office of Education #11 participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the State administered participating provider option plan or choose from several managed care options. Annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the State to make a contribution to THIS Fund.

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

ON BEHALF CONTRIBUTIONS TO THE THIS FUND

The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office of Education #11. State contributions are intended to match contributions to the THIS Fund from active members which were 1.12 percent of pay during the year ended June 30, 2017. State of Illinois contributions were \$7,353, and the Regional Office of Education #11 recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2016 and 2015 were 1.07 and 1.02 percent of pay, respectively. State contributions on behalf of Regional Office of Education #11 employees were \$6,255 and \$6,032, respectively.

EMPLOYER CONTRIBUTIONS TO THE THIS FUND

The Regional Office of Education #11 also makes contributions to the THIS Fund. The Regional Office of Education #11's THIS Fund contribution was 0.84 percent during the year ended June 30, 2017, and 0.80 and 0.76 percent for the years ended June 30, 2016 and 2015, respectively. For the year ended June 30, 2017, the Regional Office of Education #11 paid \$5,515 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2016 and 2015, the Regional Office of Education #11 paid \$4,676 and \$4,494, respectively, which was 100 percent of the required contribution.

FURTHER INFORMATION ON THIS FUND

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General (<http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>). The current reports are listed under "Central Management Services" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>). Prior reports are available under "Healthcare and Family Services" (<http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins-Sec-Fund.asp>).

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

6 DUE TO/FROM OTHER FUNDS

Interfund due to/from other fund balances at June 30, 2017 consist of the following individual due to/from other funds in the governmental fund balance sheet. The balances between governmental funds were eliminated in the government-wide Statement of Net Position. Interfund loans were made for the purpose of providing cash to funds that were awaiting reimbursements from grantors.

Fund	Due From Other Funds	Due To Other Funds
General Fund		
County Support	\$ 143,287	\$ -
Youth Services	204,271	-
Education Fund		
IVPA	-	10,743
Math & Science Partnership	-	43,646
Homeless	-	79,095
Truants Alternative/Optional Education	-	94,452
Regional Safe Schools	-	70,470
Regional Safe Schools Coop		
Education	-	39,347
Title II - Teacher Quality	-	2
Area IV - System of Support - Foundational Services	-	9,803
	<u>\$ 347,558</u>	<u>\$ 347,558</u>

7 ON BEHALF PAYMENTS

The State of Illinois paid the following salaries, benefits, and contributions on behalf of the Regional Office of Education #11:

Regional Superintendent Salary	\$ 112,800
Regional Superintendent Fringe Benefit (Includes State paid insurance)	21,983
Assistant Regional Superintendent Salary	101,520
Assistant Regional Superintendent Fringe Benefit (Includes State paid insurance)	35,714
THIS Contributions	7,353
Total	<u>\$ 279,370</u>

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education. These amounts have been recorded in the accompanying financial statements as State revenue and expenditures.

The Regional Office of Education #11 also recorded \$455,668 in revenue and expenses as on behalf payments from ISBE for the Regional Office's share of the State's Teachers' Retirement System (TRS) pension expense in the Statement of Activities. In addition, the Regional Office of Education #11 has not included any on behalf payments related to the State's TRS pension expense for the Regional Superintendent or Assistant Regional Superintendent.

State of Illinois on behalf payments	\$ 279,370
ROE #11's share of TRS pension expense	455,668
Total	<u>\$ 735,038</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

8 CAPITAL ASSETS

In accordance with GASB Statement No. 34, the Regional Office of Education #11 has reported capital assets in the government-wide Statement of Net Position. Purchases are reported as capital outlay in the governmental fund statements. The following equipment is separated by fund. The following table provides a summary of changes in capital assets for the year ended June 30, 2017:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Governmental Activities:				
General Funds				
County Support	\$ 84,788	\$ 900	\$ 1,250	\$ 84,438
Direct Service	2,335	-	-	2,335
Youth Services	32,926	-	-	32,926
Total for General Funds	<u>120,049</u>	<u>900</u>	<u>1,250</u>	<u>119,699</u>
Special Revenue Funds				
Major Funds				
Institute	-	-	-	-
Education Funds				
Area IV - System of Support -				
Foundational Services	2,500	-	-	2,500
ROE/ISC Operations	500	-	-	500
Driver Ed	1,628	-	-	1,628
Regional Safe Schools	67,142	-	3,765	63,377
Title I-Reading First Part B SEA	2,430	-	520	1,910
Title II-Teacher Quality	890	-	-	890
Technology Enhancing Education	5,589	-	-	5,589
No Kid Hungry	626	-	-	626
Rural Education Achievement Program	1,550	-	-	1,550
Total for Education Funds	<u>82,855</u>	<u>-</u>	<u>4,285</u>	<u>78,570</u>
Non-Major Funds				
GED	1,285	-	-	1,285
Bus Driver Training	1,031	-	-	1,031
Total for Non-Major Funds	<u>2,316</u>	<u>-</u>	<u>-</u>	<u>2,316</u>
Total - Governmental Activities	205,220	900	5,535	200,585
Less: Accumulated Depreciation	<u>163,414</u>	<u>6,451</u>	<u>5,535</u>	<u>164,330</u>
Investment in Capital Assets, Net				
Governmental Activities	<u>\$ 41,806</u>	<u>\$ (5,551)</u>	<u>\$ -</u>	<u>\$ 36,255</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

8 CAPITAL ASSETS (Continued)

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Business-Type Activities:				
Local Workshops	\$ 35,215	\$ -	\$ -	\$ 35,215
Less: Accumulated Depreciation	<u>34,642</u>	<u>252</u>	<u>-</u>	<u>34,894</u>
Investment in Capital Assets, Net	<u>\$ 573</u>	<u>\$ (252)</u>	<u>\$ -</u>	<u>\$ 321</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, 2017 of \$6,451 and \$252 was charged to governmental activities instructional services and business-type activities, respectively. Investment in capital assets is the component of net position that reports capital assets net of accumulated depreciation.

9 RISK MANAGEMENT

The Regional Office of Education #11 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 #11 has purchased commercial insurance to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past four years.

10 DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education #11's General Fund, Education Fund, Institute Fund, Other Nonmajor Funds, and Local Workshops Fund have funds due from various other governmental units which consist of the following at June 30, 2017:

Due from Other Governments:

General Fund	
Illinois State Board of Education - State Funds	\$ 975
Illinois State Board of Education - Federal Funds	5,312
Illinois Comptroller - State Funds	922
Education Fund	
Illinois State Board of Education - State Funds	204,269
Illinois State Board of Education - Federal Funds	79,097
Iroquois-Kankakee Regional Office of Education - - Federal Funds	9,837
University of Illinois - Federal Funds	43,646
Illinois Comptroller - Federal Funds	10,846
Other Nonmajor Funds	
Local School Districts	273
Local Workshops	
Local School Districts	<u>225</u>
Total	<u>\$ 355,402</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

10 DUE TO/FROM OTHER GOVERNMENTS (Continued)

Due to Other Governments:

General Fund	
Regional Office of Education #26 - Local Funds	\$ 4,160
Eastern Illinois Education for Employment System - Local Funds	435
Charleston CUSD #1 - Local Funds	30,534
Education Fund	
Regional Office of Education #9 - Federal Funds	7,340
Regional Office of Education #17 - Federal Funds	8,751
Regional Office of Education #26 - Federal Funds	520
Regional Office of Education #32 - Federal Funds	3,469
Regional Office of Education #39 - Federal Funds	9,946
Regional Office of Education #54 - Federal Funds	<u>5,971</u>
Total	<u><u>\$ 71,126</u></u>

11 OPERATING LEASES

The Regional Office of Education #11 has entered into several operating lease agreements for its office facilities, Bridges Alternative School Program, Regional Safe Schools Program, and four copiers. During the year ended June 30, 2017 rentals under lease obligations were \$64,152. Future minimum rentals are as follows for the years ending June 30:

	2018	\$	63,234
	2019		44,280
	2020		44,280
	2021		44,280
	2022		<u>18,450</u>
Total		\$	<u><u>214,524</u></u>

12 OTHER POSTEMPLOYMENT BENEFITS

The Regional Office of Education #11 has evaluated its potential other post employment benefits liability. Former employees who choose to retain their rights to health insurance through the Regional Office of Education #11 are required to pay 100% of the current premium. No former employees have chosen to stay in the Regional Office of Education #11's health insurance plan. Therefore, there has been zero percent utilization and therefore no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Additionally, the Regional Office of Education #11 had no former employees for which the Regional Office of Education #11 was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the Regional Office of Education #11 has not recorded any post employment benefit liability as of June 30, 2017.

13 CONTINGENCIES

The Regional Office of Education #11 has received funding from federal and State grants in the current and prior years which are subject to audits by granting agencies. The Regional Office of Education #11 believes any adjustments that may arise will be insignificant to the Regional Office of Education #11's operations.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2017

14 DEFICIT FUND BALANCES

The following individual funds had negative fund balances as of June 30, 2017:

Illinois Violence Prevention Authority	\$	10,846
Truants Alternative/Optional Education		61,452
Regional Safe Schools		46,980
Regional Safe Schools Coop Education		19,672
Math & Science Partnership		43,646

The deficit fund balances will be eliminated during the fiscal year ending June 30, 2018 when unavailable revenue is recognized as revenue.

15 SUBSEQUENT EVENTS

The Regional Office of Education #11 entered into a lease agreement for facilities to house an additional Regional Safe School location in Arcola, Illinois for the 2017-2018 school year. The lease term runs from August 15, 2017 through July 31, 2018, and monthly rent payments are \$1,575.

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

ILLINOIS MUNICIPAL RETIREMENT FUND -
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS
(UNAUDITED)

For the years ended June 30, 2017, 2016, and 2015
(Amounts presented are for the calendar years ended December 31, 2016, 2015, and 2014)

	2016	2015	2014
Total Pension Liability			
Service Cost	\$ 15,802	\$ 15,445	\$ 15,856
Interest on the Total Pension Liability	122,742	115,679	109,371
Differences Between Expected and Actual Experience of the Total Pension Liability	61,199	66,324	(17,393)
Changes of Assumptions	-	-	67,051
Benefit Payments, including Refunds of Employee Contributions	(110,428)	(96,482)	(87,231)
Net Change in Total Pension Liability	89,315	100,966	87,654
Total Pension Liability - Beginning	1,681,312	1,580,346	1,492,692
Total Pension Liability - Ending (A)	<u>\$ 1,770,627</u>	<u>\$ 1,681,312</u>	<u>\$ 1,580,346</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 17,877	\$ 19,413	\$ 29,967
Contributions - Employees	8,196	7,351	6,955
Net Investment Income	139,473	37,799	112,481
Benefit Payments, including Refunds of Employee Contributions	(110,428)	(96,482)	(87,231)
Other (Net Transfer)	(1,867)	(5,320)	(1,485)
Net Change in Plan Fiduciary Net Position	53,251	(37,239)	60,687
Plan Fiduciary Net Position - Beginning	1,570,908	1,608,147	1,547,460
Plan Fiduciary Net Position - Ending (B)	<u>\$ 1,624,159</u>	<u>\$ 1,570,908</u>	<u>\$ 1,608,147</u>
Net Pension Liability (Asset) - Ending (A) - (B)	\$ 146,468	\$ 110,404	\$ (27,801)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.73%	93.43%	101.76%
Covered Valuation Payroll	\$ 162,967	\$ 158,342	\$ 154,548
Net Pension Liability as a Percentage of Covered Valuation Payroll	89.88%	69.73%	-17.99%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

ILLINOIS MUNICIPAL RETIREMENT FUND -
SCHEDULE OF EMPLOYER CONTRIBUTIONS
(UNAUDITED)

For the years ended June 30, 2017, 2016, and 2015
(Amounts presented are for the calendar years ended December 31, 2016, 2015, and 2014)

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2014	\$ 29,009	\$ 29,967	\$ (958)	\$ 154,548	19.39%
2015	\$ 19,413	\$ 19,413	\$ -	\$ 158,342	12.26%
2016	\$ 17,877	\$ 17,877	\$ -	\$ 162,967	10.97%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2016 Contribution Rate*

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2016 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate entry age = normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	27 year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.5%
<i>Price Inflation:</i>	2.75%, approximate; No explicit price inflation assumption is used in this valuation.
<i>Salary Increases:</i>	3.75% to 14.5%, including inflation
<i>Investment Rate of Return:</i>	7.5%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
<i>Mortality:</i>	RP-2014 Blue Collar Health Annuitant Mortality Table, adjusted to match current IMRF experience. For disabled lives, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2014, actuarial valuation; note two year lag between valuation and rate setting.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SCHEDULE OF THE EMPLOYER'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
Teacher's Retirement System of the State of Illinois
For the Years Ended June 30, 2017, 2016, and 2015
(Amounts presented are for the years ended June 30, 2016, 2015, and 2014)

	2016*	2015*	2014*
Employer's proportion of the net pension liability	0.0001083299%	0.0001340302%	0.0001604454%
Employer's proportionate share of the net pension liability	\$ 85,511	\$ 87,803	\$ 97,644
State's proportionate share of the net pension liability associated with the employer	4,639,912	3,805,001	3,901,041
Total	\$ 4,725,423	\$ 3,892,804	\$ 3,998,685
Employer's covered-employee payroll	\$ 584,558	\$ 612,412	\$ 677,719
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	14.6%	14.3%	14.4%
Plan fiduciary net position as a percentage of the total pension liability	36.4%	41.5%	43.0%

** The amounts presented were determined as of the prior fiscal-year end.*

SCHEDULE OF EMPLOYER CONTRIBUTIONS
Teacher's Retirement System of the State of Illinois
For the Years Ended June 30,

	2017	2016	2015	2014
Statutorily-required contribution	\$ 16,781	\$ 4,195	\$ 4,718	\$ 5,725
Contributions in relation to the statutorily-required contribution	16,781	4,195	4,718	5,725
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Employer's covered-employee payroll	\$ 656,502	\$ 584,558	\$ 612,412	\$ 677,719
Contributions as a percentage of covered-employee payroll	2.6%	0.7%	0.8%	0.8%

The information in both schedules will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

Notes to Required Supplementary Information

Changes of assumptions

For the 2016 measurement year, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit.

For the 2015 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

For the 2014 measurement year, the assumed investment rate of return was also 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. However, salary increases were assumed to vary by age.

SUPPLEMENTAL INFORMATION

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND

JUNE 30, 2017

	County Support	Direct Service	Youth Services	Total
Assets				
Cash and cash equivalents	\$ 38,621	\$ 65,599	\$ 59,688	\$ 163,908
Investments	12,183	-	-	12,183
Prepaid expense	4,502	6	885	5,393
Accounts receivable	270	-	76	346
Due from other funds	143,287	-	204,271	347,558
Due from other governments				
State	330	922	645	1,897
Federal	-	-	5,312	5,312
	<u>199,193</u>	<u>66,527</u>	<u>270,877</u>	<u>536,597</u>
Total assets	<u>\$ 199,193</u>	<u>\$ 66,527</u>	<u>\$ 270,877</u>	<u>\$ 536,597</u>
Liabilities				
Accounts payable	\$ 337	\$ 3	\$ 2,487	\$ 2,827
Payroll liabilities	5,975	-	45,494	51,469
Due to other governments				
Local	435	4,160	30,534	35,129
	<u>6,747</u>	<u>4,163</u>	<u>78,515</u>	<u>89,425</u>
Total liabilities	<u>6,747</u>	<u>4,163</u>	<u>78,515</u>	<u>89,425</u>
Deferred inflows of resources				
Unavailable revenue	-	922	5,903	6,825
	<u>-</u>	<u>922</u>	<u>5,903</u>	<u>6,825</u>
Fund Balance (deficit)				
Nonspendable	4,502	6	885	5,393
Assigned	187,944	19,992	191,477	399,413
Unassigned	-	41,444	(5,903)	35,541
	<u>192,446</u>	<u>61,442</u>	<u>186,459</u>	<u>440,347</u>
Total fund balance	<u>192,446</u>	<u>61,442</u>	<u>186,459</u>	<u>440,347</u>
Total liabilities, deferred inflows of resources, and fund balance				
	<u>\$ 199,193</u>	<u>\$ 66,527</u>	<u>\$ 270,877</u>	<u>\$ 536,597</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS

For the Year Ended June 30, 2017

	County Support	Direct Service	Youth Services	Total
Revenues				
Local sources	\$ 205,165	\$ 40,500	\$ 7,528	\$ 253,193
State sources	-	3,078	849,631	852,709
State sources-payments made on behalf of region	279,370	-	-	279,370
Federal sources	-	-	60,779	60,779
Interest	31	1,234	13	1,278
	<u>484,566</u>	<u>44,812</u>	<u>917,951</u>	<u>1,447,329</u>
Expenditures				
Salaries and benefits	149,600	4,106	389,050	542,756
Purchased services	76,593	36,603	90,862	204,058
Supplies and materials	9,349	-	49,700	59,049
Other objects	366	422	-	788
Payments to other governments	-	-	308,519	308,519
Payments made on behalf of region	279,370	-	-	279,370
Capital outlay	900	-	-	900
Pension expense	10,099	475	3,788	14,362
	<u>526,277</u>	<u>41,606</u>	<u>841,919</u>	<u>1,409,802</u>
Net change in fund balance	(41,711)	3,206	76,032	37,527
Fund balance, beginning of year	<u>234,157</u>	<u>58,236</u>	<u>110,427</u>	<u>402,820</u>
Fund balance, end of year	<u>\$ 192,446</u>	<u>\$ 61,442</u>	<u>\$ 186,459</u>	<u>\$ 440,347</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND ACCOUNTS

JUNE 30, 2017

	Homeless	Illinois Violence Prevention Authority	Truants Alternative/ Optional Education
Assets			
Cash and cash equivalents	\$ 37,903	\$ 2,429	\$ 13,180
Investments	-	-	-
Due from other governments:			
State	-	-	94,452
Federal	79,095	10,846	-
	<u>\$ 116,998</u>	<u>\$ 13,275</u>	<u>\$ 107,632</u>
Liabilities			
Accounts payable	\$ -	\$ 2,532	\$ -
Payroll liabilities	1,906	-	13,180
Due to other funds	79,095	10,743	94,452
Due to other governments:			
Federal	35,997	-	-
	<u>116,998</u>	<u>13,275</u>	<u>107,632</u>
Deferred inflows of resources			
Unavailable revenue	-	10,846	61,452
Fund balance (deficit)			
Restricted	-	-	-
Unassigned	-	(10,846)	(61,452)
	<u>-</u>	<u>(10,846)</u>	<u>(61,452)</u>
Total liabilities, deferred inflows of resources, and fund balance (deficit)			
	<u>\$ 116,998</u>	<u>\$ 13,275</u>	<u>\$ 107,632</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND ACCOUNTS

JUNE 30, 2017

	Regional Safe Schools	ROE/ISC Operations	Regional Safe Schools Coop Education	Math & Science Partnership
Assets				
Cash and cash equivalents	\$ 9,941	\$ 6,560	\$ -	\$ 451
Investments	-	17,519	-	-
Due from other governments:				
State	70,470	-	39,347	-
Federal	-	-	-	43,646
Total assets	\$ 80,411	\$ 24,079	\$ 39,347	\$ 44,097
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 451
Payroll liabilities	9,941	6,560	-	-
Due to other funds	70,470	-	39,347	43,646
Due to other governments:				
Federal	-	-	-	-
Total liabilities	80,411	6,560	39,347	44,097
Deferred inflows of resources				
Unavailable revenue	46,980	-	19,672	43,646
Fund balance (deficit)				
Restricted	-	17,519	-	-
Unassigned	(46,980)	-	(19,672)	(43,646)
Total fund balance (deficit)	(46,980)	17,519	(19,672)	(43,646)
Total liabilities, deferred inflows of resources, and fund balance (deficit)	\$ 80,411	\$ 24,079	\$ 39,347	\$ 44,097

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND ACCOUNTS

JUNE 30, 2017

	Title II - Teacher Quality	Title II - Teacher Quality Leadership	Area IV - System of Support - Foundational Services	Total
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 70,464
Investments	-	-	-	17,519
Due from other governments:				
State	-	-	-	204,269
Federal	2	-	9,837	143,426
	<u>2</u>	<u>-</u>	<u>9,837</u>	<u>143,426</u>
Total assets	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 9,837</u>	<u>\$ 435,678</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ 34	\$ 3,017
Payroll liabilities	-	-	-	31,587
Due to other funds	2	-	9,803	347,558
Due to other governments:				
Federal	-	-	-	35,997
	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,997</u>
Total liabilities	<u>2</u>	<u>-</u>	<u>9,837</u>	<u>418,159</u>
Deferred inflows of resources				
Unavailable revenue	-	-	-	182,596
	<u>-</u>	<u>-</u>	<u>-</u>	<u>182,596</u>
Fund balance (deficit)				
Restricted	-	-	-	17,519
Unassigned	-	-	-	(182,596)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(182,596)</u>
Total fund balance (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(165,077)</u>
Total liabilities, deferred inflows of resources, and fund balance (deficit)				
	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 9,837</u>	<u>\$ 435,678</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS

For the Year Ended June 30, 2017

	Homeless	Illinois Violence Prevention Authority	Truants Alternative/ Optional Education
Revenues			
State sources	\$ -	\$ -	\$ 55,000
Federal sources	202,656	8,378	-
Interest	-	-	-
	<u>202,656</u>	<u>8,378</u>	<u>55,000</u>
Total revenues	<u>202,656</u>	<u>8,378</u>	<u>55,000</u>
Expenditures			
Salaries and benefits	28,804	14,769	107,794
Purchased services	12,357	4,455	7,666
Supplies and materials	7,086	-	-
Payments to other governments	150,325	-	-
Pension expense	4,084	-	992
	<u>202,656</u>	<u>19,224</u>	<u>116,452</u>
Total expenditures	<u>202,656</u>	<u>19,224</u>	<u>116,452</u>
Net change in fund balance	-	(10,846)	(61,452)
Fund balance, beginning of year	-	-	-
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ (10,846)</u>	<u>\$ (61,452)</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS

For the Year Ended June 30, 2017

	Regional Safe Schools	ROE/ISC Operations	Regional Safe Schools Coop Education	Math & Science Partnership
Revenues				
State sources	\$ 39,155	\$ 118,533	\$ 19,675	\$ -
Federal sources	-	-	-	-
Interest	-	61	-	-
Total revenues	39,155	118,594	19,675	-
Expenditures				
Salaries and benefits	84,120	90,527	-	29,425
Purchased services	717	20,065	38,787	7,070
Supplies and materials	501	4,031	560	-
Payments to other governments	-	-	-	-
Pension expense	797	3,910	-	7,151
Total expenditures	86,135	118,533	39,347	43,646
Net change in fund balance	(46,980)	61	(19,672)	(43,646)
Fund balance, beginning of year	-	17,458	-	-
Fund balance (deficit), end of year	\$ (46,980)	\$ 17,519	\$ (19,672)	\$ (43,646)

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS

For the Year Ended June 30, 2017

	Title II - Teacher Quality	Title II - Teacher Quality Leadership	Area IV - System of Support - Foundational Services	Total
Revenues				
State sources	\$ -	\$ -	\$ -	\$ 232,363
Federal sources	1,248	4,700	35,870	252,852
Interest	-	-	-	61
Total revenues	1,248	4,700	35,870	485,276
Expenditures				
Salaries and benefits	-	-	20,280	375,719
Purchased services	1,248	4,700	11,357	108,422
Supplies and materials	-	-	905	13,083
Payments to other governments	-	-	-	150,325
Pension expense	-	-	3,328	20,262
Total expenditures	1,248	4,700	35,870	667,811
Net change in fund balance	-	-	-	(182,535)
Fund balance, beginning of year	-	-	-	17,458
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (165,077)</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
HOMELESS

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 134,591	\$ 215,556	\$ 202,656
Total revenues	<u>134,591</u>	<u>215,556</u>	<u>202,656</u>
Expenditures			
Salaries and benefits	17,115	32,050	28,804
Purchased services	9,658	15,275	12,357
Supplies and materials	5,950	6,564	7,086
Payments to other governments	101,868	161,667	150,325
Pension expense	-	-	4,084
Total expenditures	<u>134,591</u>	<u>215,556</u>	<u>202,656</u>
Net change in fund balance	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ILLINOIS VIOLENCE PREVENTION AUTHORITY

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 9,260	\$ 39,633	\$ 8,378
Total revenues	9,260	39,633	8,378
Expenditures			
Salaries and benefits	6,310	28,550	14,769
Purchased services	2,950	11,083	4,455
Total expenditures	9,260	39,633	19,224
Net change in fund balance	-	-	(10,846)
Fund balance, beginning of year	-	-	-
Fund balance (deficit), end of year	\$ -	\$ -	\$ (10,846)

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TRUANTS ALTERNATIVE / OPTIONAL EDUCATION

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 116,452	\$ 116,452	\$ 55,000
Total revenues	<u>116,452</u>	<u>116,452</u>	<u>55,000</u>
Expenditures			
Salaries and benefits	108,477	108,477	107,794
Purchased services	7,975	7,975	7,666
Pension expense	-	-	992
Total expenditures	<u>116,452</u>	<u>116,452</u>	<u>116,452</u>
Net change in fund balance	-	-	(61,452)
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (61,452)</u></u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 86,135	\$ 86,135	\$ 39,155
Total revenues	<u>86,135</u>	<u>86,135</u>	<u>39,155</u>
Expenditures			
Salaries and benefits	84,381	84,381	84,120
Purchased services	959	959	717
Supplies and materials	795	795	501
Pension expense	-	-	797
Total expenditures	<u>86,135</u>	<u>86,135</u>	<u>86,135</u>
Net change in fund balance	-	-	(46,980)
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (46,980)</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ROE/ISC OPERATIONS

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 118,533	\$ 118,533	\$ 118,533
Interest	-	-	61
Total revenues	<u>118,533</u>	<u>118,533</u>	<u>118,594</u>
Expenditures			
Salaries and benefits	94,092	94,092	90,527
Purchased services	19,918	19,918	20,065
Supplies and materials	4,523	4,523	4,031
Pension expense	-	-	3,910
Total expenditures	<u>118,533</u>	<u>118,533</u>	<u>118,533</u>
Net change in fund balance	-	-	61
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>17,458</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,519</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS COOP EDUCATION

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 39,347	\$ 39,347	\$ 19,675
Total revenues	<u>39,347</u>	<u>39,347</u>	<u>19,675</u>
Expenditures			
Salaries and benefits	36,765	-	-
Purchased services	2,282	39,047	38,787
Supplies and materials	300	300	560
Total expenditures	<u>39,347</u>	<u>39,347</u>	<u>39,347</u>
Net change in fund balance	-	-	(19,672)
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,672)</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
MATH & SCIENCE PARTNERSHIP

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 120,000	\$ 120,000	\$ -
Total revenues	<u>120,000</u>	<u>120,000</u>	<u>-</u>
Expenditures			
Salaries and benefits	100,409	100,409	29,425
Purchased services	18,878	18,878	7,070
Supplies and materials	713	713	-
Pension expense	-	-	7,151
Total expenditures	<u>120,000</u>	<u>120,000</u>	<u>43,646</u>
Net change in fund balance	-	-	(43,646)
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (43,646)</u>

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNTS
 TITLE II - TEACHER QUALITY

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 1,246	\$ 1,248	\$ 1,248
Total revenues	1,246	1,248	1,248
Expenditures			
Purchased services	1,246	1,248	1,248
Total expenditures	1,246	1,248	1,248
Net change in fund balance	-	-	-
Fund balance, beginning of year	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNTS
 TITLE II - TEACHER QUALITY LEADERSHIP

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 4,913	\$ 4,913	\$ 4,700
Total revenues	4,913	4,913	4,700
Expenditures			
Purchased services	4,913	4,913	4,700
Total expenditures	4,913	4,913	4,700
Net change in fund balance	-	-	-
Fund balance, beginning of year	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
AREA IV - SYSTEM OF SUPPORT - FOUNDATIONAL SERVICES

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 68,335	\$ 68,335	\$ 35,870
Total revenues	<u>68,335</u>	<u>68,335</u>	<u>35,870</u>
Expenditures			
Salaries and benefits	47,657	49,300	20,280
Purchased services	16,755	17,135	11,357
Supplies and materials	1,923	1,900	905
Payments to other governments	2,000	-	-
Pension expense	-	-	3,328
Total expenditures	<u>68,335</u>	<u>68,335</u>	<u>35,870</u>
Net change in fund balance	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2017

	<u>General Education Development</u>	<u>Bus Driver Training</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 6,775	\$ 12,248	\$ 19,023
Prepaid expense	5	2	7
Due from other governments			
Local	68	205	273
	<u>68</u>	<u>205</u>	<u>273</u>
Total assets	<u>\$ 6,848</u>	<u>\$ 12,455</u>	<u>\$ 19,303</u>
Liabilities			
Accounts payable	\$ 4	\$ 7	\$ 11
Fund balance			
Nonspendable	5	2	7
Restricted	6,839	12,446	19,285
	<u>6,844</u>	<u>12,448</u>	<u>19,292</u>
Total fund balance	<u>6,844</u>	<u>12,448</u>	<u>19,292</u>
Total liabilities and fund balance	<u>\$ 6,848</u>	<u>\$ 12,455</u>	<u>\$ 19,303</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended June 30, 2017

	General Education Development	Bus Driver Training	Total
Revenues			
Local sources	\$ 3,641	\$ 5,285	\$ 8,926
State sources	-	1,556	1,556
Interest	1	1	2
Total revenues	3,642	6,842	10,484
Expenditures			
Salaries and benefits	3,011	4,668	7,679
Purchased services	265	1,081	1,346
Supplies and materials	702	115	817
Pension expense	341	145	486
Total expenditures	4,319	6,009	10,328
Net change in fund balance	(677)	833	156
Fund balance, beginning of year	7,521	11,615	19,136
Fund balance, end of year	\$ 6,844	\$ 12,448	\$ 19,292

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS

JUNE 30, 2017

	County School Facility Occupation Tax	IASA Illini Division	Regional Trustee Fund	Total
Assets				
Cash and cash equivalents	\$ -	\$ 2,888	\$ -	\$ 2,888
Total assets	<u>\$ -</u>	<u>\$ 2,888</u>	<u>\$ -</u>	<u>\$ 2,888</u>
Liabilities				
Accounts payable	\$ -	\$ 2,888	\$ -	\$ 2,888
Total liabilities	<u>\$ -</u>	<u>\$ 2,888</u>	<u>\$ -</u>	<u>\$ 2,888</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

For the Year Ended June 30, 2017

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance End of Year</u>
<u>COUNTY SCHOOL FACILITY</u>				
<u>OCCUPATION TAX</u>				
Assets				
Due from other governments	\$ -	\$ 3,049,034	\$ 3,049,034	\$ -
Total assets	<u>\$ -</u>	<u>\$ 3,049,034</u>	<u>\$ 3,049,034</u>	<u>\$ -</u>
Liabilities				
Due to other governments	\$ -	\$ 3,049,034	\$ 3,049,034	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 3,049,034</u>	<u>\$ 3,049,034</u>	<u>\$ -</u>
<u>IASA ILLINI DIVISION</u>				
Assets				
Cash and cash equivalents	\$ -	\$ 2,888	\$ -	\$ 2,888
Total assets	<u>\$ -</u>	<u>\$ 2,888</u>	<u>\$ -</u>	<u>\$ 2,888</u>
Liabilities				
Accounts payable	\$ -	\$ 2,888	\$ -	\$ 2,888
Total liabilities	<u>\$ -</u>	<u>\$ 2,888</u>	<u>\$ -</u>	<u>\$ 2,888</u>
<u>REGIONAL TRUSTEE FUND</u>				
Assets				
Cash and cash equivalents	\$ 1,500	\$ 3,000	\$ 4,500	\$ -
Total assets	<u>\$ 1,500</u>	<u>\$ 3,000</u>	<u>\$ 4,500</u>	<u>\$ -</u>
Liabilities				
Accounts payable	\$ 1,500	\$ 3,000	\$ 4,500	\$ -
Total liabilities	<u>\$ 1,500</u>	<u>\$ 3,000</u>	<u>\$ 4,500</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

For the Year Ended June 30, 2017

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets				
Cash and cash equivalents	\$ 1,500	\$ 5,888	\$ 4,500	\$ 2,888
Due from other governments	-	3,049,034	3,049,034	-
Total assets	\$ 1,500	\$ 3,054,922	\$ 3,053,534	\$ 2,888
Liabilities				
Accounts payable	\$ 1,500	\$ 5,888	\$ 4,500	\$ 2,888
Due to other governments	-	3,049,034	3,049,034	-
Total liabilities	\$ 1,500	\$ 3,054,922	\$ 3,053,534	\$ 2,888

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES

For the Year Ended June 30, 2017

Program Description	Arcola CUSD #306	Arthur CUSD #305	Beecher City CUSD #20	Central A&M CUSD #21	Cowden- Herrick CUSD #3A	Heritage CUSD #8	Mattoon CUSD #2	Neoga CUSD #3	Oakland CUSD# 5	Okaw Valley CUSD #302
Shelby County School Facility Occupation Tax	\$ -	\$ -	\$ 8,273	\$ 134,671	\$ 104,632	\$ -	\$ 50	\$ 38,139	\$ -	\$ 49,537
Douglas County School Facility Occupation Tax	491,496	320,529	-	-	-	1,329	-	-	38,659	-
	<u>\$ 491,496</u>	<u>\$ 320,529</u>	<u>\$ 8,273</u>	<u>\$ 134,671</u>	<u>\$ 104,632</u>	<u>\$ 1,329</u>	<u>\$ 50</u>	<u>\$ 38,139</u>	<u>\$ 38,659</u>	<u>\$ 49,537</u>

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES (Continued)
 For the Year Ended June 30, 2017

Program Description	Pana CUSD #8	Ramsey CUSD #204	Shelbyville CUSD #4	Shiloh CUSD #1	Stew-Stras CUSD #5A	Teutopolis CUSD #50	Tuscola CUSD #301	Villa Grove CUSD #302	Windsor CUSD #1	Total
Shelby County School Facility Occupation Tax	\$ 83,354	\$ 268	\$ 384,915	\$ -	\$ 107,930	\$ 4,133	\$ -	\$ -	\$ 91,479	\$ 1,007,381
Douglas County School Facility Occupation Tax	-	-	-	118,477	-	-	647,670	423,493	-	2,041,653
	<u>\$ 83,354</u>	<u>\$ 268</u>	<u>\$ 384,915</u>	<u>\$ 118,477</u>	<u>\$ 107,930</u>	<u>\$ 4,133</u>	<u>\$ 647,670</u>	<u>\$ 423,493</u>	<u>\$ 91,479</u>	<u>\$ 3,049,034</u>