

State of Illinois

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
FINANCIAL AUDIT**

For the Year Ended June 30, 2017

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

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16**

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**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16**

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**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16**

OFFICIALS

Regional Superintendent:
(Current and During the Audit Period)

Ms. Amanda Christensen

Assistant Regional Superintendent:
(Current and During the Audit Period)

Mr. Jeff Smith

Office is located at:

2500 N. Annie Glidden Road, Suite C
DeKalb, Illinois 60115

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16**

FINANCIAL REPORT SUMMARY

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

AUDITORS' REPORTS

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

SUMMARY OF AUDIT FINDINGS

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

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

SUMMARY OF FINDINGS AND RESPONSES

None Reported

PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Type</u>
2016-001	10	Controls Over Financial Statement Preparation	Material Weakness

EXIT CONFERENCE

The DeKalb County Regional Office of Education No. 16 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 auditors and Regional Office officials to discuss matters contained in this audit report.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16**

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of DeKalb County Regional Office of Education No. 16 was performed by McGreal & Co., PC.

Based on their audit, the auditors expressed an unmodified opinion on the DeKalb County Regional Office of Education No. 16's basic financial statements.

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, each major fund, and the aggregate remaining fund information of DeKalb County Regional Office of Education No. 16 as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the DeKalb County Regional Office of Education No. 16'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.

Auditor's 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 of 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, each major fund, and the aggregate remaining fund information of the DeKalb County Regional Office of Education No. 16, as of June 30, 2017, and the respective changes in financial position 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 11 through 19 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 DeKalb County Regional Office of Education No. 16's basic financial statements. The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Disbursements to Other Entities-Distributive Fund are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Disbursements to Other Entities-Distributive Fund 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, the budgetary comparison schedules, the combining fund

financial statements and the Schedule of Disbursements to Other Entities-Distributive Fund 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 a report dated July 24, 2018, on our consideration of the DeKalb County Regional Office of Education No. 16'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 Dekalb County Regional Office of Education No. 16'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 DeKalb County Regional Office of Education No. 16's internal control over financial reporting and compliance.

Signed original on file

July 24, 2018
Oak Lawn, Illinois

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

Honorable 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, each major fund, and the aggregate remaining fund information of the DeKalb County Regional Office of Education No. 16 as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the DeKalb County Regional Office of Education No. 16's basic financial statements and have issued our report thereon dated July 24, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the DeKalb County Regional Office of Education No. 16'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 DeKalb County Regional Office of Education No. 16's internal control. Accordingly, we do not express an opinion on the effectiveness of the DeKalb County Regional Office of Education No. 16'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 DeKalb County Regional Office of Education No. 16's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 DeKalb County Regional Office of Education No. 16'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 DeKalb County Regional Office of Education No. 16's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Signed original on file

July 24, 2018
Oak Lawn, Illinois

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16**

**SCHEDULE OF FINDINGS AND RESPONSES
SECTION I – SUMMARY OF AUDITORS' RESULTS
Year Ended June 30, 2017**

Financial Statements in accordance with GAAP

Type of auditor's 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

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED
Year Ended June 30, 2017**

2016-001 - Controls Over Financial Statement Preparation

During the prior audit, DeKalb County Regional Office of Education No. 16 did not maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). During the current audit, no material journal entries were proposed by the auditors.

Current Status: Not Repeated

MANAGEMENT'S DISCUSSION AND ANALYSIS

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

The DeKalb County Regional Office of Education No. 16 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. We encourage readers to consider this information in conjunction with the DeKalb County Regional Office of Education No. 16's financial statements, which follow.

2017 FINANCIAL HIGHLIGHTS

- Governmental Fund revenues decreased from \$1,204,235 in fiscal year 2016 (FY16) to \$1,203,346 in fiscal year 2017 (FY17), and Governmental Fund expenditures increased from \$1,170,221 in FY16 to \$1,263,356 in FY17. This was a result of a decrease in funding from the State of Illinois. Additionally, the Governmental Fund fund balance decreased in FY17 to \$257,529 from \$317,539 in FY16.
- General Fund revenues increased from \$692,413 in FY16 to \$748,645 in FY17 and General Fund expenditures increased from \$680,196 in FY16 to \$748,467 in FY17. Salaries and benefits, purchased services and on-behalf payments increased while supplies and materials decreased .

USING THIS ANNUAL REPORT

The 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 DeKalb County Regional Office of Education No. 16'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 DeKalb County Regional Office of Education No. 16 as a whole and present an overall view of the DeKalb County Regional Office of Education No. 16'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 DeKalb County Regional Office of Education No. 16's operations in more detail than the government-wide statements by providing information about the most significant funds.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Supplementary Information further explains and supports the financial statements with comparisons of the DeKalb County Regional Office of Education No. 16's grant budgets for the year to actual results, and provides detailed information about the nonmajor funds.

Figure A-1 summarizes the major features of DeKalb County Regional Office of Education No. 16's financial statements, including the portion of DeKalb County Regional Office of Education No. 16's activities they cover and the types of information they contain.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

**Figure A-1:
Major Features of the Government-wide and Fund Financial Statements**

	Government-Wide Statements	Fund Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire Regional Office of Education No. 16 (except fiduciary funds)	The activities of Regional Office of Education No. 16 that are not proprietary or fiduciary, such as grants and statutory funds	Instances in which Regional Office of Education No. 16 administers resources on behalf of someone else, such as the distributive fund and board of trustees.
Required financial statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset / liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term
Type of inflow / outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter	All additions and deductions during the year, regardless of when cash is received or paid

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

**REPORTING DEKALB COUNTY REGIONAL OFFICE OF EDUCATION NO. 16'S
FINANCIAL ACTIVITIES**

Government-wide Financial Statements

The Government-wide financial statements report information about DeKalb County Regional Office of Education No. 16 as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of DeKalb County Regional Office of Education No. 16's assets and liabilities. All of the current year's 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 DeKalb County Regional Office of Education No. 16's net position and how it has changed. Net position - the difference between DeKalb County Regional Office of Education No. 16's assets and liabilities - is one way to measure the agency's financial health or position. Over time, increases or decreases in the DeKalb County Regional Office of Education No. 16's net position are an indicator of whether financial position is improving or deteriorating. To assess DeKalb County Regional Office of Education No. 16's overall health, additional non-financial factors, such as a change in DeKalb County Regional Office of Education No. 16's responsibilities and staffing, the community and the condition of school buildings and other facilities, need to be considered.

In the government-wide financial statements, the DeKalb County Regional Office of Education No. 16's activities are reported as:

- *Governmental activities:* All of DeKalb County Regional Office of Education No. 16's services are included here, such as Regional Safe Schools instruction and instructional staff support services and administration. Federal and State grants finance most of these activities.

Fund Financial Statements

The fund financial statements provide detailed information about DeKalb County Regional Office of Education No. 16's funds, focusing on its most significant or "major" funds - not DeKalb County Regional Office of Education No. 16 as a whole. Funds are accounting devices DeKalb County Regional Office of Education No. 16 uses to keep track of specific sources of funding and spending on particular programs.

Some funds are required by State law. DeKalb County Regional Office of Education No. 16 established other funds to control and manage money for particular purposes, such as accounting for State and Federal grants.

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017

DeKalb County Regional Office of Education No. 16 has two kinds of funds:

- 1) Governmental funds account for all of DeKalb County Regional Office of Education No. 16 services. These focus on how cash and other financial assets can readily be converted to cash flow and the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the DeKalb County Regional Office of Education No. 16's programs. Because this information does not encompass the additional long-term focus of the Government-wide statements, additional information immediately following each of the governmental fund statements explains the relationship or difference between the two statements.

The DeKalb County Regional Office of Education No. 16's governmental funds include the General Fund and the Special Revenue funds.

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

- 2) Fiduciary funds include Agency Funds. DeKalb County Regional Office of Education No. 16 is the trustee for assets that belong to others. These funds include Agency Funds. Agency funds are funds through which DeKalb County Regional Office of Education No. 16 administers and accounts for certain federal and/or state grants on behalf of others.

DeKalb County Regional Office of Education No. 16 is responsible for ensuring the assets reported in the fiduciary funds are used only for their intended purposes and by those to whom the assets belong. DeKalb County Regional Office of Education No. 16 excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

The required financial statement for the fiduciary funds is the Statement of Fiduciary Net Position.

A summary reconciliation between the Government-wide financial statements and the fund financial statements follows the fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve, over time, as a useful indicator of a government's financial position. In the case of DeKalb County Regional Office of Education No. 16's net position at the end of FY17 totaled \$374,341. This is compared to \$317,539 at the end of FY16. The analysis that follows provides a summary of DeKalb County Regional Office of Education No. 16's net position at June 30, 2017 and 2016 for governmental activities.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

	Statement of Net Position	
	Governmental Activities	
	2017	2016
Current assets	\$ 640,103	\$ 519,615
Total assets	<u>640,103</u>	<u>519,615</u>
Current liabilities	<u>265,762</u>	<u>202,076</u>
Total liabilities	<u>265,762</u>	<u>202,076</u>
Net position		
Restricted - Other	256,985	200,361
Unrestricted	<u>117,356</u>	<u>117,178</u>
Total net assets	<u><u>\$ 374,341</u></u>	<u><u>\$ 317,539</u></u>

A portion of the DeKalb County Regional Office of Education No. 16's net position is restricted. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, was \$117,356 and \$117,178 at June 30, 2017 and 2016, respectively. Net position related to the Institute, GED, Education, and Other Nonmajor funds are considered restricted.

Changes in net position. The DeKalb County Regional Office of Education No. 16's total revenues for the fiscal years ended June 30, 2017 and June 30, 2016 were \$1,320,158 and \$1,204,235, respectively. The total cost of all programs and services for 2017 and 2016 was \$1,263,356 and \$1,170,221, respectively. The following analysis shows the changes in net position for the years ended June 30, 2017 and 2016.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

	Change in Net Position	
	Governmental Activities	
	2017	2016
Revenues:		
Program revenues		
Operating grants and contributions	\$ 406,673	\$ 463,574
General revenues		
Local sources	113,639	107,036
State sources	305,549	183,531
On-behalf payments	493,872	449,973
Interest income	425	121
Total revenues	1,320,158	1,204,235
Expenses:		
Program expenses		
Instructional services	769,484	720,248
Administrative expenses		
On-behalf payments	493,872	449,973
Total expenses	1,263,356	1,170,221
Change in net position	56,802	34,014
Net position, beginning of year	317,539	283,525
Net position, end of year	\$ 374,341	\$ 317,539

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

Operating grants and contributions and general revenues from local, state and federal sources account for 62.6% of the total revenue. The DeKalb County Regional Office of Education No. 16's expenses primarily relate to instructional services, which account for 60.9% of the total expenses.

INDIVIDUAL FUND ANALYSIS

As previously noted, the DeKalb County Regional Office of Education No. 16 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund Highlights

The General Fund's fund balance increased slightly in FY17 to \$117,356 from the previously reported amount of \$117,178 for FY16.

The Institute Fund balance increased in FY17 to \$134,143 from the previously reported amount of \$123,636.

The General Education Development (GED) Fund balance decreased slightly in FY17 to \$58,315 from \$58,505 in FY16. GED revenue and expenses increased due to an increase in the number of GED certificates and transcripts that were issued.

The Education Fund balance decreased in FY17 to (\$69,316) from \$3,277 in FY16 which resulted from unavailable revenue received after August 31, 2017.

BUDGETARY HIGHLIGHTS

DeKalb County Regional Office of Education No. 16 is not required to adopt annual budgets for all funds under its control and is not legally required to do so. DeKalb County Regional Office of Education No. 16 submits its budget to the State Board of Education and all other grantors that require it. The budgets may be amended during the year utilizing procedures prescribed by the particular grantor. Over the course of the year, DeKalb County Regional Office of Education No. 16 amended certain operating budgets to reflect additional revenue and expenditures associated with the additional services needed and provided. Budgetary comparison schedules are provided for various grant specific funds as supplementary information on pages 45 to 53.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

ECONOMIC FACTORS BEARING ON DEKALB COUNTY REGIONAL OFFICE OF EDUCATION NO. 16'S FUTURE

At the time these financial statements were prepared and audited, DeKalb County Regional Office of Education No. 16 was aware of certain circumstances that could significantly affect its financial health in the future:

- The DeKalb ROE is expecting consistent funding from major grants during the current fiscal year.
- Grant payments to the DeKalb ROE has been delayed due to budget delays. The DeKalb ROE has used its reserves for short-term cash flow concerns.

CONTACTING DEKALB COUNTY REGIONAL OFFICE OF EDUCATION NO. 16 FINANCIAL MANAGEMENT

This financial report is designed to provide DeKalb County Regional Office of Education No. 16 financial statement users with a general overview of DeKalb County Regional Office of Education No. 16 finances and to demonstrate DeKalb County Regional Office of Education No. 16 accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Regional Superintendent of the DeKalb County Regional Office of Education No. 16, 2500 N. Annie Glidden Road, Suite C, DeKalb, IL 60115.

BASIC FINANCIAL STATEMENTS

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Statement of Net Position

June 30, 2017

	Governmental Activities
ASSETS	
<i>Current Assets</i>	
Cash and Cash Equivalents	\$ 356,988
Accounts Receivable	6,956
Due from Other Governmental Agencies	-
Grants Receivable	276,159
Total Assets	640,103
LIABILITIES	
<i>Current Liabilities</i>	
Accounts Payable	156,446
Due to Other Governmental Agencies	94,816
Unearned Revenue	14,500
Total Liabilities	265,762
NET POSITION	
Restricted - Other	256,985
Unrestricted	117,356
Total Net Position	\$ 374,341

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

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Statement of Activities

For the Year Ended June 30, 2017

	Expenses	Program Revenues Operating Grants and Contributions	Net (Expense) Revenues and Change in Net Position Governmental Activities
Governmental Activities			
Instructional Services:			
Salaries and Benefits	\$ 134,914	\$ 93,011	\$ (41,903)
Purchased Services	456,929	142,802	(314,127)
Supplies and Materials	13,432	6,651	(6,781)
Payment to Other Government Units	164,209	164,209	-
Administrative:			
On Behalf Payments	493,872	-	(493,872)
Total Governmental Activities	\$ 1,263,356	\$ 406,673	(856,683)
General Revenues:			
Local Sources			113,639
State Sources			305,549
On Behalf Payments			493,872
Interest Income			425
Total General Revenues			913,485
Change in Net Position			56,802
Net Position - Beginning of Year			317,539
Net Position - End of Year			\$ 374,341

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

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Balance Sheet

Governmental Funds

June 30, 2017

	Major Funds					Total Governmental Funds
	General Fund	Institute Fund	General Educational Development Fund	Education Fund	Non-Major Special Revenue Funds	
ASSETS						
Cash and Cash Equivalents	\$ 24,680	\$ 134,143	\$ 58,315	\$ 122,819	\$ 17,031	\$ 356,988
Accounts Receivable	6,956	-	-	-	-	6,956
Due from Other Governmental Agencies	-	-	-	-	-	-
Due from Other Funds	91,109	-	-	-	-	91,109
Grants Receivable	-	-	-	276,159	-	276,159
Total Assets	<u>\$ 122,745</u>	<u>\$ 134,143</u>	<u>\$ 58,315</u>	<u>\$ 398,978</u>	<u>\$ 17,031</u>	<u>\$ 731,212</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable	\$ -	\$ -	\$ -	\$ 156,446	\$ -	\$ 156,446
Due to Other Funds	5,389	-	-	85,720	-	91,109
Due to Other Governmental Agencies	-	-	-	94,816	-	94,816
Unearned Revenue	-	-	-	14,500	-	14,500
Total Liabilities	<u>5,389</u>	<u>-</u>	<u>-</u>	<u>351,482</u>	<u>-</u>	<u>356,871</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue	-	-	-	116,812	-	116,812
FUND BALANCES						
Restricted	-	134,143	58,315	45,905	17,031	255,394
Assigned	113,706	-	-	-	-	113,706
Unassigned	3,650	-	-	(115,221)	-	(111,571)
Total Fund Balance	<u>117,356</u>	<u>134,143</u>	<u>58,315</u>	<u>(69,316)</u>	<u>17,031</u>	<u>257,529</u>
Total Liabilities and Fund Balances	<u>\$ 122,745</u>	<u>\$ 134,143</u>	<u>\$ 58,315</u>	<u>\$ 398,978</u>	<u>\$ 17,031</u>	<u>\$ 731,212</u>

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

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position

Governmental Funds

June 30, 2017

Total Fund Balances - Governmental Funds \$ 257,529

Amounts Reported for Governmental Activities in the
Statement of Net Position Are Different Because:

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

116,812

Net Position of Governmental Activities

\$ 374,341

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

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Statement of Revenues, Expenditures and
Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2017

	Major Funds					Total Governmental Funds
	General Fund	Institute Fund	General Educational Development Fund	Education Fund	Non-Major Special Revenue Funds	
Revenues						
Local Sources	\$ 67,107	\$ 39,761	\$ 2,051	\$ 4,869	\$ 4,720	\$ 118,508
State Sources	187,241	-	-	380,347	1,496	569,084
On Behalf Payments	493,872	-	-	-	-	493,872
Federal Sources	-	-	-	21,457	-	21,457
Interest Income	425	-	-	-	-	425
Total Revenues	<u>748,645</u>	<u>39,761</u>	<u>2,051</u>	<u>406,673</u>	<u>6,216</u>	<u>1,203,346</u>
Expenditures						
Instructional Services:						
Salaries and Benefits	29,734	12,169	-	93,011	-	134,914
Purchased Services	220,216	16,587	1,774	215,395	2,957	456,929
Supplies and Materials	4,645	498	467	6,651	1,171	13,432
Payment to Other Government Units	-	-	-	164,209	-	164,209
Administrative:						
On Behalf Payments	493,872	-	-	-	-	493,872
Total Expenditures	<u>748,467</u>	<u>29,254</u>	<u>2,241</u>	<u>479,266</u>	<u>4,128</u>	<u>1,263,356</u>
Excess (Deficiency) of Revenues over Expenditures	<u>178</u>	<u>10,507</u>	<u>(190)</u>	<u>(72,593)</u>	<u>2,088</u>	<u>(60,010)</u>
Fund Balance, Beginning of Year	<u>117,178</u>	<u>123,636</u>	<u>58,505</u>	<u>3,277</u>	<u>14,943</u>	<u>317,539</u>
Fund Balance, End of Year	<u>\$ 117,356</u>	<u>\$ 134,143</u>	<u>\$ 58,315</u>	<u>\$ (69,316)</u>	<u>\$ 17,031</u>	<u>\$ 257,529</u>

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

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities

Governmental Funds

For the Year Ended June 30, 2017

Net Change in Fund Balances		\$ (60,010)
Amounts Reported for Governmental Activities in the Statement of Activities Are Different Because:		
Some revenues will not be collected for several months after the Regional Office fiscal year ends; they are therefore not considered "available" revenues and are deferred in the governmental funds.		
Current year unavailable revenue	116,812	
Prior year unavailable revenue	<u>-</u>	<u>116,812</u>
Change in Net Position of Governmental Activities		<u><u>\$ 56,802</u></u>

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

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2017

	<u>Agency Funds</u>
ASSETS	
Cash and Cash Equivalents	\$ 390
Due from Other Governmental Agencies	<u>325,348</u>
Total Assets	<u><u>\$ 325,738</u></u>
LIABILITIES	
Due to Other Governmental Agencies	<u>\$ 325,738</u>
Total Liabilities	<u><u>\$ 325,738</u></u>

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

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16**

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of DeKalb County Regional Office of Education No. 16 (the ROE) are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Government Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments. The more significant accounting policies established by GAAP and used by the ROE are discussed below.

Reporting Entity

The DeKalb County Regional Office of Education No. 16 was created when an Educational Service Region became a Regional Office of Education on August 7, 1995. The DeKalb County Regional Office of Education No. 16 operates under the School Code (105 ILCS 5/3 and 5/3A). The Regional Office of Education encompasses DeKalb County, Illinois. A Regional Superintendent of Schools serves as Chief Administrative Officer of DeKalb County Regional Office of Education No. 16 and is elected pursuant to 105 ILCS 5/3 and 5/3A of the School Code. The principal financial duty of the Regional Superintendent is to receive and distribute monies due to school districts from general state aid, state categorical grants, and various other sources.

The functions of the DeKalb County Regional Office of Education No. 16 include, but are not limited to the following:

- Processing teachers' licenses
- Teaching initial and refresher classes for school bus drivers within DeKalb County Regional Office of Education No. 16
- Review life/safety requirements for schools in conjunction with the State of Illinois
- Issuing newsletters regarding new Illinois life/safety requirements
- Monitoring compliance with State laws and Department of Education policies and procedures
- Providing directions to teachers and school officials on science, art and teaching methods
- Implementing the State Board of Education's Policy Programs
- Encouraging camaraderie among teachers through the teachers' institute

Scope of the Reporting Entity

The Regional Office of Education No. 16 includes all related organizations for which it exercises oversight responsibility.

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

The Regional Office of Education No. 16 has developed criteria to determine whether outside agencies with activities, which benefit the citizens of the Regional Office of Education No. 16, 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 No. 16 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 Regional Superintendent has determined that no outside agency meets the above criteria and, therefore, no agency has been included as a component unit in the financial statements. In addition, the Regional Office of Education No. 16 is not aware of any entity, which would exercise such oversight as to result in the Regional Office of Education No. 16 being considered a component unit of the entity.

New Accounting Pronouncement

For the year ended June 30, 2017, the following GASB Statements were implemented for the Regional Office of Education No. 16.

- Number 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Standard had no impact on the financial reporting of the ROE for the year ended June 30, 2017.
- Number 77, *Tax Abatements*. This Standard had no impact on the financial reporting of the ROE for the year ended June 30, 2017.
- Number 78, *Pensions Provided Through Certain Multiple-Employer Defined Pension Plans*. This Standard had no impact on the financial reporting of the ROE for the year ended June 30, 2017.
- Number 79, *Certain External Investment Pools and Pool Participants*. This Standard had no impact on the financial reporting of the ROE for the year ended June 30, 2017.
- Number 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*. This Standard had no impact on the financial reporting of the ROE for the year ended June 30, 2017.
- Number 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*. This Standard had no impact on the financial reporting of the ROE for the year ended June 30, 2017.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16**

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

Basis of Presentation

The Regional Office of Education No. 16's basic financial statements include both government-wide financial statements (reporting the Regional Office of Education No. 16 as a whole) and fund financial statements (reporting the Regional Office of Education No. 16's major and other funds).

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the Regional Office of Education No. 16 as a whole. They include all funds of the Regional Office of Education No. 16. Fiduciary funds are excluded from the government-wide financial statements. The Statement of Net Position and the Statement of Activities include the governmental activities. Governmental activities for the Regional Office of Education No. 16 include programs supported primarily by state and federal grants and other intergovernmental revenues. Internal balances and activities within the Regional Office of Education No. 16's governmental funds are eliminated in the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting.

Fund Financial Statements

Fund financial statements of the Regional Office of Education No. 16 are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. The Regional Office of Education No. 16's funds are organized into two major categories: governmental and fiduciary funds. An emphasis is placed on major funds within the fund financial statements. A fund is considered major if it is the primary operating fund of the Regional Office of Education No. 16 or meets the following criteria:

1. Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16**

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

2. Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Governmental Funds

The focus of the governmental funds' measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the ROE:

- General Fund – The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted and reported for in another fund. The General Fund is always considered a major fund. The following accounts are included in the General Fund:
 - General – This fund accounts for monies received for, and payment of, expenditures in connection with general administration activities.
 - General State Aid Operations – This fund accounts for monies received for, and payment of, expenditures for general operations of alternative schools in the region.
 - Fingerprinting – This fund is used to account for the administration of the Fingerprinting Program. Revenues are received from member school districts and private entities and are assigned by the Regional Superintendent's internal policy to fingerprinting related expenses.
 - Other Professional Testing Services – This fund accounts for money received for the establishment and running of the new Testing Center (lab). Testing includes all Pearson VUE tests and the ETS Paraprofessional Assessment.
 - New Teacher Induction – This fund accounts for money received from school districts and allow the ROE to provide professional development to new teachers.

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

Special Revenue Funds – Special Revenue Funds are used to account for and report the proceeds of the specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service and capital projects. The ROE maintains three major special revenue funds and one non-major special revenue fund.

The Major Special Revenue Funds are:

- Institute Fund – This fund is used to account for the stewardship of the assets held in trust for the benefit of the teachers. Fees are collected from registration of teachers’ licenses of qualification. Monies are expended to conduct teachers’ institutes, conferences, and workshops. All funds generated remain restricted until expended only on the aforementioned activities.
- General Educational Development Fund – This fund is used to account for the administration of the general educational development testing program. Revenues are received from testing and diploma fees and are restricted for supplies and materials to support the general educational development program.
- Education Fund - This fund is used to account for and report the proceeds of specific revenue sources that are restricted by grant agreements or contracts to expenditures for specified purposes supporting education enhancement programs as follows:
 - Early Childhood Grant – This fund is used to account for grant monies received for, and payment of, expenditures for developing and operating programs for parents of young children.
 - Regional Safe Schools Grant – This fund is used to account for a grant that provides additional staff and materials for the alternative schools in the region.
 - General State Aid – This fund is used to account for monies received for, and payment of, expenditures for general operations of alternative schools in the region.
 - ROE/ISC Operation – This fund is used to account for monies received for the administration of the ROE/ISC Operation program.
 - Alternative Education – This fund is used to account for a grant that provides for funding for the alternative schools within the region.
 - McKinney Education for Homeless Children Grant – This fund is used to account for grant monies received for, and payment of, expenditures for programs for educating homeless children.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16**

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

- Title II - Teacher Quality – This fund accounts for grant money received for and expenditures incurred in, providing training and professional development for the improvement of teacher preparation programs.
- Pilot Regional Safe Schools Cooperative - This fund accounts for money received from a grant that provides additional staff and materials for the alternative schools in the region.
- Rural Education Achievement Program – This fund is used to account for grant monies received to provide rural local education agencies with financial assistance to fund initiatives aimed at improving student academic achievement.
- New Teacher Induction and Mentoring Program – This fund accounts for grant money received for and expenditures incurred in, the implementation of a quality induction and mentoring program for new teachers.
- Title II – Teacher and Principal Training and Recruiting – This fund provides funds to increase student academic achievement by elevating teacher and principal quality through recruitment, hiring and retention strategies and to hold local educational agencies and schools accountable for improvements in student academic achievement.

The Non-Major Special Revenue Funds are used to account for and report the proceeds of the specific revenue sources that are restricted or committed to expenditures for specified purposes. The non-major special revenue fund is:

- Bus Permit – This fund is used to account for the stewardship of the assets held in trust in connection with the Bus Driver Training Program.

Agency Funds – Agency funds consist of funds received from the State Board of Education, individuals, private organizations, and/or other governments, and distributed by the ROE to school districts and other organizations. These funds are custodial in nature and do not involve the measurement of the results of operations. The ROE has two agency funds:

- Distributive Fund – The ROE received state and federal funds from the State Board of Education, which it distributes to school districts and other organizations.
- Board of Trustees – The source of this account is from the petitions of citizens wishing to change school districts.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16**

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

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 provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Revenues received more than 60 days after the end of the current period are deferred inflows of resources in the governmental fund financial statements but are recognized as current revenues in the government-wide financial statements.

Intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the DeKalb County Regional Office of Education No. 16.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Under the terms of grant agreements, DeKalb County Regional Office of Education No. 16 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 DeKalb County Regional Office of Education No. 16's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues. It is the Regional Office of Education No. 16's policy to first apply restricted funds, then unrestricted. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned if any.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16**

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

Net Position

Net position presents the net amount of assets, deferred outflows of resources, liabilities and deferred inflows of resources in the Statement of Net Position. Net Position of the Regional Office of Education are classified as follows:

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.

Fund Balance

The components of fund balance indicate the extent to which there are constraints on the specific purposes for which amounts in the fund can be spent. The fund balance classifications are as follows:

Non-Spendable Fund Balance – the portion of a Governmental Fund’s net position that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. There are no accounts presenting a nonspendable fund balance.

Restricted Fund Balance – the portion of a Governmental Fund’s net position that is subject to external enforceable legal restrictions. The following fund balances are considered restricted by grant agreements or contracts: General State Aid, ROE/ISC Operation and McKinney Education for Homeless Children Grant. The following fund balances are restricted by Illinois State Statute: Institute Fund, General Education Development Fund and Bus Permit Fund.

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

Assigned Fund Balance – the portion of a Governmental Fund’s net position 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 total of the fund balance of the Fingerprinting Fund and the New Teacher Induction are considered assigned.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16**

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

Unassigned Fund Balance – available expendable financial resources in a governmental fund that are not designated for a specific purpose. The General Fund is considered unassigned. Other Professional Testing Services, Regional Safe Schools, Alternative Education and Pilot Regional Safe Schools are considered unassigned due to the deficit fund balances.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balance is available, the ROE considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the ROE considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the ROE has provided otherwise in its commitment or assignment action.

Intergovernmental Agreement

On August 7, 1992, DeKalb County Regional Office of Education No. 16 entered into an Intergovernmental Agreement executed pursuant to the provisions of the Intergovernmental Cooperation Clause of the Illinois Constitution as well as the provisions of the Intergovernmental Cooperation Act of 1973 and the Illinois Admin. Code 525.110. The name of the educational service delivery system formed is known as the Kishwaukee Intermediate Delivery System (KIDS). Membership in KIDS is made up of the following Regional Offices of Education: Boone-Winnebago, DeKalb, and McHenry. The Boone-Winnebago Regional Office of Education is the designated administrative agent for KIDS.

Budgets and Budgetary Information

The ROE acts as the administrative agent for certain grant programs that are accounted for in the General and Education Funds. Certain programs have budgets that are required to be reported to and approved by the Illinois State Board of Education. However, none of the annual budgets have been legally adopted nor are they required to be. Comparison of budgeted and actual results is presented as supplementary information. Budgetary comparison schedules have been provided in the supplementary schedules for the following funds: Early Childhood Grant, Regional Safe Schools Grant, ROE/ISC Operations, Alternative Education, and Title II – Teacher Quality.

Cash and Cash Equivalents

All highly liquid investments with a maturity of three months or less are considered cash equivalents.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16**

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

Receivables – Net of Allowances

The carrying amount of grants receivable is reduced by a valuation allowance that reflects management's best estimate of amounts that will be collected. The allowance is based on management's assessment of collectability of receivables. All receivables deemed to be uncollectible are written off to the allowance. The total allowance as of June 30, 2017 was \$0.

Use of Estimates

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

Subsequent Events

Management has evaluated subsequent events through July 24, 2018, the date the financial statements were available to be issued.

2. Deposits and Investments

Custodial Credit Risk – Bank Deposits

At June 30, 2017, the carrying amount of the ROE's deposits was \$357,378 (including \$390 of fiduciary funds' cash) and the bank balance was \$409,574.

Custodial credit risk is the risk that in the event of a bank failure, the ROE's deposits may not be returned to it. The ROE does not have a deposit policy for custodial credit risk. All of DeKalb County Regional Office of Education No. 16's deposits were either covered by FDIC insurance or covered by collateral held by the financial institution in DeKalb County Regional Office of Education No. 16's name.

The ROE does not have a formal investment policy, as its only investments are internally pooled in the Illinois Funds Money Market Fund and are considered cash equivalents. As of June 30, 2017, the ROE had \$19,542 in the Illinois Funds Money Market Fund. The fair value of the ROE's position in this fund is equal to the value of the ROE's fund shares. The portfolio is regulated by oversight of the Treasurer of the State of Illinois and private rating agencies. The portfolio has AAAM ratings from Standard and Poor's. The assets of the fund are mainly invested in securities issued by the United States government or agencies related to the United States. Assets of the fund not invested in United States government securities are fully collateralized by pledged securities. The time to maturity of the investments in this external investment pool averages less than one year.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16**

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

3. Capital Assets

Capital assets are acquired using the governmental resources of DeKalb County, therefore, the existing balance of capital assets is not presented.

4. Due From / To Other Governmental Agencies

At June 30, 2017, Grants Receivable and Due To/From Other Governmental Agencies consisted of the following:

Grants Receivable

Education Fund:

Illinois State Board of Education	<u>\$ 276,159</u>
Total Grants Receivable	<u>\$ 276,159</u>

Due From Other Governmental Agencies

Agency Fund:

Illinois State Board of Education	<u>325,348</u>
Total Due From Other Governmental Agencies	<u>\$ 325,348</u>

Due To Other Governmental Agencies

Education Fund:

Illinois State Board of Education	\$ 60,287
Other Local Education Agencies	34,529

Agency Fund:

Other Local Education Agencies	<u>325,738</u>
Total Due To Other Governmental Agencies	<u>\$ 420,554</u>

5. Due From / To Other Funds

Interfund receivables and payables, primarily made to cover cash deficits within pooled cash accounts, as of June 30, 2017 were:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General Fund:		
Fingerprint Fund	\$ 91,109	\$ -
Other Professional Testing Services Fund	-	5,389
Education Fund:		
Alternative Education	-	82,163
Title II – Teacher Quality		3,542
Title II – Teacher and Principal Training and Recruiting	-	<u>15</u>
	<u>\$ 91,109</u>	<u>\$ 91,109</u>

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16**

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

6. Disposition of Distributive Fund Interest

Revenues are partially derived from interest on deposits of the various funds under the jurisdiction of DeKalb County Regional Office of Education No. 16. A substantial portion of these interest earnings have been earned on monies which are passed through from the Illinois State Board of Education to the various school districts within the County of DeKalb.

Illinois Compiled Statutes require that interest earned by a public agency on investments of funds held for, but owned by, another public agency shall be credited to the public agency for which the investment is made, i.e. the owner of the funds.

Per an intergovernmental agreement between Regional Office of Education No. 16 and the school districts, 80 percent of Distributive Fund interest earned is remitted to the school districts and 20 percent is retained by the ROE.

7. On-Behalf Payments

Salaries of the Regional Superintendent and the Assistant Regional Superintendent are paid by the State of Illinois. All other salaries are paid by DeKalb County. Pension plan contributions associated with these salaries are also paid, respectively, by the State of Illinois and DeKalb County.

The State of Illinois and DeKalb County made the following expenditure payments on behalf of the ROE for the year ended June 30, 2017:

Regional Superintendent Salary	\$ 112,008
Regional Superintendent Fringe Benefits (includes State Paid Insurance)	38,981
Assistant Regional Superintendent Salary	101,520
Assistant Regional Superintendent Fringe Benefits (includes State Paid Insurance)	<u>38,334</u>
Total State of Illinois On-Behalf Payments	<u>\$ 290,843</u>
County Employees – Salaries	\$ 169,468
County Employees – Benefits	<u>33,561</u>
Total DeKalb County On-Behalf Payments	<u>\$ 203,029</u>
Total On-Behalf Payments	<u>\$ 493,872</u>

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent were calculated based on data provided by the Illinois State Board of Education. Salary and benefit data for the County employees was calculated based on data provided by the DeKalb County Regional Office of Education No. 16.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION No. 16**

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

8. Deficit Fund Balances

At June 30, 2017, the following funds had deficit fund balances. They are expected to correct themselves in 2018, through payments from the local funds and available revenue.

General Fund		
Other Professional Testing Services	\$	4,900
Education Fund		
Regional Safe Schools	\$	36,614
Alternative Education	\$	40,283
Pilot Regional Safe School Cooperative	\$	38,324

9. Economic Dependence

Approximately 47.3 percent or \$569,084 of the ROE's operating revenue for the year ended June 30, 2017 was earned from one State of Illinois agency. One hundred percent of grants receivable at June 30, 2017 was also from the same State of Illinois agency.

10. Risk Management

The ROE purchases a commercial insurance policy and is covered for all risk. There have been no significant reductions in coverage during the fiscal year. Settlement amounts have not exceeded insurance coverage for any of the three prior years.

11. Retirement Plan

As previously mentioned, salaries of the Regional Superintendent and the Assistant Regional Superintendent are paid by the State of Illinois. All certified personnel participate in the Teachers' Retirement System of the State of Illinois and others participate in the Illinois Municipal Retirement Fund with the contributions being paid by the County of DeKalb. Information about the IMRF retirement plan can be found in the basic financial statements and note disclosures of DeKalb County.

12. Related Party Transactions

The ROE is a member in the Kishwaukee Intermediate Delivery System (KIDS) under an intergovernmental agreement with two other regional offices of education. The Regional Superintendent and Assistant Regional Superintendent of the ROE both serve on the Executive Board of KIDS with voting rights. During fiscal year 2017, the ROE incurred expenditures of \$67,238 for professional development related services provided by KIDS pursuant to the intergovernmental agreement. As of June 30, 2017, \$0 was due from KIDS to the ROE.

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Combining Schedule of Accounts

General Fund Accounts

June 30, 2017

	General	General State Aid Operations	Fingerprinting	Other Professional Testing Services	New Teacher Induction	Combined Total
ASSETS						
Cash and Cash Equivalents	\$ 2,268	\$ -	\$ 17,921	\$ -	\$ 4,491	\$ 24,680
Accounts Receivable	6,282	-	185	489	-	6,956
Due from Other Funds	-	-	91,109	-	-	91,109
Due from Other Governmental Agencies	-	-	-	-	-	-
Total Assets	<u>\$ 8,550</u>	<u>\$ -</u>	<u>\$ 109,215</u>	<u>\$ 489</u>	<u>\$ 4,491</u>	<u>\$ 122,745</u>
LIABILITIES AND FUND BALANCES (DEFICIT)						
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	5,389	-	5,389
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,389</u>	<u>-</u>	<u>5,389</u>
Fund Balances (Deficit):						
Assigned	-	-	109,215	-	4,491	113,706
Unassigned	8,550	-	-	(4,900)	-	3,650
Total Fund Balances (Deficit)	<u>8,550</u>	<u>-</u>	<u>109,215</u>	<u>(4,900)</u>	<u>4,491</u>	<u>117,356</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 8,550</u>	<u>\$ -</u>	<u>\$ 109,215</u>	<u>\$ 489</u>	<u>\$ 4,491</u>	<u>\$ 122,745</u>

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances

General Fund Accounts

For the Year Ended June 30, 2017

	General	General State Aid Operations	Fingerprinting	Other Professional Testing Services	New Teacher Induction	Combined Total
Revenues						
Local Sources	\$ 20,094	\$ -	\$ 31,453	\$ 15,560	\$ -	\$ 67,107
State Sources	-	187,241	-	-	-	187,241
On Behalf Payments	493,872	-	-	-	-	493,872
Interest Income	425	-	-	-	-	425
Total Revenues	<u>514,391</u>	<u>187,241</u>	<u>31,453</u>	<u>15,560</u>	<u>-</u>	<u>748,645</u>
Expenditures						
Instructional Services:						
Salaries and Benefits	\$ 2,580	\$ -	\$ 18,256	\$ 8,898	\$ -	\$ 29,734
Purchased Services	13,093	187,241	13,556	6,326	-	220,216
Supplies and Materials	3,884	-	75	163	523	4,645
Administrative:						
On-Behalf Payments	493,872	-	-	-	-	493,872
Total Expenditures	<u>513,429</u>	<u>187,241</u>	<u>31,887</u>	<u>15,387</u>	<u>523</u>	<u>748,467</u>
Excess (Deficiency) of Revenues over Expenditures	<u>962</u>	<u>-</u>	<u>(434)</u>	<u>173</u>	<u>(523)</u>	<u>178</u>
Fund Balance (Deficit), Beginning of Year	<u>7,588</u>	<u>-</u>	<u>109,649</u>	<u>(5,073)</u>	<u>5,014</u>	<u>117,178</u>
Fund Balance (Deficit), End of Year	<u>\$ 8,550</u>	<u>\$ -</u>	<u>\$ 109,215</u>	<u>\$ (4,900)</u>	<u>\$ 4,491</u>	<u>\$ 117,356</u>

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Combining Schedule of Accounts

Education Fund Accounts

June 30, 2017

	Early Childhood Grant	Regional Safe Schools Grant	General State Aid	ROE/ISC Operation	Alternative Education	McKinney Education for Homeless Children Grant	Title II - Teacher Quality	Pilot Regional Safe School Cooperative	Rural Education Achievement Program	New Teacher Induction & Mentoring Program	Title II - Teacher and Principal Training and Recruiting	Combined Total
ASSETS												
Cash and Cash Equivalents	\$ 26,560	\$ -	\$ 23	\$ 75,505	\$ -	\$ 6,231	\$ -	\$ -	\$ 14,500	\$ -	\$ -	\$ 122,819
Grants Receivable	95,910	54,614	-	-	83,754	-	3,542	38,324	-	-	15	276,159
Total Assets	<u>\$ 122,470</u>	<u>\$ 54,614</u>	<u>\$ 23</u>	<u>\$ 75,505</u>	<u>\$ 83,754</u>	<u>\$ 6,231</u>	<u>\$ 3,542</u>	<u>\$ 38,324</u>	<u>\$ 14,500</u>	<u>\$ -</u>	<u>\$ 15</u>	<u>\$ 398,978</u>
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts Payable	63,508	54,614	-	-	-	-	-	38,324	-	-	-	156,446
Due to Other Funds	-	-	-	-	82,163	-	3,542	-	-	-	15	85,720
Due to Other Governmental Agencies	58,962	-	-	35,854	-	-	-	-	-	-	-	94,816
Unearned Revenue	-	-	-	-	-	-	-	-	14,500	-	-	14,500
Total Liabilities	<u>122,470</u>	<u>54,614</u>	<u>-</u>	<u>35,854</u>	<u>82,163</u>	<u>-</u>	<u>3,542</u>	<u>38,324</u>	<u>14,500</u>	<u>-</u>	<u>15</u>	<u>351,482</u>
DEFERRED INFLOWS OF RESOURCES												
Unavailable Revenue	-	36,614	-	-	41,874	-	-	38,324	-	-	-	116,812
Fund Balances:												
Restricted	-	-	23	39,651	-	6,231	-	-	-	-	-	45,905
Unassigned	-	(36,614)	-	-	(40,283)	-	-	(38,324)	-	-	-	(115,221)
Total Fund Balance	<u>-</u>	<u>(36,614)</u>	<u>23</u>	<u>39,651</u>	<u>(40,283)</u>	<u>6,231</u>	<u>-</u>	<u>(38,324)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(69,316)</u>
Total Liabilities and Fund Balances	<u>\$ 122,470</u>	<u>\$ 54,614</u>	<u>\$ 23</u>	<u>\$ 75,505</u>	<u>\$ 83,754</u>	<u>\$ 6,231</u>	<u>\$ 3,542</u>	<u>\$ 38,324</u>	<u>\$ 14,500</u>	<u>\$ -</u>	<u>\$ 15</u>	<u>\$ 398,978</u>

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances

Education Fund Accounts

For the Year Ended June 30, 2017

	Early Childhood Grant	Regional Safe Schools Grant	General State Aid	ROE/ISC Operations	Alternative Education	McKinney Education for Homeless Children Grant	Title II - Teacher Quality	Pilot Regional Safe School Cooperative	Rural Education Achievement Program	New Teacher Induction & Mentoring Program	Title II - Teacher and Principal Training and Recruiting	Combined Total
Revenues												
Local Sources	\$ -	\$ -		\$ -	\$ 300	\$ 4,569	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,869
State Sources	171,221	36,000		106,889	41,880	-	-	-	-	24,357	-	380,347
Federal Sources	-	-		-	-	17,400	3,542	-	500	-	15	21,457
Total Revenues	<u>171,221</u>	<u>36,000</u>	<u>-</u>	<u>106,889</u>	<u>42,180</u>	<u>21,969</u>	<u>3,542</u>	<u>-</u>	<u>500</u>	<u>24,357</u>	<u>15</u>	<u>406,673</u>
Expenditures												
Instructional Services:												
Salaries and Benefits	-	-		-	80,479	12,532	-	-	-	-	-	93,011
Purchased Services	171,221	-		-	1,950	-	3,400	38,324	500	-	-	215,395
Supplies and Materials	-	-		-	1,625	4,869	142	-	-	-	15	6,651
Payment to Other Government Units	-	72,614		67,238	-	-	-	-	-	24,357	-	164,209
Total Expenditures	<u>171,221</u>	<u>72,614</u>	<u>-</u>	<u>67,238</u>	<u>84,054</u>	<u>17,401</u>	<u>3,542</u>	<u>38,324</u>	<u>500</u>	<u>24,357</u>	<u>15</u>	<u>479,266</u>
Excess of Revenues over Expenditures	-	(36,614)	-	39,651	(41,874)	4,568	-	(38,324)	-	-	-	(72,593)
Other Financing Sources (Uses)												
Transfers In	-	-		-	-	-	-	-	-	-	-	-
Transfers Out	-	-		-	-	-	-	-	-	-	-	-
Net Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>23</u>	<u>-</u>	<u>1,591</u>	<u>1,663</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,277</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ (36,614)</u>	<u>\$ 23</u>	<u>\$ 39,651</u>	<u>\$ (40,283)</u>	<u>\$ 6,231</u>	<u>\$ -</u>	<u>\$ (38,324)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (69,316)</u>

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Budgetary Comparison Schedule
Education Fund Account

Early Childhood Grant

For the Year Ended June 30, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Local Sources	\$ -	\$ -	\$ -
State Sources	230,183	171,221	(58,962)
Federal Sources	-	-	-
Total Revenues	<u>230,183</u>	<u>171,221</u>	<u>(58,962)</u>
Expenditures			
Instructional Services:			
Salaries and Benefits	-	-	-
Purchased Services	230,183	171,221	58,962
Supplies and Materials	-	-	-
Payment to Other Government Units	-	-	-
Total Expenditures	<u>230,183</u>	<u>171,221</u>	<u>58,962</u>
Net Change in Fund Balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, Beginning of Year		<u>-</u>	
Fund Balance, End of Year		<u>\$ -</u>	

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Budgetary Comparison Schedule
Education Fund Account

Regional Safe Schools Grant

For the Year Ended June 30, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Local Sources	\$ -	\$ -	\$ -
State Sources	72,614	36,000	(36,614)
Federal Sources	-	-	-
Total Revenues	<u>72,614</u>	<u>36,000</u>	<u>(36,614)</u>
Expenditures			
Instructional Services:			
Salaries and Benefits	-	-	-
Purchased Services	-	-	-
Supplies and Materials	-	-	-
Payment to Other Government Units	72,614	72,614	-
Total Expenditures	<u>72,614</u>	<u>72,614</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	(36,614)	<u>\$ (36,614)</u>
Fund Balance, Beginning of Year		<u>-</u>	
Fund Balance, End of Year		<u>\$ (36,614)</u>	

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Budgetary Comparison Schedule
Education Fund Account

ROE/ISC Operations

For the Year Ended June 30, 2017

	Budget	Actual	Variance Positive (Negative)
Revenues			
Local Sources	\$ -	\$ -	\$ -
State Sources	108,214	106,889	(1,325)
Federal Sources	-	-	-
Total Revenues	108,214	106,889	(1,325)
Expenditures			
Instructional Services:			
Salaries and Benefits	24,300	-	24,300
Purchased Services	14,750	-	14,750
Supplies and Materials	3,951	-	3,951
Payment to Other Government Units	65,213	67,238	(2,025)
Total Expenditures	108,214	67,238	40,976
Net Change in Fund Balance	\$ -	39,651	\$ 39,651
Fund Balance, Beginning of Year		-	
Fund Balance, End of Year		\$ 39,651	

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Budgetary Comparison Schedule
Education Fund Account

Alternative Education

For the Year Ended June 30, 2017

	Budget	Actual	Variance Positive (Negative)
Revenues			
Local Sources	\$ -	\$ 300	\$ 300
State Sources	83,754	41,880	(41,874)
Federal Sources	-	-	-
Total Revenues	83,754	42,180	(41,574)
Expenditures			
Instructional Services:			
Salaries and Benefits	80,196	80,479	(283)
Purchased Services	1,800	1,950	(150)
Supplies and Materials	1,758	1,625	133
Payment to Other Government Units	-	-	-
Total Expenditures	83,754	84,054	(300)
Net Change in Fund Balance	\$ -	(41,874)	\$ (41,874)
Fund Balance, Beginning of Year		1,591	
Fund Balance, End of Year		\$ (40,283)	

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Budgetary Comparison Schedule
Education Fund Account

McKinney Education for Homeless Children Grant

For the Year Ended June 30, 2017

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Local Sources	\$ -	\$ 4,569	\$ 4,569
State Sources	-	-	-
Federal Sources	<u>17,400</u>	<u>17,400</u>	<u>-</u>
Total Revenues	<u>17,400</u>	<u>21,969</u>	<u>4,569</u>
Expenditures			
Instructional Services:			
Salaries and Benefits	12,029	12,532	(503)
Purchased Services	1,003	-	1,003
Supplies and Materials	4,368	4,869	(501)
Payment to Other Government Units	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>17,400</u>	<u>17,401</u>	<u>(1)</u>
Net Change in Fund Balance	<u>\$ -</u>	4,568	<u>\$ 4,568</u>
Fund Balance, Beginning of Year		<u>1,663</u>	
Fund Balance, End of Year		<u>\$ 6,231</u>	

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Budgetary Comparison Schedule
Education Fund Account

Title II - Teacher Quality

For the Year Ended June 30, 2017

	Budget	Actual	Variance Positive (Negative)
Revenues			
Local Sources	\$ -	\$ -	\$ -
State Sources	-	-	-
Federal Sources	3,542	3,542	-
Total Revenues	3,542	3,542	-
Expenditures			
Instructional Services:			
Salaries and Benefits	-	-	-
Purchased Services	3,542	3,400	142
Supplies and Materials	-	142	(142)
Payment to Other Government Units	-	-	-
Total Expenditures	3,542	3,542	-
Net Change in Fund Balance	\$ -	-	\$ -
Fund Balance, Beginning of Year		-	
Fund Balance, End of Year		\$ -	

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Budgetary Comparison Schedule
Education Fund Account

Pilot Regional Safe School Cooperative Fund

For the Year Ended June 30, 2017

	Budget	Actual	Variance Positive (Negative)
Revenues			
Local Sources	\$ -	\$ -	\$ -
State Sources	38,324	-	(38,324)
Federal Sources	-	-	-
Total Revenues	38,324	-	(38,324)
Expenditures			
Instructional Services:			
Salaries and Benefits	-	-	-
Purchased Services	38,324	38,324	-
Supplies and Materials	-	-	-
Payment to Other Government Units	-	-	-
Total Expenditures	38,324	38,324	-
Net Change in Fund Balance	\$ -	(38,324)	\$ (38,324)
Fund Balance, Beginning of Year		-	
Fund Balance, End of Year		\$ (38,324)	

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Budgetary Comparison Schedule
Education Fund Account

New Teacher Induction and Mentoring Program

For the Year Ended June 30, 2017

	Budget	Actual	Variance Positive (Negative)
Revenues			
Local Sources	\$ -	\$ -	\$ -
State Sources	24,357	24,357	-
Federal Sources	-	-	-
Total Revenues	24,357	24,357	-
Expenditures			
Instructional Services:			
Salaries and Benefits	-	-	-
Purchased Services	16,000	-	16,000
Supplies and Materials	1,357	-	1,357
Payment to Other Government Units	7,000	24,357	(17,357)
Total Expenditures	24,357	24,357	-
Net Change in Fund Balance	\$ -	-	\$ -
Fund Balance, Beginning of Year		-	
Fund Balance, End of Year		\$ -	

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Budgetary Comparison Schedule
Education Fund Account

Title II - Teacher and Principal Training and Recruiting Fund

For the Year Ended June 30, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Local Sources	\$ -	\$ -	\$ -
State Sources	-	-	-
Federal Sources	15	15	-
Total Revenues	<u>15</u>	<u>15</u>	<u>-</u>
Expenditures			
Instructional Services:			
Salaries and Benefits	-	-	-
Purchased Services	-	-	-
Supplies and Materials	15	15	-
Payment to Other Government Units	-	-	-
Total Expenditures	<u>15</u>	<u>15</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, Beginning of Year		<u>-</u>	
Fund Balance, End of Year		<u>\$ -</u>	

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2017

	Bus Permit	Total
ASSETS		
Assets		
Cash and Cash Equivalents	\$ 17,031	\$ 17,031
Accounts Receivable	-	-
Due from Other Government Agency	-	-
Total Assets	\$ 17,031	\$ 17,031
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ -	\$ -
Total Liabilities	-	-
Fund Balances:		
Restricted	17,031	17,031
Total Fund Balances	17,031	17,031
Total Liabilities and Fund Balances	\$ 17,031	\$ 17,031

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances

Non-Major Special Revenue Funds

For the Year Ended June 30, 2017

	Bus Permit	Total
Revenues		
Local Sources	\$ 4,720	\$ 4,720
State Sources	1,496	1,496
Total Revenues	<u>6,216</u>	<u>6,216</u>
Expenditures		
Instructional Services:		
Purchased Services	2,957	2,957
Supplies and Materials	1,171	1,171
Total Expenditures	<u>4,128</u>	<u>4,128</u>
Net Change in Fund Balance	2,088	2,088
Fund Balance, Beginning of Year	<u>14,943</u>	<u>14,943</u>
Fund Balance, End of Year	<u>\$ 17,031</u>	<u>\$ 17,031</u>

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Combining Statement of Fiduciary Net Position

Agency Funds

June 30, 2017

	Distributive	Board of Trustees	Combined Total
ASSETS			
Cash and Cash Equivalents	\$ 254	\$ 136	\$ 390
Due from Other Governmental Agencies	325,348	-	325,348
Total Assets	\$ 325,602	\$ 136	\$ 325,738
LIABILITIES			
Liabilities:			
Due to Other Governmental Agencies	\$ 325,602	\$ 136	\$ 325,738
Total Liabilities	\$ 325,602	\$ 136	\$ 325,738

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended June 30, 2017

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2017</u>
<u>Distributive</u>				
ASSETS				
Cash and Cash Equivalents	\$ 254	\$ 270,217	\$ 270,217	\$ 254
Due from Other Governmental Agencies	92,700	325,348	92,700	325,348
Total Assets	<u>\$ 92,954</u>	<u>\$ 595,565</u>	<u>\$ 362,917</u>	<u>\$ 325,602</u>
LIABILITIES				
Due to Other Governmental Agencies	\$ 92,954	\$ 595,565	\$ 362,917	\$ 325,602
Total Liabilities	<u>\$ 92,954</u>	<u>\$ 595,565</u>	<u>\$ 362,917</u>	<u>\$ 325,602</u>
<u>Board of Trustees</u>				
ASSETS				
Cash and Cash Equivalents	\$ 136	\$ -	\$ -	\$ 136
LIABILITIES				
Due to Other Governmental Agencies	\$ 136	\$ -	\$ -	\$ 136
<u>Totals</u>				
ASSETS				
Cash and Cash Equivalents	\$ 390	\$ 270,217	\$ 270,217	\$ 390
Due from Other Governmental Agencies	92,700	325,348	92,700	325,348
Total Assets	<u>\$ 93,090</u>	<u>\$ 595,565</u>	<u>\$ 362,917</u>	<u>\$ 325,738</u>
LIABILITIES				
Due to Other Governmental Agencies	\$ 93,090	\$ 595,565	\$ 362,917	\$ 325,738
Total Liabilities	<u>\$ 93,090</u>	<u>\$ 595,565</u>	<u>\$ 362,917</u>	<u>\$ 325,738</u>

See Accompanying Independent Auditors' Report

DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16

Schedule of Disbursements to Other Entities

Distributive Fund

For the Year Ended June 30, 2017

	Kishwaukee Education Consortium
Career and Technical Ed Improvement	\$ 123,613
V.E. Perkins Title IIC - Secondary	146,604
Total	<u>\$ 270,217</u>

See Accompanying Independent Auditors' Report