



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #20
EDWARDS, GALLATIN, HAMILTON, HARDIN, POPE, SALINE, WABASH,
WAYNE AND WHITE COUNTIES

FINANCIAL AUDIT
 For the Year Ended: June 30, 2023

Release Date: January 31, 2024

FINDINGS THIS AUDIT: 1				AGING SCHEDULE OF REPEATED FINDINGS					
				Repeated Since	Category 1	Category 2	Category 3	No Repeat Findings	
	<u>New</u>	<u>Repeat</u>	<u>Total</u>						
Category 1:	0	0	0						
Category 2:	1	0	1						
Category 3:	0	0	0						
TOTAL	1	0	1						
FINDINGS LAST AUDIT: 0									

SYNOPSIS

- (23-1) The Regional Office of Education #20 did not have sufficient internal controls over the financial reporting process.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).
Category 2: Findings that are **significant deficiencies** in internal control and/or **noncompliance** with State laws and regulations.
Category 3: Findings that have **no internal control issues but are in noncompliance** with federal and/or State laws and regulations.

REGIONAL OFFICE OF EDUCATION #20
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FINANCIAL AUDIT
For The Year Ended June 30, 2023

	FY 2023	FY 2022
TOTAL REVENUES	\$2,911,409	\$2,564,908
Local Sources	\$1,149,090	\$1,119,178
% of Total Revenues	39.47%	43.63%
State Sources	\$1,102,556	\$887,073
% of Total Revenues	37.87%	34.58%
Federal Sources	\$659,763	\$558,657
% of Total Revenues	22.66%	21.78%
TOTAL EXPENDITURES	\$2,479,354	\$2,324,160
Salaries and Benefits	\$1,680,095	\$1,539,849
% of Total Expenditures	67.76%	66.25%
Purchased Services	\$527,768	\$571,382
% of Total Expenditures	21.29%	24.58%
All Other Expenditures	\$271,491	\$212,929
% of Total Expenditures	10.95%	9.16%
TOTAL NET POSITION	\$1,841,853	\$1,409,798
INVESTMENT IN CAPITAL ASSETS	\$162,938	\$163,764
Percentages may not add due to rounding.		

REGIONAL SUPERINTENDENT
During Audit Period: Dr. Beth Rister
Currently: Dr. Beth Rister

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**CONTROLS OVER FINANCIAL STATEMENT
PREPARATION**

The Regional Office of Education #20 did not have sufficient internal controls over the financial reporting process.

The Regional Office of Education #20 (ROE) did not have sufficient internal controls over the financial reporting process. The initial financial statements included the General Education Development fund in aggregate as a nonmajor fund. Total liabilities in the General Education Development fund of \$5,805 exceeded 10% of all governmental fund liabilities and 5% of the total liabilities of the governmental and proprietary funds combined, and should have been considered a major fund.

As prescribed by Governmental Accounting Standards Board (GASB) 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, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 10 % of the corresponding total for the fund type, and 2) total assets, liabilities, revenues, or expenditures (excluding extraordinary items) of an individual fund are at least 5% of the corresponding 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 management indicated the miscalculation was a result of overlooking that interfund loans should be included in the major fund calculation. (Finding 2023-001, page 10)

The auditors recommended as part of internal control over preparation of financial statements, the ROE should continue to implement comprehensive review procedures to ensure that the financial statements are complete and accurate.

ROE Response: *The Regional Office of Education #20 (ROE) will continue to implement comprehensive review procedures to ensure that the financial statements are complete and accurate. Interfund loans will be duly noted and reviewed as part of internal controls relating to major fund determination while preparing annual financial statements.*

AUDITORS' OPINION

Our auditors state the Regional Office of Education #20's financial statements as of June 30, 2023 are fairly presented in all material respects.

This financial audit was conducted by the firm of Doehring,
Winders & Co. LLP.

SIGNED ORIGINAL ON FILE

JOE BUTCHER
Division Director

This report is transmitted in accordance with Section 3-14 of
the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

FJM:JRB