



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

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #21
FRANKLIN AND WILLIAMSON COUNTIES

**FINANCIAL AUDIT (In Accordance with the Single
Audit Act and OMB Circular A-133)
For the Year Ended: June 30, 2013
Release Date: January 23, 2014**

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

SYNOPSIS

- The Regional Office of Education #21 did not have sufficient internal controls over capital asset maintenance.

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

REGIONAL OFFICE OF EDUCATION #21
FRANKLIN AND WILLIAMSON COUNTIES

FINANCIAL AUDIT
(In Accordance with the Single Audit Act and OMB Circular A-133)
For The Year Ended June 30, 2013

	FY 2013	FY 2012
TOTAL REVENUES	\$2,921,251	\$2,883,982
Local Sources	\$701,545	\$717,154
% of Total Revenues	24.02%	24.87%
State Sources	\$1,650,853	\$1,738,963
% of Total Revenues	56.51%	60.30%
Federal Sources	\$568,853	\$427,865
% of Total Revenues	19.47%	14.84%
TOTAL EXPENDITURES	\$3,230,332	\$3,115,766
Salaries and Benefits	\$2,306,354	\$2,282,977
% of Total Expenditures	71.40%	73.27%
Purchased Services	\$399,131	\$353,112
% of Total Expenditures	12.36%	11.33%
All Other Expenditures	\$524,847	\$479,677
% of Total Expenditures	16.25%	15.40%
TOTAL NET POSITION	\$671,608 ¹	\$1,012,414
INVESTMENT IN CAPITAL ASSETS	\$100,647 ²	\$154,202
¹ The beginning net position was restated due to a change in capital assets of (\$31,725). ² Capital asset amounts include debt associated with capital leases. Percentages may not add due to rounding.		

REGIONAL SUPERINTENDENT
During Audit Period: Honorable R. Matthew Donkin Currently: Honorable R. Matthew Donkin

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**INTERNAL CONTROLS OVER CAPITAL ASSET
MAINTENANCE**

The Regional Office of Education #21 did not have sufficient internal controls over capital asset maintenance.

The Regional Office of Education #21 is responsible for establishing and maintaining an internal control system over capital asset maintenance sufficient to prevent errors and fraud.

The Regional Office of Education #21 does not have sufficient internal controls over capital asset maintenance. Auditors noted that during inspection of the capital asset listing and depreciation calculation as of June 30, 2013, it included the ECHO Building as an existing capital asset; however, this building was sold in August 2011. This discrepancy resulted in a prior period adjustment to capital assets, net of depreciation, on the Statement of Net Position in the amount of \$31,725.

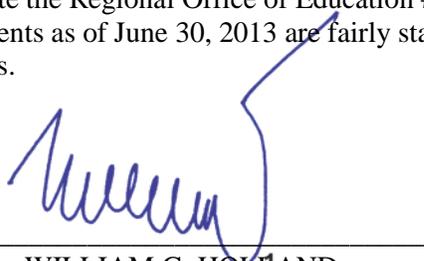
According to Regional Office of Education #21 management, the inclusion of the building as a capital asset was an oversight. (Finding 2013-001, page 13)

The auditors recommended that the Regional Office of Education #21 staff in charge of the annual capital asset inventory count should physically view all capital assets included on the capital asset listing to verify that all capital assets exist and are not damaged.

The Regional Office of Education #21 responded that it agrees with the finding.

AUDITORS' OPINION

Our auditors state the Regional Office of Education #21's financial statements as of June 30, 2013 are fairly stated in all material respects.



WILLIAM G. HOLLAND
Auditor General

WGH:KJM

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