



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #31
KANE COUNTY

FINANCIAL AUDIT
For the Year Ended: June 30, 2020

Release Date: February 10, 2021

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

SYNOPSIS

- **(20-1)** The Regional Office of Education #31 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 #31
KANE COUNTY

FINANCIAL AUDIT
For The Year Ended June 30, 2020

	FY 2020	FY 2019
TOTAL REVENUES	\$9,427,214	\$7,819,013
Local Sources	\$1,404,095	\$1,541,114
% of Total Revenues	14.89%	19.71%
State Sources	\$7,856,718	\$6,092,120
% of Total Revenues	83.34%	77.91%
Federal Sources	\$166,401	\$185,779
% of Total Revenues	1.77%	2.38%
TOTAL EXPENDITURES	\$8,528,805	\$6,725,572
Salaries and Benefits	\$2,340,681	\$2,241,725
% of Total Expenditures	27.44%	33.33%
Purchased Services	\$1,109,770	\$1,340,058
% of Total Expenditures	13.01%	19.92%
All Other Expenditures	\$5,078,354	\$3,143,789
% of Total Expenditures	59.54%	46.74%
TOTAL NET POSITION	\$11,094,286	\$10,195,877
INVESTMENT IN CAPITAL ASSETS	\$75,364 ¹	\$84,937
¹ Capital asset amounts include debt associated with a capital lease.		
Percentages may not add due to rounding.		

REGIONAL SUPERINTENDENT
During Audit Period: Honorable Patricia Dal Santo Currently: Honorable Patricia Dal Santo

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**CONTROLS OVER FINANCIAL STATEMENT
PREPARATION**

The Regional Office of Education #31 did not have sufficient internal controls over the financial reporting process.

During review of the Regional Office of Education #31's (ROE) financial information prepared by the ROE, auditors noted the ROE's financial information did not include all major funds that are required to be presented as major. One major fund was reported as nonmajor.

The Regional Office is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). The ROE's internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge, skills, and experience to prepare GAAP basis financial statements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

Management indicated this was a simple oversight in the financial statement preparation process. (Finding 20-001, pages 10 – 11)

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

ROE Response: *The ROE acknowledges one major fund was reported as nonmajor.*

AUDITORS' OPINION

Our auditors state the Regional Office of Education #31's financial statements as of June 30, 2020 are fairly presented in all material respects.

This financial audit was conducted by the firm of West & Company, LLC

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:BAO