

**STATE OF ILLINOIS  
LASALLE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 35**

**FINANCIAL AUDIT  
FOR THE YEAR ENDED JUNE 30, 2013**

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

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35

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**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
OFFICIALS**

Regional Superintendent  
(current and during the audit period)

Mr. Christopher B. Dvorak

Assistant Regional Superintendent  
(current and during the audit period)

Ms. Christina Dougherty

Office is located at:

119 West Madison Street, Room 102  
Ottawa, Illinois 61350

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
FINANCIAL REPORT SUMMARY**

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

**AUDITORS' REPORTS**

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

**SUMMARY OF AUDIT FINDINGS**

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

**SUMMARY OF FINDINGS AND RESPONSES**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
<b>FINDINGS (<i>GOVERNMENT AUDITING STANDARDS</i>)</b>			
	10	None	N/A
<b>FINDINGS AND RESPONSES (FEDERAL COMPLIANCE)</b>			
	10	None	N/A
<b>PRIOR FINDINGS NOT REPEATED (<i>GOVERNMENT AUDITING STANDARDS</i>)</b>			
	11	None	N/A

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
FINANCIAL REPORT SUMMARY - CONTINUED**

**EXIT CONFERENCE**

The LaSalle County Regional Office of Education No. 35 waived holding an exit conference to discuss the results of the financial audit for the year ended June 30, 2013 in a communication dated April 14, 2014.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of the LaSalle County Regional Office of Education No. 35 was performed by Borschnack, Pelletier & Co.

Based on their audit, the auditors expressed unmodified opinions on the LaSalle County Regional Office of Education No. 35's basic financial statements.

## INDEPENDENT AUDITORS' REPORT

Honorable William G. Holland  
Auditor General  
State of Illinois

### **Report on the Financial Statements**

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the LaSalle County Regional Office of Education No. 35, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the LaSalle County Regional Office of Education No. 35's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, the business-type activities, each major fund, and the aggregate remaining fund information of the LaSalle County Regional Office of Education No. 35, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Illinois Municipal Retirement Fund Schedule of Funding Progress on pages 12 through 17 and 49 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 LaSalle County Regional Office of Education No. 35's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and Schedule of Disbursements to School District Treasurers and Others are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and Schedule of Disbursements to School District Treasurers and Others are the responsibility of management and were derived from and relates 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 and individual nonmajor fund financial statements, budgetary comparison schedules, and Schedule of Disbursements to School District Treasurers and Others are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 16, 2014 on our consideration of the LaSalle County Regional Office of Education No. 35'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 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 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 LaSalle County Regional Office of Education No. 35's internal control over financial reporting and compliance.



April 16, 2014

**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 William G. Holland  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of LaSalle County Regional Office of Education No. 35, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise LaSalle County Regional Office of Education No. 35's basic financial statements, and have issued our report thereon dated April 16, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered LaSalle County Regional Office of Education No. 35'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 LaSalle County Regional Office of Education No. 35's internal control. Accordingly, we do not express an opinion on the effectiveness of LaSalle County Regional Office of Education No. 35'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 LaSalle County Regional Office of Education No. 35'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 LaSalle County Regional Office of Education No. 35'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 LaSalle County Regional Office of Education No. 35's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



April 16, 2014

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2013**

**Part I: Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?        Yes   ✓   No
- Significant deficiency(ies) identified?        Yes   ✓   None reported
- Noncompliance material to financial statements noted?        Yes   ✓   No

**Part II: Findings Related to the Basic Financial Statements**

There are no audit findings reported in the current year.

**Part III: Federal Award Findings**

**Instance of Noncompliance:**

None

**Significant Deficiency:**

None

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**JUNE 30, 2013**

There were no audit findings reported in the prior year.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2013**

The LaSalle County Regional Office of Education No. 35 (ROE) provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the year ended June 30, 2013 with comparative information for the year ended June 30, 2012. Readers are encouraged to consider the information in conjunction with the Regional Office's financial statements that follow.

**2013 Financial Highlights**

- Within the Governmental Funds, the General Fund revenues decreased by \$9,519 (3%) from \$357,846 in FY 2012 to \$348,327 in FY 2013. This was the result of reduced general state aid. The General Fund's expenditures increased by \$46,557 (13%) from \$361,543 in FY 2012 to \$408,100 in FY 2013. This was primarily the result of some newly hired employees and increased consulting expenses.
- Within the Governmental Funds, the Special Revenue Funds' revenues decreased by \$60,471 (5%) from \$1,239,883 in FY 2012 to \$1,179,412 in FY 2013. This reflects the pattern of shrinking governmental funding in recent years. The Special Revenue Funds' expenditures decreased by \$91,945 (7%) from \$1,268,862 in FY 2012 to \$1,176,917 in FY 2013 as a result of the reduced funding.
- The Enterprise Funds' revenues decreased by \$90,370 (35%) from \$256,904 in FY 2012 to \$166,534 in FY 2013. Workshop attendance has dropped significantly due to school budget constraints. The Enterprise Funds' expenditures decreased by \$1,864 (1%) from \$223,558 in FY 2012 to \$221,694 in FY 2013. The ROE has strived to continue services to the schools even though the revenues generated have not kept pace.

**Using This Report**

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

- *Management's Discussion and Analysis* introduces financial statements and provides an analytical overview of the ROE'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 ROE as a whole and present an overall view of the ROE's finances.
- *Fund financial statements* report the ROE's operations in more detail than the government-wide statements by providing information about the most significant funds.
- *Notes to the financial statements* provide additional information that is needed for a full understanding of the data provided in the basic financial statements.
- *Required supplementary information and supplementary information* further explains and supports the financial statements and supplementary information provides detailed information about the non-major funds.

**Reporting the ROE as a Whole**

It is important to note, that several grants are a cooperative effort of the ROE and the Marshall/Putnam/Woodford Counties Regional Office of Education No. 43. Therefore, these figures may reflect grants that are intended to serve LaSalle County only, as well as grants that serve LaSalle, Marshall, Putnam and Woodford Counties.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2013**

**The Statement of Net Position and the Statement of Activities**

Government-wide Financial Statements

The Government-wide financial statements report information about the ROE as a whole. The Statement of Net Position includes all of the assets and liabilities, with the difference reported as *Net Position*. All of the current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid using Generally Accepted Accounting Principles.

The Government-wide financial statements report the ROE's net position and how they have changed. Net Position - the difference between assets plus deferred outflows of resources less liabilities plus deferred inflows of resources – is one way to measure the ROE's financial condition. The ROE currently has no deferred inflows or outflows of resources.

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

Fund Financial Statements

The fund financial statements provide detailed information about the ROE's funds. Funds are accounting devices that allow the tracking of specific sources of funding and spending on particular programs. Some funds are required by State law. The ROE established other funds to control and manage money for particular purposes.

The ROE has three kinds of funds:

- (1) **Governmental funds** account for those funds through which most governmental functions of the ROE are financed. These focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at the year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer resources that can be spent in the near future to finance the ROE's programs. The ROE's Governmental Funds include: the General Fund and the Special Revenue Funds. The governmental funds required financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.
- (2) **Proprietary funds** account for resources from fees charged directly to those entities or individuals that use its services. Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by government-wide financial statements but with more detail for major and non-major enterprise funds. The proprietary funds required financial statements include a Statement of Net Position,

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

Statement of Revenues, Expenses and Changes in Fund Net Position and a Statement of Cash Flows.

- (3) **Fiduciary funds** are used to account for assets held by the ROE in a trust capacity or as an agent for individuals and private or governmental organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The fiduciary funds required financial statements include a Statement of Fiduciary Net Position.

**Government-Wide Financial Analysis**

As noted earlier, net position, when examined over time, may serve as an indicator of the financial health of the ROE. The net position at the end of FY 2013 and 2012 totaled \$917,452 and \$1,061,899, respectively. The analysis that follows provides a summary of the ROE's net position as of June 30.

CONDENSED STATEMENT OF NET POSITION

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
ASSETS						
Current assets	\$ 762,524	\$ 846,697	\$ 201,701	\$ 279,485	\$ 964,225	\$ 1,126,182
Capital assets, net of depreciation	—	—	—	—	—	—
<b>TOTAL ASSETS</b>	<u>762,524</u>	<u>846,697</u>	<u>201,701</u>	<u>279,485</u>	<u>964,225</u>	<u>1,126,182</u>
Current liabilities	34,823	47,730	11,950	16,553	46,773	64,283
<b>TOTAL LIABILITIES</b>	<u>34,823</u>	<u>47,730</u>	<u>11,950</u>	<u>16,553</u>	<u>46,733</u>	<u>64,283</u>
NET POSITION						
Invested in capital assets, net of related debt	—	—	—	—	—	—
Restricted for educational purposes	152,837	148,082	—	—	152,837	148,082
Unrestricted	574,864	650,885	189,751	262,932	764,615	913,817
<b>TOTAL NET POSITION</b>	<u>\$ 727,701</u>	<u>\$ 798,967</u>	<u>\$ 189,751</u>	<u>\$ 262,932</u>	<u>\$ 917,452</u>	<u>\$ 1,061,899</u>

The ROE's net position decreased by \$144,447 (14%) during FY 2013. A decrease of \$71,266 (9%) occurred in the Governmental Activities and a decrease of \$73,181 (28%) occurred in the Business-Type Activities.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

**CHANGES IN NET POSITION**

The following analysis shows the changes in Net Position for the years ended June 30, 2013 and 2012.

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
Revenues:						
Program revenues:						
Charges for services	\$ 149,157	\$ 176,219	\$ 166,534	\$ 256,904	\$ 315,691	\$ 433,123
Operating grants and contributions	690,986	723,989	-	-	690,986	723,989
General revenues:						
Fees for services	4,348	9,866	-	-	4,348	9,866
Interest income	8,133	11,239	487	524	8,620	11,763
On-behalf payments	642,619	607,850	-	-	642,619	607,850
Total revenues	<u>1,495,243</u>	<u>1,529,163</u>	<u>167,021</u>	<u>257,428</u>	<u>1,662,264</u>	<u>1,786,591</u>
Expenses:						
Salaries	497,581	585,856	60,613	31,134	558,194	616,990
Benefits	75,563	115,532	7,995	5,664	83,558	121,196
Purchased services	279,792	237,207	108,193	159,934	387,985	397,141
Supplies and materials	43,094	39,577	39,856	16,700	82,950	56,277
Capital outlay	6,078	-	-	-	6,078	-
Payments to other governmental units	37,903	37,402	3,129	5,986	41,032	43,388
Miscellaneous	2,387	6,981	1,908	4,140	4,295	11,121
On-behalf payments	642,619	607,850	-	-	642,619	607,850
Total expenses	<u>1,585,017</u>	<u>1,630,405</u>	<u>221,694</u>	<u>223,558</u>	<u>1,806,711</u>	<u>1,853,963</u>
Income (loss) before operating transfers	(89,774)	(101,242)	(54,673)	33,870	(144,447)	(67,372)
Operating transfers	<u>18,508</u>	<u>94,417</u>	<u>(18,508)</u>	<u>(94,417)</u>	<u>-</u>	<u>-</u>
Change in Net Position	(71,266)	(6,825)	(73,181)	(60,547)	(144,447)	(67,372)
Net Position, beginning	<u>798,967</u>	<u>805,792</u>	<u>262,932</u>	<u>323,479</u>	<u>1,061,899</u>	<u>1,129,271</u>
Net Position, ending	<u>\$ 727,701</u>	<u>\$ 798,967</u>	<u>\$ 189,751</u>	<u>\$ 262,932</u>	<u>\$ 917,452</u>	<u>\$ 1,061,899</u>

**Governmental Activities**

Revenues for governmental activities were \$1,495,243 and expenses were \$1,585,017. Most grants decreased in FY 2013. New programs totaling \$15,956 were funded in FY 2013. These new programs included an additional Fairmount Minerals grant and Teacher Quality-Leadership. Expenses were proportionally decreased to meet the funding level. Notably, a \$34,756 transfer of Workshop funds to the ROE/ISC Operations Fund was needed to offset the overspending due to the State's budget cuts. This necessary spending enabled the ROE to complete all State mandated requirements.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2013**

**Business-Type Activities**

Revenues for business-type activities were \$167,021 and expenditures were \$221,694. The decrease in revenue is attributed to less revenue in the non-major proprietary and workshop funds. Decreased funding to schools has resulted in fewer participants at workshops. The expense increases are attributed to the increased salaries and supplies in the workshop and non-major proprietary funds in FY 2013.

**Financial Analysis of the ROE Funds**

As previously noted, the ROE uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The ROE's Governmental Funds reported combined fund balances of \$727,701.

**Governmental Fund Highlights**

- The School Services grant (ROE/ISC Operations) budget for the ROE remained level at \$29,851, compared to \$29,873 in FY 2012. The funding provided by the State did not pay for all school service activities, etc. Workshop funds in the amount of \$34,756 were transferred to help offset the deficit.
- The dollar return on investments (certificate of deposit, short-term investments and interest earned on a float), declined because of the low interest rates. In order to provide services budgeted for the Direct Service Budget, certain investments again had to be liquidated which also reduced the amount of interest revenue received.
- County support for the Regional Office of Education No. 35 remained at level funding.
- The State Aid foundation level was the same as FY 2012 at \$6,119. In reality, due to proration, the effective foundation level was \$5,446 in FY 2013.

**Proprietary Fund Highlights**

Total proprietary fund net position decreased by \$73,181 (28%). The net decrease in the proprietary funds is attributed to the transfer of Proprietary Funds to School Services in order to complete all State required mandates, as well as an increase in the purchase of supplies and electronics required by workshops.

**Fiduciary Fund Highlights**

There was a decrease of \$794,998 (12%) in total fiduciary funds additions for FY 2013. In FY 13, there were 3 remaining units that receive their payments through the ROE. Transactions during FY 2013 represent mainly transfers in and out of funds for the Distributive Fund.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2013**

**Budgetary Highlights**

The ROE annually prepares budgets for several funds which serve as a guideline for activities and expenditures. The Regional Superintendent annually prepares an Office Operations Budget and submits it to the County Board for their approval. The Office Operations Budget covers a fiscal year which runs from December 1 to November 30. All grant budgets are prepared by the ROE and submitted to the granting agency for approval. Amendments must be submitted under guidelines established by the granting agency. Additionally, all ROE funds are reported to the Advisory Board.

**Capital Assets**

The ROE's capital assets include office equipment, computers, audio-visual equipment, and office furniture. The ROE maintains an inventory of capital assets which have been accumulated over time. For FY 2013 there were no acquisitions meeting the capitalization threshold. Depreciation expense for the FY 2013 was \$0. All of the ROE's capital assets were fully depreciated as of June 30, 2013.

**Economic Factors and Next Year's Budget**

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

- The interest rate on investments remains low and will impact interest earned.
- Most grants have been reduced significantly. However, the ROE Service Line remains level for FY 14. Covering expenditures from this source of revenue is impossible. As a result, ROE Service obligations will have to be met with other sources of revenue such as Teacher Institute, Workshops, etc. Failure to sufficiently fund ROEs will challenge the entire organization as the effects of the reductions ripple throughout the unit.
- General State Aid is being prorated at 89% of the FY 2013 foundation level of \$6,119 resulting in an appropriation level of \$5,446. Federal ARRA offset that aided in previous years is not expected.
- County Board support for Regional Office of Education No. 35 will remain level.
- As a result of Public Act 97-0703, the ROE may consolidate part of ROE #43 into its operations.

**Contacting the ROE's Financial Management**

This financial report is designed to provide the ROE's citizens, taxpayers, clients, and other constituents with a general overview of its finances and to demonstrate the accountability for the money it receives. If the reader has questions concerning this report or needs additional financial information, please contact the Regional Superintendent of the Regional Office of Education No. 35 at 119 W. Madison St., Room No. 102, Ottawa, IL 61350.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
STATEMENT OF NET POSITION  
JUNE 30, 2013**

**EXHIBIT A**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 211,404	\$ 149,507	\$ 360,911
Investments	481,572	40,524	522,096
Accounts receivable	6	1,098	1,104
Prepaid expenses	2,787	8,400	11,187
Due from other governmental units	66,755	2,172	68,927
Total current assets	<u>762,524</u>	<u>201,701</u>	<u>964,225</u>
<b>Noncurrent assets</b>			
Capital assets, net	-	-	-
<b>TOTAL ASSETS</b>	<u>762,524</u>	<u>201,701</u>	<u>964,225</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued expenses	34,823	30	34,853
Unearned revenues	-	11,920	11,920
<b>TOTAL LIABILITIES</b>	<u>34,823</u>	<u>11,950</u>	<u>46,773</u>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	-	-	-
Unrestricted	574,864	189,751	764,615
Restricted for educational purposes	152,837	-	152,837
<b>TOTAL NET POSITION</b>	<u>\$ 727,701</u>	<u>\$ 189,751</u>	<u>\$ 917,452</u>

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



**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2013**

**EXHIBIT C**

	<u>General Fund</u>	<u>Education Fund</u>	<u>Institute Fund</u>	<u>Fairmount Minerals Grants</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 164,996	\$ 4,510	\$ 23,083	\$ 4,029	\$ 14,786	\$ 211,404
Investments	376,030	-	69,879	-	35,663	481,572
Accounts receivable	5	-	1	-	-	6
Prepaid expenses	2,787	-	-	-	-	2,787
Due from other funds	56,699	-	-	-	-	56,699
Due from other governmental units	11,851	54,904	-	-	-	66,755
<b>TOTAL ASSETS</b>	<u>\$ 612,368</u>	<u>\$ 59,414</u>	<u>\$ 92,963</u>	<u>\$ 4,029</u>	<u>\$ 50,449</u>	<u>\$ 819,223</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable and accrued expenses	\$ 32,452	\$ 2,371	\$ -	\$ -	\$ -	\$ 34,823
Due to other funds	5,052	51,647	-	-	-	56,699
Total liabilities	<u>37,504</u>	<u>54,018</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,522</u>
<b>FUND BALANCES</b>						
Nonspendable	2,787	-	-	-	-	2,787
Restricted	-	5,396	92,963	4,029	50,449	152,837
Assigned	69,010	-	-	-	-	69,010
Unassigned	503,067	-	-	-	-	503,067
Total fund balances	<u>574,864</u>	<u>5,396</u>	<u>92,963</u>	<u>4,029</u>	<u>50,449</u>	<u>727,701</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 612,368</u>	<u>\$ 59,414</u>	<u>\$ 92,963</u>	<u>\$ 4,029</u>	<u>\$ 50,449</u>	<u>\$ 819,223</u>

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

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
GOVERNMENTAL FUNDS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
JUNE 30, 2013**

**EXHIBIT D**

Total fund balances - governmental funds

\$ 727,701

There are no differences as of June 30, 2013

-

Net position of governmental activities

\$ 727,701

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

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2013**

**EXHIBIT E**

	<b>General Fund</b>	<b>Education Fund</b>	<b>Institute Fund</b>	<b>Fairmount Minerals Grants</b>	<b>Nonmajor Special Revenue Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>						
Federal sources	\$ -	\$ 278,761	\$ -	\$ -	\$ -	\$ 278,761
State sources	229,929	213,501	-	-	1,191	444,621
Local sources						
Fees for services	111,563	-	17,923	10,000	14,119	153,605
Interest	6,835	2	797	3	496	8,133
On-behalf payments	-	642,619	-	-	-	642,619
	<u>348,327</u>	<u>1,134,883</u>	<u>18,720</u>	<u>10,003</u>	<u>15,806</u>	<u>1,527,739</u>
Total revenues						
<b>EXPENDITURES</b>						
Instructional services:						
Salaries	250,834	238,204	4,498	-	4,045	497,581
Benefits	45,897	28,398	503	-	765	75,563
Purchased services	82,197	177,780	7,476	6,876	5,463	279,792
Supplies and materials	12,792	19,115	1,098	6,813	3,276	43,094
Miscellaneous	2,387	-	-	-	-	2,387
Payments to other governmental units	7,915	29,648	340	-	-	37,903
On-behalf payments	-	642,619	-	-	-	642,619
Capital outlay	6,078	-	-	-	-	6,078
	<u>408,100</u>	<u>1,135,764</u>	<u>13,915</u>	<u>13,689</u>	<u>13,549</u>	<u>1,585,017</u>
Total expenditures						
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(59,773)	(881)	4,805	(3,686)	2,257	(57,278)
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in (out)	(16,248)	34,756	-	-	-	18,508
	<u>(16,248)</u>	<u>34,756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,508</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES</b>	(76,021)	33,875	4,805	(3,686)	2,257	(38,770)
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>	650,885	(28,479)	88,158	7,715	48,192	766,471
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 574,864</u>	<u>\$ 5,396</u>	<u>\$ 92,963</u>	<u>\$ 4,029</u>	<u>\$ 50,449</u>	<u>\$ 727,701</u>

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

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
GOVERNMENTAL FUNDS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2013**

**EXHIBIT F**

Net change in fund balances \$ (38,770)

Amounts reported for governmental activities in the Statement of Activities are different because:

Some prior year revenues were not collected for several months after the Regional Office prior fiscal year ended, they were not considered "available" revenues and were previously deferred in the governmental funds.

System of Support	(32,319)	
State Free Lunch & Breakfast	(77)	
General Education Development	(100)	
		<u>(32,496)</u>

Change in net position of governmental activities \$ (71,266)

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

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2013**

**EXHIBIT G**

	<b>Business Type Activities - Enterprise Funds</b>				<b>Total</b>
	<b>LaSalle County Area Purchasing Coop.</b>	<b>Discovery United Streaming Coop.</b>	<b>Nonmajor Proprietary Funds</b>		
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 89,463	\$ 15,907	\$ 6,709	\$ 37,428	\$ 149,507
Investments	-	25,875	-	14,649	40,524
Accounts receivable/Interest receivable	170	-	-	928	1,098
Prepaid expenses	3,609	-	3,067	1,724	8,400
Due from other funds	5,263	-	-	-	5,263
Due from other governmental units	2,172	-	-	-	2,172
<b>TOTAL ASSETS</b>	<b>100,677</b>	<b>41,782</b>	<b>9,776</b>	<b>54,729</b>	<b>206,964</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable and accrued expenses	-	-	-	30	30
Due to other funds	-	-	-	5,263	5,263
Unearned revenues	-	7,962	3,958	-	11,920
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>7,962</b>	<b>3,958</b>	<b>5,293</b>	<b>17,213</b>
<b>NET POSITION</b>					
Unrestricted	\$ 100,677	\$ 33,820	\$ 5,818	\$ 49,436	\$ 189,751

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

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 FOR THE YEAR ENDED JUNE 30, 2013**

**EXHIBIT H**

	<b>Business Type Activities - Enterprise Funds</b>				<b>Total</b>
	<b>LaSalle County Area Workshop</b>	<b>Discovery United Streaming Coop.</b>	<b>Nonmajor Proprietary Funds</b>		
<b>OPERATING REVENUES</b>					
Local sources	\$ 46,800	\$ 30,014	\$ 36,055	\$ 53,665	\$ 166,534
<b>OPERATING EXPENSES</b>					
Salaries	16,544	21,941	-	22,128	60,613
Benefits	2,773	3,530	-	1,692	7,995
Purchased services	31,038	377	38,510	38,268	108,193
Supplies and materials	28,454	7	-	11,395	39,856
Miscellaneous	-	-	-	1,908	1,908
Payments to other governmental units	2,134	-	-	995	3,129
Total operating expenses	80,943	25,855	38,510	76,386	221,694
<b>OPERATING INCOME (LOSS)</b>	(34,143)	4,159	(2,455)	(22,721)	(55,160)
<b>NONOPERATING REVENUES</b>					
Interest	50	82	-	355	487
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	(34,093)	4,241	(2,455)	(22,366)	(54,673)
<b>OPERATING TRANSFERS</b>					
Transfers in	13,112	-	5,985	-	19,097
Transfers out	(37,605)	-	-	-	(37,605)
Operating transfers, net	(24,493)	-	5,985	-	(18,508)
<b>CHANGE IN NET POSITION</b>	(58,586)	4,241	3,530	(22,366)	(73,181)
<b>TOTAL NET POSITION, BEGINNING OF YEAR</b>	159,263	29,579	2,288	71,802	262,932
<b>TOTAL NET POSITION, END OF YEAR</b>	\$ 100,677	\$ 33,820	\$ 5,818	\$ 49,436	\$ 189,751

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

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2013

EXHIBIT I

	Business Type Activities - Enterprise Funds				Total
	LaSalle County Area Purchasing Workshop Coop.	Discovery United Streaming Coop.	Nonmajor Proprietary Funds		
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Receipts for workshops and services	\$ 48,628	\$ 27,667	\$ 34,395	\$ 53,435	\$ 164,125
Payments to employees	(16,544)	(21,941)	-	(22,128)	(60,613)
Payments to suppliers	(68,039)	(3,914)	(37,310)	(56,237)	(165,500)
Net cash provided by (used in) operating activities	(35,955)	1,812	(2,915)	(24,930)	(61,988)
<b>CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES:</b>					
Loans from other funds	-	-	-	5,263	5,263
Loans to other funds	(5,263)	-	-	-	(5,263)
Transfers in	13,112	-	5,985	-	19,097
Transfers out	(37,605)	-	-	-	(37,605)
Net cash provided by (used in) non capital financing activities	(29,756)	-	5,985	5,263	(18,508)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Proceeds from (Purchases of) Investments, net	-	(77)	-	9,668	9,591
Interest	50	82	-	355	487
Net cash provided by investing activities	50	5	-	10,023	10,078
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(65,661)	1,817	3,070	(9,644)	(70,418)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	155,124	14,090	3,639	47,072	219,925
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 89,463	\$ 15,907	\$ 6,709	\$ 37,428	\$ 149,507
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ (34,143)	\$ 4,159	\$ (2,455)	\$ (22,721)	\$ (55,160)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Effects of changes in assets and liabilities:					
Accounts receivable	(170)	3	-	(260)	(427)
Prepaid Expenses	(3,422)	-	1,200	(1,724)	(3,946)
Due from other governmental units	2,148	-	-	-	2,148
Accounts payable and accrued expenses	(218)	-	-	(225)	(443)
Deferred revenues	(150)	(2,350)	(1,660)	-	(4,160)
Net cash provided by (used in) operating activities	\$ (35,955)	\$ 1,812	\$ (2,915)	\$ (24,930)	\$ (61,988)

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

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2013**

**EXHIBIT J**

**ASSETS**

Cash and cash equivalents	\$	23,035
Due from other governmental units		<u>2,172</u>
	\$	<u><u>25,207</u></u>

**LIABILITIES**

Due to other governmental units	\$	<u><u>25,207</u></u>
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*The notes to the financial statements are an integral part of this statement.*

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The LaSalle County Regional Office of Education No. 35 (ROE) operates under the School Code (105 ILCS 5/3 and 5/3A). The ROE encompasses LaSalle County, Illinois. A Regional Superintendent of Schools serves as Chief Administrative Officer of the region and is elected to the position for a four year term pursuant to 105 ILCS 5/3 and 5/3A of the School Code. The Regional Superintendent is responsible for the supervision and control of the school districts. 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 Regional Superintendent's responsibilities for administering the school educational service region programs include, but are not limited to, 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; making public notice of unfilled teaching positions within the region; and ensuring the safety, health and welfare of the students in the region by periodically inspecting the school buildings and ensuring that the bus drivers have valid driving licenses and are properly trained to operate the school buses.

The ROE's accounting policies conform to generally accepted accounting principles which are appropriate for local governmental agencies of this type.

A. Reporting Entity

The ROE's reporting entity includes all related organizations for which the ROE exercises oversight responsibility. The ROE has developed criteria to determine whether outside agencies with activities which benefit the citizens of the ROE, including joint agreements which serve pupils from numerous school districts, should be included within its financial reporting entity. The criteria include but are not limited to, whether the ROE 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.

Blended Component Units

A component unit is an entity which is legally separate from the ROE, but is so intertwined with the ROE that it is, in substance, the same as the ROE. It is reported as part of the ROE and blended into the appropriate funds.

On July 1, 1998, the ROE 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 to form an educational service delivery system. The name of the

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

educational service delivery system formed is known as the LaSalle County - Putnam, Marshall, Woodford Counties Service Delivery System. The Service Delivery System is responsible for the administration and performance of accounting procedures that conform to all applicable rules and regulations of the Illinois State Board of Education. The ROE was designated as Administrative Agent and Director.

The following grants to the ROE and Marshall-Putnam-Woodford Counties Regional Office of Education No. 43 were assigned to the LaSalle, Marshall, Putnam, and Woodford Counties Service Delivery System: Truants Alternative Program and Learning Technology Center. These grants are reported as Special Revenue Funds.

The ROE is not aware of any entity which would exercise such oversight as to result in the Regional Office being considered a component unit of the entity.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. The statements distinguish between those activities of the ROE that are governmental in nature and those that are considered business-type activities. *Governmental activities* normally are supported by operating grants and contributions, charges for services and intergovernmental revenues. *Business-type activities* normally are supported by operating revenues which include amounts assessed or received from local sources for the ROE programs.

The Statement of Net Position presents the ROE's nonfiduciary assets and liabilities (and deferred inflows and outflows of resources, if any) with the differences reported as Net Position. Net Position of the ROE are classified as follows:

*Invested in Capital Assets* - represent the ROE's total investment in capital assets less related depreciation. There is no outstanding debt related to these assets at this time.

*Restricted Net Position* - represent net resources in which the ROE is legally obligated to spend in accordance with restrictions imposed by (1) external groups such as grantors or contributors; or (2) laws through constitutional provisions or enabling legislation.

*Unrestricted Net Position* - represent remaining net resources not classified as *Restricted Net Position* or *Invested in Capital Assets* and are used for transactions relating to the general operations of the ROE at the discretion of management.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*. Major individual funds are reported as separate columns in the fund financial statements.

C. New Accounting Pronouncement

Effective July 1, 2012, the ROE adopted the following accounting pronouncements:

- Governmental Accounting Standards Board (GASB) Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*
- GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*
- GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*

GASB Statements No. 60, No. 61, and No. 63 resulted in some presentation changes, but had no significant impact on the ROE's financial statements.

On July 1, 2013, the ROE adopted GASB Statements No. 65, No. 66, No. 67 and No. 70. The ROE will adopt GASB Statements No. 68 and No. 69 on July 1, 2014. The ROE has not yet evaluated the impact of these statements on its financial statements.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements of the ROE are prepared in accordance with generally accepted accounting principles (GAAP). The ROE applies all applicable GASB pronouncements.

The government-wide, the proprietary fund, and the fiduciary fund 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 provider have been met. Operating revenues of proprietary funds include amounts assessed or received from local sources for the ROE programs. Nonoperating revenue includes interest earned on cash deposit accounts.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The ROE considers revenues as available if they are collected within 60 days after year-end. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are essentially two types of these revenues. In one, monies must be expended before any amounts will be reimbursed; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time that all eligibility requirements imposed by the provider have been met unless the resources are not measurable or available as described above.

When restricted, committed, assigned and unassigned resources are available for use, it is the ROE’s policy to use restricted resources first, then committed, assigned and finally unassigned resources as they are needed.

The ROE records on-behalf payments made by the State and LaSalle County for salary, benefits and contributions to the Teachers’ Retirement System or the Illinois Municipal Retirement Fund as revenues and expenditures.

E. Fund Accounting

The accounts of the ROE are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenue, and expenditures. The ROE maintains individual funds as required by the State of Illinois. The resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the basic financial statements. The following summarizes the fund types used:

Governmental Fund Types

Governmental Funds are those through which most governmental functions of the ROE are financed. The acquisition, use and balances of the ROE’s expendable financial resources and the related liabilities are accounted for through governmental funds.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

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 - to account for the general operating fund. It has been used to record expenditures in connection with general administration activities.

RSSP Student - to account for monies received for assistance in funding shortfalls for student activities.

Title II - Teacher Quality (from schools) - to account for the administration of monies from various local schools to be used for the Title II – Teacher Quality programs.

General State Aid - to account for grant monies received for, and payment of expenditures for regional learning academy supplements.

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service and capital projects. The ROE reported the following special revenue funds as major governmental funds.

Education - to account for State and Federal grant monies received for, and payment of, administering numerous grant awards which include:

McKinney Education for Homeless Children - to account for grant monies received for and payment of expenditures associated with a Federal program designed to provide counseling and educational support to homeless children and their families. The programs are funded by a Federal Stewart B. McKinney Education for Homeless Children and Youth Grant administered through the Illinois State Board of Education.

Regional Safe Schools - this fund is an alternative schooling program for disruptive youth, creating alternative placement for those students who are suspended and/or are deemed ineligible.

Truants Alternative Programs - to account for grant monies received for, and payment of, providing truancy prevention programming and monitoring truants.

ROE/ISC Operations - to account for grant monies received for, and payment of, assisting schools in all areas of school improvement.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

WIA Youth Activities - to account for grant monies received for, and payment of, a dropout recovery program to help low income youth, between the ages of 14 and 21, acquire the educational and occupational skills, training, and support needed to achieve academic and employment success and successfully transition to careers and productive adulthood.

Learning Technology Center - to account for monies from the State of Illinois for expenditures incurred to establish a statewide support system for learning technology.

System of Support - (Title I - School Improvement and Accountability) - to account for grant monies received for, and payment of, expenditures to help schools meet the No Child Left Behind initiative.

National School Breakfast Program - to account for funds received for, and payment of, expenditures of the program for the school breakfast fund.

National School Lunch Program - to account for the grant monies received for, and payment of, expenditures for the National School Lunch fund.

State Free Lunch & Breakfast Program - to account for the proceeds received and expended in the operations of the free lunch and breakfast program.

Teacher Quality – To account for monies provided by the Federal government for preparation, certification, licensure, compensation and effectiveness of teachers across the elementary, secondary and special education spectra.

Teacher Quality-Leadership – To account for monies provided by the Federal government for preparation, certification, licensure, compensation and effectiveness of teachers across the elementary, secondary and special education spectra, concentrating in the area of improving leadership skills.

Institute - to account for the stewardship of the assets held in trust for the benefit of teachers. Fees are collected from registration of teachers' certificates of qualification. Monies are expended to conduct teachers' institutes, conferences, and workshops. All funds generated remain restricted until expended only on the aforementioned activities.

Fairmount Minerals Grants – To account for funds received from Fairmount Minerals for the purchase of iPads and various iPad applications, to promote instructional innovation in LaSalle County Schools, and support for the Regional Safe School Program.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Nonmajor Special Revenue Funds - The ROE reported the following special revenue funds as nonmajor governmental funds:

General Educational Development (GED) - to account for the administration of the GED Testing Program. Revenues are received from testing and diploma fees.

School Bus Driver Training - to account for the stewardship of the assets held in trust in connection with the Bus Driver Training Program.

Annexation and Sales Petition - to account for fees collected for expenditures incurred in publishing and filing petition requests.

Proprietary Fund Types

Proprietary funds are used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. All assets, liabilities, Net Position, revenues, expenses, and transfers relating to the government's business activities in which changes in Net Position or cost recovery are measured, are accounted for through proprietary funds (enterprise and internal service funds). Generally accepted accounting principles for proprietary funds are similar to those applicable to businesses in the private sector; the measurement focus is on determining operating income, financial position, and cash flows.

Enterprise Funds - to account for resources from fees charged directly to those entities or individuals that use its services. The ROE reported the following enterprise funds as major proprietary funds.

Workshop - to account for local revenues and disbursements related to various workshops conducted by the ROE which are not accounted for in a separate fund.

LaSalle County Area Purchasing Coop. - to account for maintenance of cooperative purchasing program for the benefit of the ROE's various school districts and other surrounding counties' school districts.

Discovery United Streaming Coop. - to account for local revenues received for the digital video-on-demand service by Discovery Education and Learn 360.

Nonmajor Proprietary Funds - The ROE reported the following enterprise funds as nonmajor proprietary funds:

Regional Safe School Meals - to account for local revenues and disbursements for the children whose parents can afford to pay either a full or reduced cost of meals.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

American College Testing (ACT) Student Fees - to account for the fees and local revenues received and related disbursements for the ACT program which is designed to assess high school students' general educational development and their ability to complete college-level work.

Excellence in Education - to account for the fees and local revenues received and related disbursements while performing activities related to the Excellence in Education program.

Technology Local Fees - to account for revenues and expenses of Technology funds.

ParaPro – to account for the fees and local revenues received and related disbursements for testing the proficiency of prospective teacher aids.

School Improvement Plan - LaSalle County – to account for funds received for and payment of expenditures linked to school improvement activities for LaSalle County Schools including but not limited to curriculum, instruction and assessment.

Technology Integration – LaSalle County – to account for funds received for and payment of expenditures linked to technology integration activities for LaSalle County schools including but not limited to new instructional technologies, technological infrastructure improvements, technology purchasing and collaboration technologies.

RSSP Student Activities – to account for funds received for and payment of expenditures to assist with an incentive program for RSSP students through fund raising activities.

Criminal Background Investigation - to account for the assessments received from the school districts to pay for the processing of background checks of substitute teachers and expenditures incurred providing this service to the school districts.

Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the ROE in a trustee capacity or as an agent for individuals, private organizations, and/or other governments.

Agency Funds are custodial in nature and do not involve measurement of results of operations. The amounts due to school districts and due to other governments are equal to the assets. Agency Funds include Distributive, Payroll and Marshall/Putnam/Woodford ROE No. 43's ROE/ISC Operations Grant.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Distributive - to account for funds received and disbursed as a result of the Regional Superintendent's responsibility to receive and distribute to treasurers of school districts and other agencies, monies due to them from general State aid, State categorical grants, and various other sources.

Payroll - to account for all payroll that is incurred. Any fund that has payroll remits the money to the Payroll Fund, the Fund then pays the employee. This is an administrating agent for the ROE's payroll.

MPW's ROE/ISC Operations Grant – to account for funds received and disbursed on behalf of ROE No. 43 for this particular grant program.

F. Governmental Fund Balances

Fund Balance is the difference between assets and liabilities in a Governmental Fund. The following types of fund balances may be presented in the Governmental Funds Balance Sheet and Governmental Funds Combining Schedules of Accounts:

Nonspendable Fund Balance - the portion of a Governmental Fund's Net Position that are not available to be spent, either short term or long term, in either form or through legal restrictions. The nonspendable fund balance reported is for prepaid expenses from General and General State Aid accounts (in the General Fund).

Restricted Fund Balance - the portion of the Governmental Fund's Net Position that are subject to external enforceable legal restrictions. The following accounts' fund balances are restricted by grant agreements, or contracts: Fairmount Minerals Grants, Truants Alternative Programs, System of Support, National School Breakfast Program, National School Lunch Program, and State Free Lunch & Breakfast Program. The following accounts fund balances are restricted by Illinois statute: Institute, General Educational Development, School Bus Driver Training, and Annexation and Sales Petition.

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. The ROE has no committed fund balances.

Assigned Fund Balance - the portion of a Governmental Fund's Net Position denoted for an intended use of the resources. The accounts with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following accounts' fund balances were assigned: RSSP Student and Title II – Teacher Quality (from Schools).

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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Unassigned Fund Balance - available expendable financial resources in a governmental fund that are not designated for a specific purpose. The accounts with unassigned fund balances are: General and General State Aid.

G. Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

Non-exchange transactions, in which the ROE receives value without directly giving value in return, include grants and donations. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the ROE must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the ROE on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

H. Cash and Cash Equivalents

For presentation in the financial statements, investments with an original maturity of three months or less at the time they are purchased by the ROE are considered to be cash equivalents. Investments with original maturities of more than three months are reported as investments.

I. Investments

The ROE's established investment policy follows the State of Illinois Public Funds Investment Act which authorizes the ROE to purchase certain obligations of the U.S. Treasury, Federal agencies and instrumentalities; certificates of deposit and time deposits covered by Federal depository insurance; commercial paper of U.S. corporations with assets exceeding \$500,000,000, if such paper is rated at the highest classification established by at least two standard rating services; money market funds and the Illinois Funds.

J. Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Capital assets are recorded at cost at time of acquisition or fair value at the date of donation. The ROE capitalizes items costing \$5,000 or more and intangible assets costing \$25,000 or more. Depreciation is calculated on a straight-line basis over the estimated useful lives (five to twenty years) of the respective assets.

K. Estimates

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

L. Budgets and Budgetary Accounting

The ROE did not formally adopt a budget for the year ended June 30, 2013 and is not legally required to do so. The Illinois State Board of Education requires budgets for certain State and Federal programs. These budgets were used to prepare Budgetary Comparison Schedules for the following accounts within the Education Fund: McKinney Education for Homeless Children, Regional Safe Schools, Truants Alternative Programs, ROE/ISC Operations, Learning Technology Center, Teacher Quality, and Teacher Quality- Leadership.

**NOTE 2 - DEPOSITS AND INVESTMENTS**

In the accompanying financial statements, certificates of deposit are reported as investments because the original maturities of the certificates exceed 90 days. For risk disclosure purposes, those certificates of deposit are deposits. The money market accounts described below are reported as cash equivalents in the accompanying financial statements. For risk disclosure purposes, the money market accounts are investments.

Deposits

The ROE utilizes several different bank accounts for its various activities. The book balance of such accounts is \$886,158 at June 30, 2013, while the bank balance was \$946,898. The difference between the above amounts primarily represents checks that have been issued but have not yet cleared the bank as of June 30, 2013. Of the total bank balance as of June 30, 2013, \$813,613 was insured by Federal depository insurance, \$133,285 was collateralized by securities pledged by the ROE's financial institution that were held by the financial institution's agent but not in the name of the ROE.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
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**JUNE 30, 2013**

**NOTE 2 - DEPOSITS AND INVESTMENTS** (continued)

Investments

As of June 30, 2013, the ROE had investments with carrying and fair values as follows:

Investment Type	Carrying Amount	Fair Value
Illinois Funds Money Market	\$ 19,884	\$ 19,884
	\$ 19,884	\$ 19,884

*Credit Risk*

At June 30, 2013, the Illinois Funds Money Market Fund had a Standard and Poor's AAAM rating. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provisions of the Illinois Public Funds Investments Act, 30 ILCS 235.

*Interest Rate Risk*

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

**NOTE 3 - CAPITAL ASSETS**

A summary of changes in capital assets for the year ended June 30, 2013 is as follows:

	Balance July 1, 2012	Additions	Retirements	Balance June 30, 2013
Equipment	\$ 20,966	\$ -	\$ -	\$ 20,966
Less: accumulated depreciation	20,966	-	-	20,966
Capital assets, net	\$ -	\$ -	\$ -	\$ -

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
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**NOTE 4 - DUE FROM (TO) OTHER GOVERNMENTAL UNITS**

The ROE's Governmental, Proprietary, and Fiduciary Funds have funds due from/to the following government agencies:

**DUE FROM OTHER GOVERNMENTAL UNITS**

Boone/Winnebago Counties Reg. Office of Education No. 4	\$ 12,678
Marshall/Putnam/Woodford Reg. Office of Education No. 43	2,172
Illinois State Board of Education	52,677
Local school districts	1,400
Total	\$ 68,927

**DUE TO OTHER GOVERNMENTAL UNITS**

Local school districts	\$ 505
Reg. Office of Education No. 35	24,702
Total	\$ 25,207

**NOTE 5 - INTERFUND TRANSACTIONS**

**(a) Transfers From/To Other Funds**

The composition of interfund transfers for the year ended June 30, 2013 is as follows:

Fund	Transfers-in	Transfers-out
Education Fund – ROE/ISC Operations	\$ 34,756	\$ -
General Fund - Title II Teacher Quality (from Schools)	-	16,248
Proprietary Funds – Discovery United Streaming Coop.	5,985	-
Proprietary Funds – Workshop	13,112	37,605
Total	\$ 53,853	\$ 53,853

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**NOTE 5 - INTERFUND TRANSACTIONS** (continued)

**(b) Due From/To Other Funds**

The following is a summary of amounts due from/to other funds as of June 30, 2013:

Fund	Due From	Due To
General Fund – General	\$ 4,348	\$ 5,052
General Fund - General State Aid	52,351	-
Education Fund - Regional Safe Schools	-	12,034
Education Fund - Truants Alternative Programs	-	12,965
Education Fund - ROE ISC	-	4,348
Education Fund - Learning Technology Center	-	6,190
Education Fund - System of Support	-	11,834
Education Fund - State Free Lunch & Breakfast	-	20
Education Fund - Teacher Quality-Leadership	-	4,256
Proprietary Fund – Workshop	5,263	-
Proprietary Fund – American College Testing Student Fees	-	1,263
Proprietary Fund - Excellence in Education	-	4,000
Total	<u>\$ 61,962</u>	<u>\$ 61,962</u>

These interfund loans were necessitated by the State or schools not timely paying their obligations to the ROE (or other entities which in turn paid the ROE). Each of these interfund loans was repaid by the end of September 2013.

**NOTE 6 - RETIREMENT PLANS**

The ROE’s employees are covered under the Illinois Municipal Retirement Fund. Contributions to the Fund are made by the ROE through grant monies on behalf of the ROE staff employees and grant coordinators. Employees paid by LaSalle County also participate in the Illinois Municipal Retirement Fund and those contributions are paid by LaSalle County. Participation is required for all ROE employees who:

- a. Occupy a job normally requiring 1,000 hours or more per year or 600 hours or more per year for employees who worked for any IMRF employer prior to January 1, 1982;
- b. Are paid on a regular payroll from County or ROE funds;
- c. Were under age sixty when first entering employment; and
- d. Are not covered by another State created retirement system for the same service.

Employees not qualifying above are considered as “nonparticipating employees” and are covered under Social Security.

The Regional Superintendent and Assistant Regional Superintendent of the ROE are paid by the State of Illinois and participate in the Teachers Retirement System.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
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**NOTE 6 - RETIREMENT PLANS** (continued)

**Illinois Municipal Retirement Fund**

**Plan Description**

The ROE's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The ROE's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

**Funding Policy**

As set by statute, the ROE's Regular plan members are required to contribute 4.50% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2012 was 11.03%. The ROE also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Annual Pension Cost**

The required contribution for calendar year 2012 was \$33,529.

**THREE - YEAR TREND INFORMATION**

<b>Calendar Year Ending</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
12/31/12	\$ 33,529	100%	\$ -
12/31/11	\$ 37,793	100%	\$ -
12/31/10	\$ 40,831	100%	\$ -

The required contribution for 2012 was determined as part of the December 31, 2010 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010 included (a) 7.50% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the ROE's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The ROE's Regular plan's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 10 year basis.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 6 - RETIREMENT PLANS** (continued)

**Funded Status and Funding Progress**

As of December 31, 2012, the most recent actuarial valuation date, the Regular plan was 94.22 percent funded. The actuarial accrued liability for benefits was \$800,210 and the actuarial value of assets was \$753,991 resulting in an underfunded actuarial accrued liability (UAAL) of \$46,219. The covered payroll for the calendar year 2012 (annual payroll of active employees covered by the plan) was \$303,979 and the ratio of the UAAL to the covered payroll was 15 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Teachers' Retirement System of the State of Illinois**

The ROE participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago.

The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The State of Illinois maintains the primary responsibility for funding the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the system's administration.

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2013, was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after Jan. 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2012 and 2011.

The state of Illinois makes contributions directly to TRS on behalf of the ROE's TRS-covered employees.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 6 - RETIREMENT PLANS** (continued)

- **On-behalf Contributions to TRS.** The State of Illinois makes employer pension contributions on behalf of the ROE. For the year ended June 30, 2013, the State of Illinois contributions were based on 28.05 percent of creditable earnings not paid from federal funds, and the ROE recognized revenue and expenditures of \$44,155 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2012 and June 30, 2011, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 24.91 percent (\$56,783) and 23.10 percent (\$53,666), respectively.

The ROE makes other types of employer contributions directly to TRS.

- **2.2 Formula Contributions.** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2013 were \$913. Contributions for the years ended June 30, 2012 and June 30, 2011 were \$1,322 and \$1,439, respectively.
- **Federal and Special Trust Fund Contributions.** When TRS members are paid from federal and special trust funds administered by the ROE, there is a statutory requirement for the ROE to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective in the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the State contribution rate to TRS.

For the year ended June 30, 2013, the employer pension contribution was 28.05 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2012 and 2011, the employer contribution was 24.91 and 23.10 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2013, salaries totaling \$0 were paid from federal and special trust funds that required employer contributions of \$0. For the years ended June 30, 2012 and June 30, 2011, required ROE contributions were \$0 and \$3,640, respectively.

- **Early Retirement Option (ERO).** The ROE is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member.

The maximum employer ERO contribution is 117.5 percent and applies when the member is age 55 at retirement.

For the year ended June 30, 2013, the ROE paid \$0 to TRS for employer contributions under the ERO programs. For the years ended June 30, 2012 and 2011, the ROE paid \$0 in employer ERO contributions.

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**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 6 - RETIREMENT PLANS** (continued)

- **Salary Increases Over 6 Percent and Excess Sick Leave.**

- If an employer grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the employer makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent.

For the year ended June 30, 2013, the ROE paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2012 and June 30, 2011, the ROE paid \$2,386 and \$0, to TRS for employer contributions due on salary increases in excess of 6 percent, respectively.

- If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary rate reported by the ROE during the four-year sick leave review period, and the TRS total normal cost rate (17.63 percent of salary during the year ended June 30, 2013).

For the year ended June 30, 2013, the ROE paid \$0 to TRS for sick leave days granted in excess of the normal annual allotment. For the years ended June 30, 2012 and June 30, 2011, the ROE did not have any payments to TRS for sick leave days granted in excess of the normal annual allotment.

TRS financial information, an explanation of TRS' benefits, and descriptions of member, employer and State funding requirements can be found in the TRS Comprehensive Annual Financial Report for the year ended June 30, 2012. The report for the year ended June 30, 2013 is expected to be available in late 2013.

The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, 2815 West Washington Street, PO Box 19253, Springfield, IL 62794-9253. The most current report is also available on the TRS web site at <http://trs.illinois.gov>.

**NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS**

- **Plan Description**

In addition to providing the pension benefits described, the ROE provides postemployment health care benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the ROE and can be amended by the ROE through its personnel manual, except for the implicit subsidy which is governed by the State Legislature and Illinois Compiled Statutes. The plan is not accounted for as a trust

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS** (continued)

fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the ROE governmental funds.

- **Benefits Provided**

The ROE provides continued health insurance coverage at the blended employer rate to all eligible retirees in accordance with the Illinois Compiled Statutes, but the retiree pays the full premium for the health insurance. To be eligible for benefits, an employee must qualify for retirement under the ROE retirement plan. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from the ROE's insurance provider. Although allowed, no former employees have chosen to continue participation in the plan, therefore any implicit subsidy as defined by GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* is insignificant. Therefore, the ROE has not recorded any postemployment benefit liability as of June 30, 2013.

**Teacher Health Insurance Security Fund**

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

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by CMS with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the State to make a contribution to THIS fund.

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

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS** (continued)

- **On behalf contributions to THIS Fund**

The State of Illinois makes employer retiree health insurance contributions on behalf of the ROE. State contributions are intended to match contributions to THIS Fund from active members which were 0.92 percent of pay during the year ended June 30, 2013. State of Illinois contributions were \$1,448 and the ROE recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the year ended June 30, 2012 and June 30, 2011 were 0.88 percent of pay both years. State contributions on behalf of ROE's employees were \$2,006 and \$2,183, respectively.

**Employer contributions to THIS Fund**

The ROE also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.69 percent during the year ended June 30, 2013 and .66 percent during the years ended June 30, 2012 and June 30, 2011. For the year ended June 30, 2013, the ROE paid \$1,086 to the THIS Fund. For the years ended June 30, 2012 and June 30, 2011, the ROE paid \$1,504 and \$1,637 to the THIS Fund, respectively, which was 100 percent of the required contributions.

**Further information on THIS Fund**

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The 2013 report is listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

**NOTE 8 - COMMON BANK ACCOUNT**

The ROE maintains several bank accounts. The various funds of the ROE are comingled in these accounts but accounted for in separate funds.

**NOTE 9 - INTEREST ON DISTRIBUTIVE FUND**

Interest earned on distributive fund receipts is transferred after the end of each fiscal year to the General Fund by the written consent of all affected school boards and other entities. The funds are utilized by the Regional Superintendent to purchase computer equipment, develop in-service activities and other innovative programs, as well as assist with the necessary operating expenses of the ROE office.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 10 – ON-BEHALF PAYMENTS FOR SALARIES AND BENEFITS**

The salaries and benefits of the Superintendent and Assistant Superintendent of the ROE are paid for by the State of Illinois. Teachers Retirement System (TRS) contributions for the Superintendent, Assistant Superintendent, and qualifying employees of the ROE are paid by the State of Illinois, in accordance with applicable State of Illinois Law. Teachers Health Insurance Security (THIS) contributions for qualifying employees are paid by the State of Illinois, in accordance with applicable State of Illinois Law. Salary and benefit data for the Regional Superintendent and the Assistant Regional Superintendent were calculated based on data provided by the Illinois State Board of Education.

The breakdown of the State of Illinois on-behalf payments is as follows:

Regional Superintendent salary	\$ 107,640
Regional Superintendent benefits (includes State paid insurance)	35,001
Assistant Regional Superintendent salary	96,888
Assistant Regional Superintendent benefits (includes State paid insurance)	34,329
TRS & THIS contributions	<u>102,973</u>
Total on-behalf payments by the State of Illinois	<u><u>\$ 376,831</u></u>

Six teachers’ salaries and benefits were paid by the ROE. The State made contributions of \$44,155 to TRS on-behalf of those employees. The State also made contributions of \$1,448 to THIS on-behalf of those employees. Those amounts have been included above as “TRS & THIS contributions”.

Salaries and benefits of six ROE employees are paid for by LaSalle County. There are two Truant Officers and four clerical personnel.

The breakdown of the LaSalle County on-behalf payments is as follows:

Truant Officer salaries	\$ 68,790
Truant Officer benefits	31,909
Clerical salaries	117,288
Clerical benefits	<u>47,801</u>
Total on-behalf payments	<u><u>\$ 265,788</u></u>

Salary and benefit data for the Truant Officers and the clerical staff were calculated based on data provided by LaSalle County Board.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**REQUIRED SUPPLEMENTARY INFORMATION  
(OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS)**

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2013**

**ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF FUNDING PROGRESS**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
12/31/12	\$ 753,991	\$800,210	\$ 46,219	94.22%	\$303,979	15.20%
12/31/11	\$ 656,664	\$751,045	\$ 94,381	87.43%	\$320,281	29.47%
12/31/10	\$ 680,371	\$756,519	\$ 76,148	89.93%	\$347,496	21.91%

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$772,741. On a market basis, the funded ratio would be 96.57%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with LaSalle County ROE. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

**SUPPLEMENTARY INFORMATION**

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
GENERAL FUND ACCOUNTS  
COMBINING SCHEDULE OF ACCOUNTS  
JUNE 30, 2013**

**SCHEDULE 1**

	<u>General</u>	<u>RSSP Student</u>	<u>Title II - Teacher Quality (from Schools)</u>	<u>General State Aid</u>	<u>Total</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 13,655	\$ 18,267	\$ 49,343	\$ 83,731	\$ 164,996
Investments	275,531	-	-	100,499	376,030
Accounts receivable	-	-	-	5	5
Prepaid expenses	1,056	-	-	1,731	2,787
Due from other funds	4,348	-	-	52,351	56,699
Due from other governmental units	-	1,400	-	10,451	11,851
<b>TOTAL ASSETS</b>	<u>\$ 294,590</u>	<u>\$ 19,667</u>	<u>\$ 49,343</u>	<u>\$ 248,768</u>	<u>\$ 612,368</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ 32,452	\$ 32,452
Due to other funds	5,052	-	-	-	5,052
Total liabilities	<u>5,052</u>	<u>-</u>	<u>-</u>	<u>32,452</u>	<u>37,504</u>
<b>FUND BALANCES</b>					
Nonspendable	1,056	-	-	1,731	2,787
Assigned	-	19,667	49,343	-	69,010
Unassigned	288,482	-	-	214,585	503,067
Total Fund Balance	<u>289,538</u>	<u>19,667</u>	<u>49,343</u>	<u>216,316</u>	<u>574,864</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 294,590</u>	<u>\$ 19,667</u>	<u>\$ 49,343</u>	<u>\$ 248,768</u>	<u>\$ 612,368</u>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
GENERAL FUND ACCOUNTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2013

SCHEDULE 2

	General	RSSP Student	Title II - Teacher Quality (from Schools)	General State Aid	Total
<b>REVENUES</b>					
State sources	\$ -	\$ -	\$ -	\$ 229,929	\$ 229,929
Local sources					
Fees for services	4,348	73,500	33,715	-	111,563
Interest	5,528	4	24	1,279	6,835
Total revenues	<u>9,876</u>	<u>73,504</u>	<u>33,739</u>	<u>231,208</u>	<u>348,327</u>
<b>EXPENDITURES</b>					
Salaries	2,782	47,084	-	200,968	250,834
Benefits	366	7,970	-	37,561	45,897
Purchased services	6,726	-	369	75,102	82,197
Supplies and materials	5,417	-	306	7,069	12,792
Capital outlay	6,078	-	-	-	6,078
Miscellaneous	2,387	-	-	-	2,387
Payments to other governmental units	1,000	-	6,915	-	7,915
Total expenditures	<u>24,756</u>	<u>55,054</u>	<u>7,590</u>	<u>320,700</u>	<u>408,100</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(14,880)	18,450	26,149	(89,492)	(59,773)
<b>OTHER FINANCING USES</b>					
Transfers out	-	-	(16,248)	-	(16,248)
	<u>-</u>	<u>-</u>	<u>(16,248)</u>	<u>-</u>	<u>(16,248)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	(14,880)	18,450	9,901	(89,492)	(76,021)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	304,418	1,217	39,442	305,808	650,885
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 289,538</u>	<u>\$ 19,667</u>	<u>\$ 49,343</u>	<u>\$ 216,316</u>	<u>\$ 574,864</u>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 EDUCATION FUND ACCOUNTS  
 COMBINING SCHEDULE OF ACCOUNTS  
 JUNE 30, 2013

SCHEDULE 3

	McKinney Education for Homeless Children	Regional Safe Schools	Truants Alternative Programs	ROE/ISC Operations	WIA Youth Activities	Learning Technology Center	System of Support
<b>ASSETS</b>							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 2	\$ -	\$ -	\$ -
Due from other governmental units	-	12,034	12,966	4,981	-	6,190	12,678
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 12,034</b>	<b>\$ 12,966</b>	<b>\$ 4,983</b>	<b>\$ -</b>	<b>\$ 6,190</b>	<b>\$ 12,678</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ 635	\$ -	\$ -	\$ 36
Due to other funds	-	12,034	12,965	4,348	-	6,190	11,834
Total liabilities	-	12,034	12,965	4,983	-	6,190	11,870
<b>FUND BALANCES</b>							
Restricted	-	-	1	-	-	-	808
Total Fund Balances	-	-	1	-	-	-	808
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 12,034</b>	<b>\$ 12,966</b>	<b>\$ 4,983</b>	<b>\$ -</b>	<b>\$ 6,190</b>	<b>\$ 12,678</b>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 EDUCATION FUND ACCOUNTS  
 COMBINING SCHEDULE OF ACCOUNTS  
 JUNE 30, 2013

SCHEDULE 3  
 (CONTINUED)

	National School Breakfast Program	National School Lunch Program	State Free Lunch & Breakfast Program	Teacher Quality	Teacher Quality- Leadership	Total
<b>ASSETS</b>						
Cash and cash equivalents	\$ 1,165	\$ 3,343	\$ -	\$ -	\$ -	\$ 4,510
Due from other governmental units	-	-	99	-	5,956	54,904
<b>TOTAL ASSETS</b>	<b>\$ 1,165</b>	<b>\$ 3,343</b>	<b>\$ 99</b>	<b>\$ -</b>	<b>\$ 5,956</b>	<b>\$ 59,414</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ 1,700	\$ 2,371
Due to other funds	-	-	20	-	4,256	51,647
Total liabilities	-	-	20	-	5,956	54,018
<b>FUND BALANCES</b>						
Restricted	1,165	3,343	79	-	-	5,396
Total Fund Balances	1,165	3,343	79	-	-	5,396
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,165</b>	<b>\$ 3,343</b>	<b>\$ 99</b>	<b>\$ -</b>	<b>\$ 5,956</b>	<b>\$ 59,414</b>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
EDUCATION FUND ACCOUNTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2013**

**SCHEDULE 4**

	<b>McKinney Education for Homeless Children</b>	<b>Regional Safe Schools</b>	<b>Truants Alternative Programs</b>	<b>ROE/ISC Operations</b>	<b>WIA - Youth Activities</b>	<b>Learning Technology Center</b>	<b>System of Support</b>
<b>REVENUES</b>							
Federal sources	\$ 29,671	\$ -	\$ -	\$ -	\$ 28,550	\$ -	\$ 190,818
State sources	-	72,174	77,806	29,851	-	33,075	-
Local sources							
Interest	-	-	1	-	-	-	-
On-behalf payments	-	45,603	100,699	496,317	-	-	-
Total revenues	<u>29,671</u>	<u>117,777</u>	<u>178,506</u>	<u>526,168</u>	<u>28,550</u>	<u>33,075</u>	<u>190,818</u>
<b>EXPENDITURES</b>							
Salaries	8,929	61,774	35,949	33,374	27,193	25,784	45,201
Benefits	811	10,027	5,618	4,827	1,357	4,863	895
Purchased services	19,106	257	32,412	24,326	-	2,428	72,491
Supplies and materials	825	116	3,827	2,080	-	-	11,180
Payments to other governmental units	-	-	-	-	-	-	29,648
On-behalf payments	-	45,603	100,699	496,317	-	-	-
Total expenditures	<u>29,671</u>	<u>117,777</u>	<u>178,505</u>	<u>560,924</u>	<u>28,550</u>	<u>33,075</u>	<u>159,415</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	1	(34,756)	-	-	31,403
<b>OTHER FINANCING SOURCES</b>							
Transfers in	-	-	-	34,756	-	-	-
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</b>	-	-	1	-	-	-	31,403
<b>FUND BALANCES (DEFICIT) , BEGINNING OF YEAR</b>	-	-	-	-	-	-	(30,595)
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 808</u>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
EDUCATION FUND ACCOUNTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2013**

**SCHEDULE 4  
(CONTINUED)**

	<b>National School Breakfast Program</b>	<b>National School Lunch Program</b>	<b>State Free Lunch &amp; Breakfast Program</b>	<b>Teacher Quality</b>	<b>Teacher Quality- Leadership</b>	<b>Total</b>
<b>REVENUES</b>						
Federal sources	\$ 8,669	\$ 14,166	\$ -	\$ 931	\$ 5,956	\$ 278,761
State sources	-	-	595	-	-	213,501
Local sources						
Interest	-	1	-	-	-	2
On-behalf payments	-	-	-	-	-	642,619
Total revenues	<u>8,669</u>	<u>14,167</u>	<u>595</u>	<u>931</u>	<u>5,956</u>	<u>1,134,883</u>
<b>EXPENDITURES</b>						
Salaries	-	-	-	-	-	238,204
Benefits	-	-	-	-	-	28,398
Purchased services	7,794	12,455	711	-	5,800	177,780
Supplies and materials	-	-	-	931	156	19,115
Payments to other governmental units	-	-	-	-	-	29,648
On-behalf payments	-	-	-	-	-	642,619
Total expenditures	<u>7,794</u>	<u>12,455</u>	<u>711</u>	<u>931</u>	<u>5,956</u>	<u>1,135,764</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	875	1,712	(116)	-	-	(881)
<b>OTHER FINANCING SOURCES</b>						
Transfers in	-	-	-	-	-	34,756
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</b>	875	1,712	(116)	-	-	33,875
<b>FUND BALANCES (DEFICIT) , BEGINNING OF YEAR</b>	290	1,631	195	-	-	(28,479)
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 1,165</u>	<u>\$ 3,343</u>	<u>\$ 79</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,396</u>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 EDUCATION FUND ACCOUNTS  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2013

SCHEDULE 5

	McKinney Education for Homeless Children			Regional Safe Schools			Truants Alternative Programs		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
			Favorable (Unfavorable)			Favorable (Unfavorable)			Favorable (Unfavorable)
<b>REVENUE</b>									
Federal sources	\$ 29,671	\$ 29,671	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	72,174	72,174	-	77,806	77,806	-
Local sources									
Interest	-	-	-	-	-	-	-	1	1
On-behalf payments	-	-	-	-	45,603	45,603	-	100,699	100,699
Total revenue	<u>29,671</u>	<u>29,671</u>	<u>-</u>	<u>72,174</u>	<u>117,777</u>	<u>45,603</u>	<u>77,806</u>	<u>178,506</u>	<u>100,700</u>
<b>EXPENDITURES</b>									
Salaries	8,600	8,929	(329)	54,423	61,774	(7,351)	36,909	35,949	960
Benefits	961	811	150	13,145	10,027	3,118	6,482	5,618	864
Purchased services	19,060	19,106	(46)	3,075	257	2,818	31,393	32,412	(1,019)
Supplies and materials	1,050	825	225	1,531	116	1,415	3,022	3,827	(805)
Capital outlay	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Payments to other governmental units	-	-	-	-	-	-	-	-	-
On-behalf payments	-	-	-	-	45,603	(45,603)	-	100,699	(100,699)
Total expenditures	<u>29,671</u>	<u>29,671</u>	<u>-</u>	<u>72,174</u>	<u>117,777</u>	<u>(45,603)</u>	<u>77,806</u>	<u>178,505</u>	<u>(100,699)</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>1</u>	<u>\$ 1</u>
<b>OTHER FINANCING SOURCES</b>									
Transfers in	-	-	-	-	-	-	-	-	-
<b>EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>									
	-	-	-	-	-	-	-	1	-
<b>FUND BALANCE, BEGINNING OF YEAR</b>									
	-	-	-	-	-	-	-	-	-
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ 1</u>	<u>-</u>	<u>-</u>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 EDUCATION FUND ACCOUNTS  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2013

SCHEDULE 5  
 (CONTINUED)

	ROE/ISC Operations			Learning Technology Center			Teacher Quality		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
			Favorable (Unfavorable)			Favorable (Unfavorable)			Favorable (Unfavorable)
<b>REVENUE</b>									
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 931	\$ 931	\$ -
State sources	29,851	29,851	-	33,075	33,075	-	-	-	-
Local sources									
Interest	-	-	-	-	-	-	-	-	-
On-behalf payments	-	496,317	496,317	-	-	-	-	-	-
Total revenue	<u>29,851</u>	<u>526,168</u>	<u>496,317</u>	<u>33,075</u>	<u>33,075</u>	<u>-</u>	<u>931</u>	<u>931</u>	<u>-</u>
<b>EXPENDITURES</b>									
Salaries	19,000	33,374	(14,374)	25,875	25,784	91	-	-	-
Benefits	5,000	4,827	173	4,700	4,863	(163)	-	-	-
Purchased services	5,000	24,326	(19,326)	2,500	2,428	72	-	-	-
Supplies and materials	251	2,080	(1,829)	-	-	-	931	931	-
Capital outlay	500	-	500	-	-	-	-	-	-
Miscellaneous	100	-	100	-	-	-	-	-	-
Payments to other governmental units	-	-	-	-	-	-	-	-	-
On-behalf payments	-	496,317	(496,317)	-	-	-	-	-	-
Total expenditures	<u>29,851</u>	<u>560,924</u>	<u>(531,073)</u>	<u>33,075</u>	<u>33,075</u>	<u>-</u>	<u>931</u>	<u>931</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>(34,756)</u>	<u>\$ (34,756)</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>OTHER FINANCING SOURCES</b>									
Transfers in		<u>34,756</u>			<u>-</u>			<u>-</u>	
<b>EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>		<u>-</u>			<u>-</u>			<u>-</u>	
<b>FUND BALANCE, BEGINNING OF YEAR</b>		<u>-</u>			<u>-</u>			<u>-</u>	
<b>FUND BALANCE, END OF YEAR</b>		<u>\$ -</u>			<u>\$ -</u>			<u>\$ -</u>	

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 EDUCATION FUND ACCOUNTS  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2013

SCHEDULE 5  
 (CONTINUED)

<u>Teacher Quality - Leadership</u>			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUE</b>			
Federal sources	\$ 5,956	\$ 5,956	\$ -
State sources	-	-	-
Local sources			
Interest	-	-	-
On-behalf payments	-	-	-
Total revenue	<u>5,956</u>	<u>5,956</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries	-	-	-
Benefits	-	-	-
Purchased services	5,800	5,800	-
Supplies and materials	156	156	-
Capital outlay	-	-	-
Miscellaneous	-	-	-
Payments to other governmental units	-	-	-
On-behalf payments	-	-	-
Total expenditures	<u>5,956</u>	<u>5,956</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in		<u>-</u>	
<b>EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>		<u>-</u>	
<b>FUND BALANCE, BEGINNING OF YEAR</b>		<u>-</u>	
<b>FUND BALANCE, END OF YEAR</b>		<u>\$ -</u>	

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2013**

**SCHEDULE 6**

	<b>General Educational Development</b>	<b>School Bus Driver Training</b>	<b>Annexation and Sales Petition</b>	<b>Total</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 10,553	\$ 2,362	\$ 1,871	\$ 14,786
Investments	23,243	12,420	-	35,663
<b>TOTAL ASSETS</b>	<b>\$ 33,796</b>	<b>\$ 14,782</b>	<b>\$ 1,871</b>	<b>\$ 50,449</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-
<b>FUND BALANCES</b>				
Restricted	33,796	14,782	1,871	50,449
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 33,796</b>	<b>\$ 14,782</b>	<b>\$ 1,871</b>	<b>\$ 50,449</b>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2013**

**SCHEDULE 7**

	<b>General Educational Development</b>	<b>School Bus Driver Training</b>	<b>Annexation and Sales Petition</b>	<b>Total</b>
<b>REVENUES</b>				
State sources	\$ -	\$ 1,191	\$ -	\$ 1,191
Local sources				
Fees for services	11,207	2,912	-	14,119
Interest	315	180	1	496
Total revenues	<u>11,522</u>	<u>4,283</u>	<u>1</u>	<u>15,806</u>
<b>EXPENDITURES</b>				
Salaries	2,149	1,896	-	4,045
Benefits	407	358	-	765
Purchased services	2,680	2,783	-	5,463
Supplies and materials	3,112	164	-	3,276
Total expenditures	<u>8,348</u>	<u>5,201</u>	<u>-</u>	<u>13,549</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	3,174	(918)	1	2,257
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>30,622</u>	<u>15,700</u>	<u>1,870</u>	<u>48,192</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 33,796</u>	<u>\$ 14,782</u>	<u>\$ 1,871</u>	<u>\$ 50,449</u>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
NONMAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2013**

**SCHEDULE 8**

	<u>Regional Safe School Meals</u>	<u>American College Testing Student Fees</u>	<u>Excellence in Education</u>	<u>Technology Local Fees</u>	<u>ParaPro</u>	<u>School Improvement Plan - LaSalle Co.</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 2,001	\$ -	\$ 7,889	\$ -	\$ 4,539	\$ 11,430
Investments	-	-	14,649	-	-	-
Accounts receivable	928	-	-	-	-	-
Prepaid expenses	-	1,724	-	-	-	-
<b>TOTAL ASSETS</b>	<u>2,929</u>	<u>1,724</u>	<u>22,538</u>	<u>-</u>	<u>4,539</u>	<u>11,430</u>
<b>LIABILITIES</b>						
Accounts payable and accrued expenses	30	-	-	-	-	-
Due to other funds	-	1,263	4,000	-	-	-
<b>TOTAL LIABILITIES</b>	<u>30</u>	<u>1,263</u>	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>						
Unrestricted	<u>\$ 2,899</u>	<u>\$ 461</u>	<u>\$ 18,538</u>	<u>\$ -</u>	<u>\$ 4,539</u>	<u>\$ 11,430</u>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
NONMAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2013**

**SCHEDULE 8  
(CONTINUED)**

	<b>Tech Integration - LaSalle County</b>	<b>RSSP Student Activities</b>	<b>Criminal Background Investigation</b>	<b>Total</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 818	\$ 10,751	\$ 37,428
Investments	-	-	-	14,649
Accounts receivable	-	-	-	928
Prepaid expenses	-	-	-	1,724
<b>TOTAL ASSETS</b>	<b>-</b>	<b>818</b>	<b>10,751</b>	<b>54,729</b>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	-	-	-	30
Due to other funds	-	-	-	5,263
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,293</b>
<b>NET POSITION</b>				
Unrestricted	<u>\$ -</u>	<u>\$ 818</u>	<u>\$ 10,751</u>	<u>\$ 49,436</u>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
NONMAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF REVENUE, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2013**

**SCHEDULE 9**

	<b>Regional Safe School Meals</b>	<b>American College Testing Student Fees</b>	<b>Excellence in Education</b>	<b>Technology Local Fees</b>	<b>ParaPro</b>	<b>School Improvement Plan - LaSalle Co.</b>
<b>OPERATING REVENUE</b>						
Fees for services	\$ 2,889	\$ 4,718	\$ 18,877	\$ -	\$ 2,160	\$ 6,375
<b>OPERATING EXPENSES</b>						
Salaries	-	-	8,000	7,014	253	-
Benefits	-	-	612	292	50	-
Purchased services	-	1,500	21,715	1,400	-	229
Supplies and materials	-	3,467	3,405	163	1,125	-
Miscellaneous	-	-	-	-	-	-
Payments to other governmental units	-	-	995	-	-	-
Total operating expenses	-	4,967	34,727	8,869	1,428	229
<b>OPERATING INCOME (LOSS)</b>	2,889	(249)	(15,850)	(8,869)	732	6,146
<b>NONOPERATING REVENUE</b>						
Interest	-	-	338	3	2	3
<b>CHANGE IN NET POSITION</b>	2,889	(249)	(15,512)	(8,866)	734	6,149
<b>NET POSITION, BEGINNING OF YEAR</b>	10	710	34,050	8,866	3,805	5,281
<b>NET POSITION, END OF YEAR</b>	\$ 2,899	\$ 461	\$ 18,538	\$ -	\$ 4,539	\$ 11,430

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
NONMAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF REVENUE, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2013**

**SCHEDULE 9  
(CONTINUED)**

	<b>Tech Integration - LaSalle County</b>	<b>RSSP Student Activities</b>	<b>Criminal Background Investigation</b>	<b>Total</b>
<b>OPERATING REVENUE</b>				
Fees for services	\$ 2,925	\$ 318	\$ 15,403	\$ 53,665
<b>OPERATING EXPENSES</b>				
Salaries	563	-	6,298	22,128
Benefits	8	-	730	1,692
Purchased services	6,509	-	6,915	38,268
Supplies and materials	1,944	1,239	52	11,395
Miscellaneous	1,908	-	-	1,908
Payments to other governmental units	-	-	-	995
Total operating expenses	<u>10,932</u>	<u>1,239</u>	<u>13,995</u>	<u>76,386</u>
<b>OPERATING INCOME (LOSS)</b>	(8,007)	(921)	1,408	(22,721)
<b>NONOPERATING REVENUE</b>				
Interest	<u>2</u>	<u>-</u>	<u>7</u>	<u>355</u>
<b>CHANGE IN NET POSITION</b>	(8,005)	(921)	1,415	(22,366)
<b>NET POSITION, BEGINNING OF YEAR</b>	<u>8,005</u>	<u>1,739</u>	<u>9,336</u>	<u>71,802</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ -</u>	<u>\$ 818</u>	<u>\$ 10,751</u>	<u>\$ 49,436</u>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
NONMAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2013

SCHEDULE 10

	Regional Safe School Meals	American College Testing Student Fees	Excellence in Education	Technology Local Fees	ParaPro	School Improvement Plan - LaSalle Co.
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Receipts for workshops and services	\$ 2,001	\$ 4,718	\$ 18,877	\$ -	\$ 2,160	\$ 6,375
Payments to employees	-	-	(8,000)	(7,014)	(253)	-
Payments to suppliers	-	(6,691)	(26,727)	(1,855)	(1,175)	(229)
Net cash provided by (used in) operating activities	<u>2,001</u>	<u>(1,973)</u>	<u>(15,850)</u>	<u>(8,869)</u>	<u>732</u>	<u>6,146</u>
<b>CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES:</b>						
Loans from other funds	-	1,263	4,000	-	-	-
Net cash provided by non capital financing activities	<u>-</u>	<u>1,263</u>	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Proceeds from investments	-	-	9,668	-	-	-
Interest	-	-	338	3	2	3
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>10,006</u>	<u>3</u>	<u>2</u>	<u>3</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	2,001	(710)	(1,844)	(8,866)	734	6,149
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>-</u>	<u>710</u>	<u>9,733</u>	<u>8,866</u>	<u>3,805</u>	<u>5,281</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 2,001</u>	<u>\$ -</u>	<u>\$ 7,889</u>	<u>\$ -</u>	<u>\$ 4,539</u>	<u>\$ 11,430</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>						
Operating income (loss)	\$ 2,889	\$ (249)	\$ (15,850)	\$ (8,869)	\$ 732	\$ 6,146
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Effects of changes in assets and liabilities:						
Accounts receivable	(918)	-	\$ -	-	-	-
Prepaid expenses	-	(1,724)	-	-	-	-
Accounts payable and accrued expenses	30	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>\$ 2,001</u>	<u>\$ (1,973)</u>	<u>\$ (15,850)</u>	<u>\$ (8,869)</u>	<u>\$ 732</u>	<u>\$ 6,146</u>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
NONMAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2013**

**SCHEDULE 10  
(CONTINUED)**

	<b>Tech Integration - LaSalle County</b>	<b>RSSP Student Activities</b>	<b>Criminal Background Investigation</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts for workshops and services	\$ 2,925	\$ 318	\$ 16,061	\$ 53,435
Payments to employees	(563)	-	(6,298)	(22,128)
Payments to suppliers	(10,369)	(1,239)	(7,952)	(56,237)
Net cash provided by (used in) operating activities	<u>(8,007)</u>	<u>(921)</u>	<u>1,811</u>	<u>(24,930)</u>
<b>CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES:</b>				
Loans from other funds	-	-	-	5,263
Net cash provided by non capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,263</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Proceeds from investments	-	-	-	9,668
Interest	2	-	7	355
Net cash provided by investing activities	<u>2</u>	<u>-</u>	<u>7</u>	<u>10,023</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(8,005)	(921)	1,818	(9,644)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>8,005</u>	<u>1,739</u>	<u>8,933</u>	<u>47,072</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ -</u>	<u>\$ 818</u>	<u>\$ 10,751</u>	<u>\$ 37,428</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ (8,007)	\$ (921)	\$ 1,408	\$ (22,721)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Effects of changes in assets and liabilities:				
Accounts receivable	-	-	658	(260)
Prepaid expenses	-	-	-	(1,724)
Accounts payable and accrued expenses	-	-	(255)	(225)
Net cash provided by (used in) operating activities	<u>\$ (8,007)</u>	<u>\$ (921)</u>	<u>\$ 1,811</u>	<u>\$ (24,930)</u>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**JUNE 30, 2013**

**SCHEDULE 11**

	<u>Distributive</u>	<u>Payroll</u>	<u>MPW'S ROE/ISC Operations Grant</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 23,034	\$ 1	\$ -	\$ 23,035
Due from other governmental units	-	-	2,172	2,172
	<u>\$ 23,034</u>	<u>\$ 1</u>	<u>\$ 2,172</u>	<u>\$ 25,207</u>
<b>LIABILITIES</b>				
Due to other governmental units	<u>\$ 23,034</u>	<u>\$ 1</u>	<u>\$ 2,172</u>	<u>\$ 25,207</u>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 FIDUCIARY FUNDS

SCHEDULE 12

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
<b>DISTRIBUTIVE</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 11	\$ 5,064,204	\$ 5,041,181	\$ 23,034
<b>LIABILITIES</b>				
Due to other governmental units	\$ 11	\$ 5,064,204	\$ 5,041,181	\$ 23,034
<b>PAYROLL</b>				
<b>ASSETS</b>				
Cash and cash equivalents	2	717,409	717,410	1
<b>LIABILITIES</b>				
Due to other governmental units	2	717,409	717,410	1
<b>MPW'S ROE/ISC OPERATIONS GRANT</b>				
<b>ASSETS</b>				
Cash and cash equivalents	-	23,893	23,893	-
Due from other governmental units	-	2,172	-	2,172
	-	26,065	23,893	2,172
<b>LIABILITIES</b>				
Due to other governmental units	-	26,065	23,893	2,172
<b>TOTAL - ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 13	\$ 5,805,506	\$ 5,782,484	\$ 23,035
Due from other governmental units	-	2,172	-	2,172
	\$ 13	\$ 5,807,678	\$ 5,782,484	\$ 25,207
<b>LIABILITIES</b>				
Due to other governmental units	\$ 13	\$ 5,807,678	\$ 5,782,484	\$ 25,207

DISTRIBUTIVE FUND

SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHERS  
FOR THE YEAR ENDED JUNE 30, 2013

Program	Code	LaSalle County ROE	LEASE	L-P Area Voc. Center	Grand Total
General State Aid	3001	\$ 219,477	\$ -	\$ -	\$ 219,477
Special Ed. - Personnel	3110	-	409,170	-	409,170
State Free Lunch & Breakfast	3360	691	508	-	1,199
Transportation - Regular and Vocational	3500	-	-	19,495	19,495
ROE School Bus Driver Training	3520	1,191	-	-	1,191
Truants Alternative/Optional Ed.	3695	86,565	-	-	86,565
Regional Safe Schools	3696	83,979	-	-	83,979
ROE/ISC Operations	3730	24,870	-	-	24,870
Technology - Learning Technology Centers	3780	37,354	-	-	37,354
National School Lunch Program	4210	14,166	12,963	-	27,129
School Breakfast Program	4220	8,669	7,798	-	16,467
Fresh Fruits and Vegetables	4240	-	1,420	-	1,420
Fed. - Sp. Ed. - Pre-School Flow Through	4600	-	160,139	-	160,139
Fed - Sp. Ed -IDEA - Flow through	4620	-	3,951,035	-	3,951,035
ARRA - Education Jobs Fund Program	4880	365	-	-	365
Title II - Teacher Quality	4932	1,315	-	-	1,315
Interest Income	8801	11	-	-	11
TOTAL		\$ 478,653	\$ 4,543,033	\$ 19,495	\$ 5,041,181