

**State of Illinois
MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
FINANCIAL AUDIT
For the Year Ended June 30, 2015**

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

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 TABLE OF CONTENTS
 JUNE 30, 2015

TABLE OF CONTENTS

	<u>PAGE</u>
Officials	1
Financial Report Summary	2-3
Financial Statement Report Summary	4
 FINANCIAL SECTION	
Independent Auditors’ Report	5-7
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 <i>Government Auditing</i> <i>Standards</i>	8-9
Schedule of Findings and Responses	
Section I – Summary of Auditors’ Results	10
Section II – Financial Statement Findings	11a-11b
Corrective Action Plan for Current Year Audit Findings.....	12
Summary Schedule of Prior Audit Findings.....	13
Management’s Discussion and Analysis	14a-14f
 BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	15
Statement of Activities.....	16
 Fund Financial Statements	
Balance Sheet – Governmental Funds	17
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position – Governmental Funds.....	18
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities – Governmental Funds.....	20

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
TABLE OF CONTENTS
JUNE 30, 2015

Statement of Net Position – Proprietary Fund	21
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Fund	22
Statement of Cash Flows – Proprietary Fund	23
Statement of Fiduciary Net Position – Fiduciary Fund	24
Notes to the Financial Statements	25-58

REQUIRED SUPPLEMENTARY INFORMATION

Illinois Municipal Retirement Fund – Schedule of Changes in the Net Pension Liability & Related Ratios	59
Illinois Municipal Retirement Fund – Schedule of Employer Contributions.....	60
Teachers’ Retirement System of the State of Illinois – Schedule of the Employer’s Proportionate Share of the Net Pension Liability	61
Teachers’ Retirement System of the State of Illinois – Schedule of Employer Contributions.....	61
Other Post-Employment Benefits – Health Insurance Schedule of Funding Progress	62

OTHER SUPPLEMENTARY INFORMATION

Combining Schedule of Accounts General Fund.....	63-65
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – General Fund Accounts.....	66-68
Combining Schedule of Accounts Education Fund	69-71
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Education Fund Accounts	72-74
Budgetary Comparison Schedules Education Fund Account	
Adult Education Performance.....	75
Adult Education Public Assistance.....	76
Adult Education State Basic	77
Adult Education Federal Basic	78
WIS -Year Round Youth Program I	79
Truants Alternative/Optional Education.....	80

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 TABLE OF CONTENTS
 JUNE 30, 2015

ROE/ISC Operations.....	81
Title II Teacher Quality	82
Title II Teacher Quality Leadership.....	83
Ounce of Prevention - Training and Technical.....	84
Regional Safe Schools	85
Early Childhood Block Grant	86
Title I - School Improvement and Accountability	87
Early Childhood Block Grant - Continuing Three to Five	88
Homeless Children Youth Program.....	89
Combining Balance Sheet	
Non-major Special Revenue Funds	90
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Special Revenue Funds.....	91
Combining Statement of Fiduciary Net Position	
Agency Funds	92
Combining Statement of Changes in Assets and Liabilities Agency Funds	93-94
Schedule of Disbursements to School District Treasurers and Other Entities – Distributive Fund.....	95

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
JUNE 30, 2015

OFFICIALS

Regional Superintendent
(Current and During the Audit Period)

Mr. Matthew Snyder

Assistant Regional Superintendent
(Current and During the Audit Period)

Ms. Jill Reedy

Office is located at:

1690 Huston Dr.
Decatur, IL 62526

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
JUNE 30, 2015

FINANCIAL REPORT SUMMARY

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

AUDITORS' REPORTS

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

SUMMARY OF AUDIT FINDINGS

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

There were no audit findings to present in a separate report section.

SUMMARY OF FINDINGS AND RESPONSES

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
-----------------	-------------	--------------------	---------------------

FINDINGS (*GOVERNMENT AUDITING STANDARDS*)

2015-001	11a	Controls over Financial Statement Preparation	Material Weakness
----------	-----	---	-------------------

PRIOR FINDINGS NOT REPEATED (*GOVERNMENT AUDITING STANDARDS*)

None

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
JUNE 30, 2015

FINANCIAL REPORT SUMMARY (Concluded)

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Agency personnel at an informal exit conference on September 10, 2015. Attending were Matthew Snyder, Regional Superintendent, Ann Neal, Director of Business Operations, and Matt Price, Kemper CPA Group LLP. Responses to the recommendations were provided by Ann Neal, Director of Business Operations on December 11, 2015.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
JUNE 30, 2015

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Macon/Piatt Counties Regional Office of Education #39 was performed by Kemper CPA Group LLP, Certified Public Accountants and Consultants.

Based on their audit, the auditors expressed an unmodified opinion on the Macon/Piatt Counties Regional Office of Education #39's basic financial statements.

INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Financial Statements

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Macon/Piatt Counties Regional Office of Education #39, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Macon/Piatt Counties Regional Office of Education #39'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 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 Regional Office of Education #39, as of June 30, 2015, 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.

Emphasis of Matter

As disclosed in Notes 1 and 13 to the financial statements, the Macon/Piatt Counties Regional Office of Education #39 implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB No. 27*, and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, in the current year and has recognized a net pension liability and deferred inflows and outflows of resources related to pensions. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Illinois Municipal Retirement Fund Schedule of Changes in the Net Pension Liability, & Related Ratios, Illinois Municipal Retirement Fund Schedule of Employer Contributions, Teachers' Retirement System of the State of Illinois - Schedule of the Employer's Proportionate Share of the Net Pension Liability, Teachers' Retirement System of the State of Illinois - Schedule of Employer Contributions, and Other Post-Employment Benefits - Health Insurance Schedule of Funding Progress on pages 14a through 14f and pages 59 through 62 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 Macon/Piatt Counties Regional Office of Education #39's basic financial statements. The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and Schedule of Disbursements to School District Treasurers and Other Entities - Distributive Fund are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and Schedule of Disbursements to School District Treasurers and Other Entities – Distributive Fund are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and Schedule of Disbursements to School District Treasurers and Other Entities – Distributive Fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2016, on our consideration of the Macon/Piatt Counties Regional Office of Education #39'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 the Macon/Piatt Counties Regional Office of Education #39's internal control over financial reporting and compliance.

Handwritten signature in black ink that reads "Kemper CPA Group LLP". The signature is written in a cursive, flowing style.

*Certified Public Accountants
and Consultants*

Mattoon, Illinois

June 1, 2016



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

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Macon/Piatt Counties Regional Office of Education #39, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Macon/Piatt Counties Regional Office of Education #39's basic financial statements, and have issued our report thereon dated June 1, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Macon/Piatt Counties Regional Office of Education #39's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Macon/Piatt Counties Regional Office of Education #39's internal control. Accordingly, we do not express an opinion on the effectiveness of the Macon/Piatt Counties Regional Office of Education #39's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Responses, we identified a certain deficiency in internal control that we consider to be a material weakness.

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. We consider the deficiency described in the accompanying Schedule of Findings and Responses as item 2015-001, to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Macon/Piatt Counties Regional Office of Education #39'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*.

Regional Office of Education #39's Responses to Findings

Macon/Piatt Counties Regional Office of Education #39's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. Macon/Piatt Counties Regional Office of Education #39's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Macon/Piatt Counties Regional Office of Education #39'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 Macon/Piatt Counties Regional Office of Education #39's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kemper CPA Group LLP

*Certified Public Accountants
and Consultants*

Mattoon, Illinois
June 1, 2016

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
● Material weaknesses identified?	Yes
● Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
SCHEDULE OF FINDINGS AND RESPONSES
SECTION II - FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding No. 2015-001 – Controls over Financial Statement Preparation

Criteria/Specific Requirement:

The Macon/Piatt Counties Regional Office of Education #39 (ROE) is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). The ROE’s internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge, skills and experience to prepare GAAP basis financial statements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

GASB Statements No. 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27 and No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68, require governments to record and present net accrued pension liabilities/assets, deferred outflows of resources, deferred inflows of resources and pension expenses. These standards further prescribe the methods and assumptions that are to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of service.

Condition:

The ROE did not have sufficient internal controls over the financial reporting process in order to record and present the pension information in accordance with these standards. The ROE maintains its accounting records on cash basis of accounting during the fiscal year and posts year-end accrual and other applicable entries for financial statement purposes. While the ROE maintains controls over the processing of most accounting transactions and prepares its financial statements, there were not sufficient controls over the preparation of GAAP basis financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

Through inquiries and discussions with the ROE’s accounting personnel and Regional Superintendent, auditors noted that the ROE did not have adequate controls to record and report the ROE’s net accrued pension liabilities/assets, deferred outflows of resources, deferred inflows of resources and pension expenses in accordance with GAAP.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
SCHEDULE OF FINDINGS AND RESPONSES
SECTION II - FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015

SECTION II – FINANCIAL STATEMENT FINDINGS (Concluded)

Finding No. 2015-001 – Controls over Financial Statement Preparation (Concluded)

Effect:

The ROE's management or its employees, in the normal course of performing their assigned functions, may not prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

Cause:

According to the ROE's management, the complex requirements of GASB Statements No. 68 and No. 71 were new for fiscal year 2015 and will require additional time and training before the ROE can fully implement the requirements on its own.

Auditors' Recommendation:

As part of internal control over the preparation of financial statements, the ROE should implement comprehensive preparation procedures to ensure that the financial statements are complete and accurate. These procedures should be performed by a properly trained individual possessing a thorough understanding of the applicable GAAP, GASB pronouncements, and knowledge of the ROE's activities and operations.

Management's Response:

The GASB Statements No. 68 and No. 71 were new for all ROE's this year with no understanding of how to prepare the financial statements for this. We accept this finding and will be working with our current auditors to learn how to prepare the financial statements for next year.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
CORRECTIVE ACTION PLAN FOR CURRENT-YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015

CORRECTIVE ACTION PLAN

Finding No. 2015-001 – Controls over Financial Statement Preparation

Condition:

The ROE did not have sufficient internal controls over the financial reporting process in order to record and present the pension information in accordance with these standards. The ROE maintains its accounting records on cash basis of accounting during the fiscal year and posts year-end accrual and other applicable entries for financial statement purposes. While the ROE maintains controls over the processing of most accounting transactions and prepares its financial statements, there were not sufficient controls over the preparation of GAAP basis financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

Through inquiries and discussions with the ROE's accounting personnel and Regional Superintendent, auditors noted that the ROE did not have adequate controls to record and report the ROE's net accrued pension liabilities/assets, deferred outflows of resources, deferred inflows of resources and pension expenses in accordance with GAAP.

Plan:

As part of internal control over the preparation of financial statements, the ROE will implement comprehensive preparation procedures to ensure that the financial statements are complete and accurate. These procedures will be performed by a properly trained individual possessing a thorough understanding of the applicable GAAP, GASB pronouncements, and knowledge of the ROE's activities and operations.

Anticipated Date of Completion:

June 30, 2016

Contact Person Responsible for Corrective Action:

Mr. Matthew Snyder, Regional Superintendent

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2015

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
--------------------	------------------	-----------------------

There were no audit findings for the year ended June 30, 2014.

MANAGEMENT'S DISCUSSION AND ANALYSIS

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

The Macon/Piatt Counties Regional Office of Education #39 provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2015. Readers are encouraged to consider the information in conjunction with the Regional Office's financial statements which follows.

2015 Financial Highlights

- Within the Governmental Funds, the General Fund revenues decreased by \$658,807 from \$3,172,448 in FY14 to \$2,513,641 in FY15. General Fund expenditures decreased by \$698,716 from \$3,311,540 in FY14 to \$2,612,824 in FY15. The decrease in General Fund revenues was a result of loss of funding for the General State Aid, no lunch program for Safe Schools, slight decrease in tuition for St. Mary's School Program and little contributions for the Spelling Bee fund. The decrease in General Fund expenditures is a result of the continued loss of General State Aid funding at the 87% proration Foundation level.
- Within the Governmental Funds, the Education Fund and Non-Major Funds revenue decreased by \$740 from \$1,760,107 in FY14 to \$1,759,367 in FY15. The Special Revenue Fund expenditures increased by \$4,992 from \$1,757,007 in FY14 to \$1,761,999 in FY15. This was a result of more expenses in the Non-Major funds; salaries and benefits in Teacher Certification and GED funds.
- Within the Proprietary Funds, revenues increased \$22,624 from \$3,176 in FY14 to \$25,800 in FY15. Expenditures increased \$8,497 from \$7,527 in FY14 to \$16,024 in FY15. This was a result of an increase of workshops for professional development.

Using This Report

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

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Regional Office'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 Regional Office of Education as a whole and present an overall view of the Regional Office's finances.
- Fund financial statements report the Regional Office'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 further explains and supports the financial statements and supplementary information provides detail information about the non-major funds.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Reporting the office as a Whole

The Statement of Net Position and the Statement of Activities

The Government-wide statements report information about the Regional Office as a whole. The Statement of Net Position includes all of the assets and liabilities. All of the current year revenue and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid, using accounting methods similar to those used by private-sector companies.

The two Government-wide statements report the Regional Office's net position and how it has changed. Net position – the difference between the assets plus deferred outflows and liabilities plus deferred inflows – are one way to measure the Regional Office's financial health or position.

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

The Government-wide financial statements present all of the Regional Office's activities as governmental and business-type activities. Local, State and federal monies finance most of these activities.

Fund Financial Statements

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

The Regional Office has three kinds of funds:

1. Governmental funds account for all of the Regional Office's services. 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 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 Regional Office's programs. The Regional Office's Governmental Funds include: the General Fund and the Special Revenue funds, which include education and other non major 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' are funds generated from hosting educational workshops for professional development.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Reporting the office as a Whole (Concluded)

The proprietary funds' required financial statements include a Statement of Net Position, a 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 Regional Office 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.

Office-Wide Financial Analysis

As noted earlier, net position may serve when examined over time as one indicator of the financial position of the Regional Office. The net position at the end of FY15 totaled (\$233,709). The analysis that follows provides a summary of the Regional Office's net position at June 30, 2015 and 2014.

June 30, 2015 and 2014

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current assets	\$ 2,698,545	\$ 2,778,368	\$ 17,046	\$ 7,320	\$ 2,715,591	\$ 2,785,688
Noncurrent, net	19,371	29,340	-	-	19,371	29,340
Total assets	<u>2,717,916</u>	<u>2,807,708</u>	<u>17,046</u>	<u>7,320</u>	<u>2,734,962</u>	<u>2,815,028</u>
Deferred outflows of resources	293,942	-	-	-	293,942	-
Current liabilities	124,952	103,753	119	169	125,071	103,922
Noncurrent liabilities	1,177,330	-	-	-	1,177,330	-
Total liabilities	<u>1,302,282</u>	<u>103,753</u>	<u>119</u>	<u>169</u>	<u>1,302,401</u>	<u>103,922</u>
Deferred inflows of resources	1,960,212	-	-	-	1,960,212	-
Net position:						
Invested in capital assets	19,371	29,340	-	-	19,371	29,340
Restricted - other	151,758	154,390	-	-	151,758	154,390
Unrestricted	(421,765)	2,520,225	16,927	7,151	(404,838)	2,527,376
Total net position	<u>\$ (250,636)</u>	<u>\$ 2,703,955</u>	<u>\$ 16,927</u>	<u>\$ 7,151</u>	<u>\$ (233,709)</u>	<u>\$ 2,711,106</u>

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

The following analysis shows the changes in net position for the years ended June 30, 2015 and 2014.

CHANGES IN NET POSITION
For the Years Ended June 30, 2015 and 2014

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ -	\$ -	\$ 25,800	\$ 3,176	\$ 25,800	\$ 3,176
Operating grants and contributions	1,640,791	1,725,244	-	-	1,640,791	1,725,244
General revenues:						
Local sources	1,625,781	1,415,615	-	-	1,625,781	1,415,615
State sources	712,947	703,600	-	-	712,947	703,600
Administrative:						
On-behalf payments - State	1,426,347	1,088,096	-	-	1,426,347	1,088,096
Interest	793	6,156	-	-	793	6,156
Total revenues	<u>5,406,659</u>	<u>4,938,711</u>	<u>25,800</u>	<u>3,176</u>	<u>5,432,459</u>	<u>4,941,887</u>
Expenses:						
Program expenses:						
Instructional services:						
Salaries and benefits	2,597,879	3,049,198	-	-	2,597,879	3,049,198
Purchased services	1,217,241	820,247	-	-	1,217,241	820,247
Supplies and materials	107,244	91,928	-	-	107,244	91,928
Other objects	2,695	8,642	-	-	2,695	8,642
Depreciation expense	16,661	25,577	-	-	16,661	25,577
Pension expense (income)	(235,045)	-	-	-	(235,045)	-
Administrative:						
On-behalf payments - State	1,426,347	1,088,096	-	-	1,426,347	1,088,096
Business-type expenses	-	-	16,024	7,527	16,024	7,527
Total expenses	<u>5,133,022</u>	<u>5,083,688</u>	<u>16,024</u>	<u>7,527</u>	<u>5,149,046</u>	<u>5,091,215</u>
Change in net position	273,637	(144,977)	9,776	(4,351)	283,413	(149,328)
Net position, beginning of year	(524,273)	2,848,932	7,151	11,502	(517,122)	2,860,434
Net position, end of year	<u>\$ (250,636)</u>	<u>\$ 2,703,955</u>	<u>\$ 16,927</u>	<u>\$ 7,151</u>	<u>\$ (233,709)</u>	<u>\$ 2,711,106</u>

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Governmental Activities

Revenues for governmental activities were \$5,406,659 and expenses were \$5,133,022. The Regional Office experienced a decrease in net position of \$2,954,591. The decrease was a result of implementing GASB 68 and consequently recognizing deferred outflows of resources, deferred inflows of resources, and net pension liability of \$3,228,227.

Financial Analysis of the Regional Office's Funds

As previously noted, the Regional Office uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Regional Office's governmental funds' reported combined fund balances of \$2,573,593 for FY15, a decrease of \$101,022 under FY14 fund balance of \$2,674,615.

Governmental Fund Highlights:

- County support for the Regional Office was reduced by 5% in FY15.
- The State aid foundation level was reduced to 87% of the Foundation Level of \$6,119 for FY15.
- Became the fiscal agent for School Improvement Grant for East St. Louis and Cahokia CUSD's.

Proprietary Fund Highlights:

- In FY15, the Regional Office offered 43 teacher workshops. As of July 1, 2015, the Regional Office anticipates having at least 40 workshops in FY16.
- The Regional Office offered 17 teacher workshops in FY14. The increase in teacher workshops in FY15 is reflected in the increase in both revenues and expenses.

Budgetary Highlights:

The Regional Office annually adopts budgets for several funds. The Heartland Vocational Cooperative budget is prepared by the program coordinator and serves as a guideline for activities and expenditures. This is considered separate from the Regional Office. It is audited on an annual basis by an outside auditing firm and budgets are submitted to the Illinois State Board of Education. The Regional Superintendent annually prepares an Office Operations Budget and submits it to the two county boards 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 Regional Office and submitted to the granting agency for approval. Amendments must be submitted under guidelines established by the granting agency. Schedules showing the budget amounts compared to the Regional Office's actual financial activity are included in the supplementary information of this report.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Capital Assets

Capital assets of the Regional Office include office equipment, lease improvements, computers, audio-visual equipment and office furniture. The Regional Office maintains an inventory of capital assets which have been accumulated over time. Governmental activities net capital assets for FY15 were \$19,371 and for FY14 were \$29,340. Excess depreciation expense over current year capital asset additions has caused the net book value of capital assets to decrease in FY15.

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 continues to increase very slightly and will impact interest earned.
- Grant funding will remain consistent for Illinois State Board of Education-Regional Safe Schools Program, Truants Alternative/Optional Education Program, and Early Childhood Programs.
- The state will prorate General State Aid at 92% of Foundation Level.
- County funding for FY16 will likely decrease from the FY15 level.
- The Regional Office will continue to be the fiscal agent for School Improvement 1003(g) grant for East St. Louis and Danville School Districts (1/2 year).
- Consolidation of Regional Office of Education programs with Decatur Public Schools #61 could result in the Regional Office receiving increased funding.

Contacting the Regional Office's Financial Management

This financial report is designed to provide the Regional Offices' 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 Macon/Piatt Counties Regional Office of Education #39 at 1690 Huston Drive, Decatur, IL 62526.

BASIC FINANCIAL STATEMENTS

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
STATEMENT OF NET POSITION
JUNE 30, 2015

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 2,196,462	\$ 14,496	\$ 2,210,958
Due from other governments:			
Local	261,867	2,550	264,417
State	137,008	-	137,008
Federal	20,065	-	20,065
Accounts receivable	83,143	-	83,143
Total current assets	<u>2,698,545</u>	<u>17,046</u>	<u>2,715,591</u>
NONCURRENT ASSETS			
Capital assets, net of depreciation	<u>19,371</u>	-	<u>19,371</u>
TOTAL ASSETS	<u>2,717,916</u>	<u>17,046</u>	<u>2,734,962</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	<u>293,942</u>	-	<u>293,942</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	27,321	-	27,321
Accrued payroll and benefits	94,367	119	94,486
Unearned revenue	3,264	-	3,264
TOTAL CURRENT LIABILITIES	<u>124,952</u>	<u>119</u>	<u>125,071</u>
NONCURRENT LIABILITIES			
Net pension liability	<u>1,177,330</u>	-	<u>1,177,330</u>
TOTAL LIABILITIES	<u>1,302,282</u>	<u>119</u>	<u>1,302,401</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	<u>1,960,212</u>	-	<u>1,960,212</u>
NET POSITION			
Invested in capital assets	19,371	-	19,371
Restricted - other	151,758	-	151,758
Unrestricted	(421,765)	16,927	(404,838)
TOTAL NET POSITION	<u>\$ (250,636)</u>	<u>\$ 16,927</u>	<u>\$ (233,709)</u>

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

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities	
Primary Government:						
Governmental Activities:						
Instructional Services						
Salaries and benefits	\$ 2,597,879	\$ -	\$ 1,226,084	\$ (1,371,795)	\$ -	\$ (1,371,795)
Purchased services	1,217,241	-	360,274	(856,967)	-	(856,967)
Supplies and materials	107,244	-	47,741	(59,503)	-	(59,503)
Other objects	2,695	-	-	(2,695)	-	(2,695)
Depreciation expense	16,661	-	-	(16,661)	-	(16,661)
Capital outlay	-	-	6,692	6,692	-	6,692
Pension expense (income)	(235,045)	-	-	235,045	-	235,045
Administrative:						
On-behalf payments - State	1,426,347	-	-	(1,426,347)	-	(1,426,347)
Total Governmental Activities	<u>5,133,022</u>	<u>-</u>	<u>1,640,791</u>	<u>(3,492,231)</u>	<u>-</u>	<u>(3,492,231)</u>
Business-Type Activities:						
Workshop fees	16,024	25,800	-	-	9,776	9,776
Total Business-Type Activities	<u>16,024</u>	<u>25,800</u>	<u>-</u>	<u>-</u>	<u>9,776</u>	<u>9,776</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 5,149,046</u>	<u>\$ 25,800</u>	<u>\$ 1,640,791</u>	<u>(3,492,231)</u>	<u>9,776</u>	<u>(3,482,455)</u>
GENERAL REVENUES:						
Local sources				1,625,781	-	1,625,781
State sources				712,947	-	712,947
On-behalf payments - State				1,426,347	-	1,426,347
Investment earnings				793	-	793
Total General Revenues				<u>3,765,868</u>	<u>-</u>	<u>3,765,868</u>
CHANGE IN NET POSITION				273,637	9,776	283,413
NET POSITION - BEGINNING, (restated - See Note 13)				<u>(524,273)</u>	<u>7,151</u>	<u>(517,122)</u>
NET POSITION - ENDING				<u>\$ (250,636)</u>	<u>\$ 16,927</u>	<u>\$ (233,709)</u>

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

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Education Fund	Non-Major Funds	Eliminations	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 2,012,592	\$ 32,642	\$ 151,228	\$ -	\$ 2,196,462
Due from other funds	351,814	-	-	(351,814)	-
Due from other governments:					
Local	237,439	24,028	400	-	261,867
State	-	137,008	-	-	137,008
Federal	-	20,065	-	-	20,065
Accounts receivable	83,143	-	-	-	83,143
TOTAL ASSETS	\$ 2,684,988	\$ 213,743	\$ 151,628	\$ (351,814)	\$ 2,698,545
LIABILITIES					
Accounts payable	\$ 24,152	\$ 3,049	\$ 120	\$ -	\$ 27,321
Accrued payroll and benefits	54,335	39,888	144	-	94,367
Due to other funds	184,172	167,642	-	(351,814)	-
Unearned revenue	494	2,770	-	-	3,264
Total Liabilities	263,153	213,349	264	(351,814)	124,952
FUND BALANCES (DEFICIT)					
Restricted	-	394	151,364	-	151,758
Assigned	40,048	-	-	-	40,048
Unassigned	2,381,787	-	-	-	2,381,787
Total Fund Balances (Deficit)	2,421,835	394	151,364	-	2,573,593
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)					
	\$ 2,684,988	\$ 213,743	\$ 151,628	\$ (351,814)	\$ 2,698,545

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

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

TOTAL FUND BALANCES — GOVERNMENTAL FUNDS	\$ 2,573,593
--	--------------

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	19,371
---	--------

Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore are not reported in the governmental funds as follows:

Deferred outflows of resources	\$ 293,942	
Deferred inflows of resources	<u>(1,960,212)</u>	(1,666,270)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds

IMRF net pension liability	\$ (73,721)	
TRS net pension liability	<u>(1,103,609)</u>	<u>(1,177,330)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ <u>(250,636)</u>
---	---------------------

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	General Fund	Education Fund	Non-Major Funds	Eliminations	Total Governmental Funds
REVENUES					
Local sources	\$ 1,445,586	\$ 138,373	\$ 41,822	\$ -	\$ 1,625,781
State sources	774,566	1,488,823	1,140	-	2,264,529
On-behalf payments - State	293,489	-	-	-	293,489
Federal sources	-	89,209	-	-	89,209
Total Revenues	<u>2,513,641</u>	<u>1,716,405</u>	<u>42,962</u>	<u>-</u>	<u>4,273,008</u>
EXPENDITURES					
Instructional Services:					
Salaries and benefits	1,360,186	1,226,084	11,609	-	2,597,879
Pension expense	68,762	79,830	991	-	149,583
Purchased services	824,282	360,274	32,685	-	1,217,241
Supplies and materials	59,194	47,741	309	-	107,244
Other objects	2,695	-	-	-	2,695
On-behalf payments - State	293,489	-	-	-	293,489
Capital outlay	4,216	2,476	-	-	6,692
Total Expenditures	<u>2,612,824</u>	<u>1,716,405</u>	<u>45,594</u>	<u>-</u>	<u>4,374,823</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(99,183)</u>	<u>-</u>	<u>(2,632)</u>	<u>-</u>	<u>(101,815)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	140,338	-	-	(140,338)	-
Transfers out	(140,338)	-	-	140,338	-
Interest	793	-	-	-	793
Total Other Financing Sources (Uses)	<u>793</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>793</u>
NET CHANGE IN FUND BALANCE (DEFICIT)	(98,390)	-	(2,632)	-	(101,022)
FUND BALANCE (DEFICIT) - BEGINNING	<u>2,520,225</u>	<u>394</u>	<u>153,996</u>	<u>-</u>	<u>2,674,615</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ 2,421,835</u>	<u>\$ 394</u>	<u>\$ 151,364</u>	<u>\$ -</u>	<u>\$ 2,573,593</u>

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

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

NET CHANGE IN FUND BALANCES — GOVERNMENTAL FUNDS \$ (101,022)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 6,692	
Depreciation expense	<u>(16,661)</u>	(9,969)

Certain expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Pension contributions	\$ 149,583	
Cost of benefits earned, net	<u>235,045</u>	<u>384,628</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 273,637

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

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 STATEMENT OF NET POSITION
 PROPRIETARY FUND
 JUNE 30, 2015

	Business-Type Activities - Enterprise Fund	
	Workshop Reimbursement	Total
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 14,496	\$ 14,496
Due from other governments:		
Local	2,550	2,550
TOTAL ASSETS	17,046	17,046
LIABILITIES		
Current Liabilities:		
Accrued payroll and benefits	119	119
TOTAL LIABILITIES	119	119
NET POSITION		
Unrestricted	16,927	16,927
TOTAL NET POSITION	\$ 16,927	\$ 16,927

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

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUND
 FOR THE YEAR ENDED JUNE 30, 2015

	Business-Type Activities - Enterprise Fund	
	Workshop Reimbursement	Total
OPERATING REVENUES		
Workshop fees	\$ 25,800	\$ 25,800
Total Operating Revenues	25,800	25,800
OPERATING EXPENSES		
Salaries and benefits	545	545
Purchased services	6,448	6,448
Supplies and materials	9,031	9,031
Total Operating Expenses	16,024	16,024
CHANGE IN NET POSITION	9,776	9,776
TOTAL NET POSITION - BEGINNING	7,151	7,151
TOTAL NET POSITION - ENDING	\$ 16,927	\$ 16,927

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

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Business-Type Activities - Enterprise Fund	
	Workshop Reimbursement	Total
Cash Flows from Operating Activities:		
Receipts from customers	\$ 23,325	\$ 23,325
Payments to suppliers and providers of goods and services	(15,525)	(15,525)
Payments to employees	(549)	(549)
Net cash provided by operating activities	7,251	7,251
 Net increase in cash	 7,251	 7,251
 Cash and cash equivalents - Beginning	 7,245	 7,245
Cash and cash equivalents - Ending	\$ 14,496	\$ 14,496
 Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 9,776	\$ 9,776
 Adjustments to reconcile operating income to net cash provided by operating activities:		
Increase in due from other governments	(2,475)	(2,475)
Decrease in accounts payable	(46)	(46)
Decrease in accrued payroll and benefits	(4)	(4)
Net cash provided by operating activities	\$ 7,251	\$ 7,251

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

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUND
 JUNE 30, 2015

	Agency Funds
ASSETS	
Cash and cash equivalents	\$ 248,924
Due from other governments	2,496,347
TOTAL ASSETS	\$ 2,745,271
 LIABILITIES	
Accounts payable	\$ 54,773
Due to other governments	2,690,498
TOTAL LIABILITIES	\$ 2,745,271

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

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Macon/Piatt Counties Regional Office of Education #39 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

In 2015, the Regional Office of Education #39 implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB No. 27*; GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*; and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. The Regional Office of Education #39 implemented these standards during the current year. The implementation of GASB Statement No. 68 established new financial reporting requirements for state and local governments which provide their employees with pension benefits, including additional note disclosures and required supplementary information. In addition, the Statement of Net Position was expected to include a significant liability for the government's proportionate share of employee pension plan. The implementation of GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The implementation of GASB Statement No. 71 resolves an issue related to amounts associated with contributions, if any, made by a state or local government employer or non-employer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

A. DATE OF MANAGEMENT'S REVIEW

Management has evaluated subsequent events through June 1, 2016, the date when the financial statements were available to be issued.

B. FINANCIAL REPORTING ENTITY

The Regional Superintendent is charged with responsibility for township fund lands; registration of the names of applicants for scholarships to State-controlled universities; examinations and related duties; visitation of public schools; direction of teachers and school officers; to serve as the official advisor and assistant of school officers and teachers; to conduct teachers institutes as well as to aid and encourage the formation of other teachers' meetings and assist in their management; to evaluate the schools in the region; to examine evidence of indebtedness; to file and keep the returns of elections required to be returned to the Regional Superintendent's office; and to file and keep the reports and statements returned by school treasurers and trustees.

The Regional Superintendent is also charged with the responsibilities of conducting a special census, when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of the school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education #39's districts; providing township treasurers with a list of district treasurers; to inspect and approve building plans which comply with State law; to perform and report on annual building inspections; to investigate bus drivers for valid bus driver permits and take related action as may be required; to maintain a list of unfilled teaching positions and to carry out other related duties required or permitted by law.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FINANCIAL REPORTING ENTITY (Concluded)

The Regional Superintendent is responsible for inspection and approval or rejection of school treasurers' bonds. The Regional Superintendent is also required to provide the State Board of Education with an affidavit showing that the treasurers of school districts within their region are properly bonded.

The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for the districts in the region, or see that no payments are made unless the treasurer has filed or renewed appropriate bond and that the district has certified publication of the annual financial report. The Regional Superintendent is required to provide opinions and advice related to controversies under school law.

For the period ended June 30, 2015, the Regional Office of Education #39 applied for, received, and administered numerous State and federal programs and grants in assistance and support of the educational activities of the school districts in Regional Office of Education #39. Such activities are reported as a single special revenue fund (Education Fund).

C. SCOPE OF THE REPORTING ENTITY

The Regional Office of Education #39's reporting entity includes all related organizations for which they exercise oversight responsibility.

The Regional Office of Education #39 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the region, including districts or joint agreements which serve pupils from numerous regions, should be included in its financial reporting entity. The criteria include, but are not limited to, whether the Regional Office of Education #39 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The districts and joint agreements have been determined not to be a part of the reporting entity after applying the manifesting of oversight, scope of public service, and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the Regional Office of Education #39 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education #39 is not aware of any entity, which would exercise such oversight as to result in the Regional Office of Education #39 being considered a component unit of the entity.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Regional Office of Education #39's activities with most of the inter-fund activities removed. Governmental activities include programs supported primarily by State and federal grants and other intergovernmental revenues. The Regional Office of Education has one business-type activity that relies on fees and charges for support.

The Regional Office of Education #39's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present a summary of governmental and business-type activities for the Regional Office of Education #39 accompanied by a total column. These statements are presented on an "economic resources" measurement focus as prescribed by GASB Statement No. 34. All of the Regional Office of Education #39's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges for services, and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to inter-fund activities, such as, payables, receivables and transfers. Inter-fund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position and as other resources and other uses on the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and on the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Position. All inter-fund transactions between governmental funds are eliminated on the government-wide financial statements. Inter-fund activities between governmental funds and business-type funds remain as due to/due from on the government-wide financial statements. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities. In the Statement of Activities those transactions between governmental and business-type activities have not been eliminated.

The purpose of inter-fund borrowing and permanent transfers is to cover temporary or permanent short falls in cash flow within grant programs and funds.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. PROPRIETARY FUND FINANCIAL STATEMENTS

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and non-major funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

F. GOVERNMENTAL FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

The governmental fund financial statements have been prepared in accordance with generally accepted accounting principles on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues received more than 60 days after the end of the current period are deferred in the governmental fund financial statements but are recognized as current revenues in the government-wide financial statements. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for prepaid expenses, and other long-term obligations, which are recognized when paid.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The governmental funds financial statements focus on the measurement of spending, or “financial flow,” and the determination of changes in financial position, rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

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, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Regional Office of Education #39; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually recoverable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible-to-accrual criteria are met.

Under the terms of grant agreements, Macon/Piatt Counties Regional Office of Education #39 funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funding resources available to finance the program. It is the Regional Office of Education #39’s policy to first apply restricted funds to such programs, and then unrestricted funds. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned funds if any.

H. FUND ACCOUNTING

The Regional Office of Education #39 uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Regional Office of Education #39 uses governmental, proprietary, and fiduciary funds.

Governmental funds are those through which most governmental functions typically are reported. Governmental funds reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS

As prescribed by GASB Statement No. 34, governmental fund reporting focuses on the major funds, rather than on the fund type. There is a two-step process for determining if a fund should be reported as a major fund: (1) total assets, (including deferred outflows), liabilities, (including deferred inflows), revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 10% of the corresponding total for the fund type, and (2) total assets, (including deferred outflows), liabilities, (including deferred inflows), revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as non-major funds. The Regional Office of Education #39 has presented all major funds that met the above qualifications.

The Regional Office of Education #39 reports the following major governmental funds:

General Fund - The General Fund is the operating fund of the Regional Office of Education #39. It is used to account for all financial resources in the Region except those required to be accounted and reported for in other funds. General Funds include the following:

General - This fund accounts for interest earned on Distributive Fund monies.

Business Office - This fund accounts for various business office expenditures, such as insurance, utilities, rent, and business personnel, and reimbursements from Macon and Piatt counties to help cover these costs. It also accounts for pop machine revenues and expenditures as well as interest on the pooled cash account.

Water Street Pop Fund - This program accounts for revenue and expenses from the pop machine at the Water Street facility.

Adult Education - The program accounts for General State Aid proceeds used for adult education.

Junior Achievement - This program accounts for sales of candy, etc.

ADA State Aid - This program accounts for General State Aid for the Futures Unlimited School.

Futures Pop Fund - This program accounts for revenue and expenses from the Futures Unlimited pop machine.

St. Mary's Hospital School - This program accounts for charges to local school districts for educational services provided to students being treated by St. Mary's Adolescent Mental Health Services.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

General Fund (Concluded)

Student Council - This program accounts for the sales of candy, bake sales, etc. for class trips.

Recycling and Energy - This program accounts for proceeds from Caterpillar, Inc., for recycling and energy education curriculum for all students (K-12) in Macon and Piatt Counties.

Teachers' Exchange - This program accounts for revenue generated by fees from classes from Eastern Illinois University graduate classes.

General State Aid and Lunch and Breakfast - This program accounts for General State Aid received from the Illinois State Board of Education based on the average daily attendance at the Regional Safe School and accounts for federal and State nutrition reimbursements.

Baby Talk - This program accounts for monies for outreach and family literacy programs, STEPS Early Intervention, and resources for professionals, including professional training, certification seminars, and an extensive program curriculum.

Department of Corrections - GED Contract - This program provides GED testing at Decatur, Taylorville, Lincoln, Logan, Danville, and Pontiac correctional facilities.

Futures Foundation - This program accounts for Futures Unlimited contributions from the Community Foundation of Decatur/Macon County and various other donors.

Spelling Bee - This fund accounts for activities related to the Macon County spelling bee winner and other award expenses.

School Improvement - This fund accounts for activities related to an agreement between the Regional Office and Egyptian, DePue, and Sandoval school districts. The Regional Office provides services to the three school districts through the parameters set by the School Improvement Grant - Section 1003(g).

Major Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources (other than fiduciary or major capital projects) that are restricted to expenditures for specified purposes. Major Special Revenue Funds include the following:

Education Fund - This fund is used to account for and report the proceeds of specific revenue sources that are restricted by grant agreements or contracts to expenditures for specified purposes supporting education enhancement programs as follows:

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

Major Special Revenue Funds (Continued)

Education Fund (Continued)

Adult Education Performance - This program accounts for the proceeds of a grant awarded by the Illinois Community College Board under its Adult Education program.

Adult Education Public Assistance - This program accounts for the proceeds of a grant awarded by the Illinois Community College Board under its Adult Education program.

Adult Education State Basic - This program accounts for the proceeds of a grant awarded by the Illinois Community College Board under its Adult Education program.

Adult Education Federal Basic - This fund accounts for the proceeds of a U.S. Department of Education grant passed through the Illinois Community College Board. The purpose of this and the other Adult Education programs is to improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary for literate functioning. The programs are also to enable adults who so desire to complete secondary school, enable adults to benefit from job training and retaining programs, and enable adults to obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship.

Workforce Investment Solutions (WIS) - Year Round Youth Program I - This program accounts for an adult/teen GED program that allows youth ages 16 - 21 access to intensive workforce training, as well as opportunities for educational growth.

Truants Alternative/Optional Education - This program accounts for the proceeds of a grant from the Illinois State Board of Education to provide educational opportunities for drop-outs and truants.

ROE/ISC Operations - These funds are provided by the Illinois State Board of Education, through a budget application process, to the Regional Office to provide professional development to district schools and teachers in Macon and Piatt county school districts.

Title II Teacher Quality - This program accounts for the proceeds of a grant from the Illinois State Board of Education to improve teacher effectiveness in the classroom.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

Major Special Revenue Funds (Continued)

Education Fund (Continued)

Title II Teacher Quality Leadership - This program accounts for the use of purchasing the evaluation training for teachers and evaluator training for principals through Growth Through Learning Illinois.

Ounce of Prevention - Training and Technical - This program accounts for the proceeds of a grant from the Illinois State Board of Education to train people in Prevention Initiative program through the Baby Talk MODEL.

Regional Safe Schools - This program accounts for the proceeds of a grant from the Illinois State Board of Education to remove violent and unproductive youths from a public school setting and place them in a program where they can receive individualized attention.

Early Childhood Block Grant - This program accounts for the proceeds of a grant awarded by the Illinois State Board of Education for the systematic identification and recruitment of teen moms and dads and the delivery of culturally appropriate education in order to engage them in their child's learning.

Not on Tobacco - This program accounts for a grant awarded to Futures Unlimited for students to learn the hazards of tobacco products.

Title I - School Improvement and Accountability - This program accounts for grant proceeds to meet Illinois State Board of Education requirements for continuous improvement planning, new Illinois learning standards, and training presentations.

Early Childhood Block Grant - Continuing Three to Five - This program accounts for the proceeds of a grant from the Illinois State Board of Education for early childhood and family education programs and services that help young children enter school ready to learn.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Concluded)

Major Special Revenue Funds (Concluded)

Education Fund (Concluded)

Homeless Children Youth Program - This program accounts for the proceeds of a grant from the Illinois State Board of Education for identification, referral, and enrollment of homeless and displaced youth in Macon County schools.

Professional Development - This program provides professional development of Statewide Common Core Development Train the Trainer Trainings by working with multiple agencies to coordinate, develop and conduct the trainings.

The Regional Office of Education #39 reports the following non-major governmental funds:

Non-major Special Revenue Funds - Non-major special revenue funds include the following:

Institute Fund - This fund accounts for the proceeds earned from teacher registration, license renewals, and examinations. The proceeds are used to pay administrative expenses incurred on behalf of the teachers' institute, such as licenses, workshops, and general meetings, to ensure compliance with 105 ILCS 5/3-12. All funds generated remain restricted until expended only on the aforementioned activities.

General Education Development (GED) - This program accounts for monies received from students who participate in the high school equivalency programs. These proceeds are used to pay the administrative expenses incurred to administer the GED program.

Bus Permit - Experienced bus drivers must take a two-hour refresher course annually, while all new drivers must take an eight-hour course in bus driver safety and first aid prescribed by the Illinois State Board of Education and administered by the Regional Office. These monies are used to pay the administrative expenses incurred to ensure compliance with 105 ILCS 5/3-14.23 (school bus driver permits).

PROPRIETARY FUND

Proprietary Fund - The Proprietary Fund accounts for revenue and expenses related to services provided to organizations within the region on a cost-reimbursement basis. The Regional Office of Education #39 reports the following proprietary fund:

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Concluded)

PROPRIETARY FUND (Concluded)

Workshop Reimbursement - This program provides workshops for professional development presented by Regional Office of Education employees.

FIDUCIARY FUNDS

Agency Funds - Agency Funds are used to account for assets held by the Regional Office of Education #39 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency Funds include the following:

Distributive Fund - This fund accounts for the assets held by the Regional Office of Education #39 to be distributed to local school districts and other governmental units. The Regional Office of Education #39 has agreements with all entities that receive distributions from this fund to keep all accumulated interest.

Heartland Region Fund - This fund accounts for the assets held for the benefit of Heartland Region, an intergovernmental agreement between school districts that provides quality and efficient delivery of orientation and skill level vocational programs accessible to all residents in member districts.

Regional Board of Trustees - This program accounts for receipts and disbursements related to school annexation, consolidations, and school grievances.

School Occupation Facility Tax - This fund accounts for the assets held by the Regional Office of Education #39 to be distributed to local school districts. Monies are received from the State Comptroller for the School Facilities Occupation Tax and are forwarded directly to the school districts.

I. GOVERNMENTAL FUND BALANCES

Governmental fund equity is classified as fund balance. Fund balance is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in a Governmental Fund. The following types of fund balances may be presented in the Governmental Funds Balance Sheet and Governmental Funds Combining Schedule of Accounts:

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. GOVERNMENTAL FUND BALANCES (Concluded)

Nonspendable Fund Balance - The portion of a Governmental Fund's net position that is not available to be spent, either short term or long term, due to either their form or legal restrictions. The Regional Office of Education #39 has no nonspendable fund balances.

Restricted Fund Balance - The portion of a Governmental Fund's net position that is subject to external enforceable legal restrictions. The following account fund balance is restricted by grant agreements or contracts: Not on Tobacco. The following funds are restricted by Illinois Statute: Institute, General Education Development, and Bus Permit funds.

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 Regional Office of Education #39 has no committed fund balances.

Assigned Fund Balance - The portion of a Governmental Fund's net position for which an intended use of resources has been denoted. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The Regional Office of Education #39 has assigned fund balances in the Junior Achievement, Futures Pop Fund, Student Council, Futures Foundation, and Spelling Bee programs.

Unassigned Fund Balance - Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The Regional Office of Education #39 has unassigned fund balances in the General, Business Office, Adult Education, ADA State Aid, St. Mary's Hospital School, Teachers' Exchange, and General State Aid & Lunch & Breakfast.

J. NET POSITION

Equity is classified as net position and displayed in three components:

Net investment in capital assets – Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted net position – The net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. CASH AND CASH EQUIVALENTS

The Macon/Piatt Counties Regional Office of Education #39's cash and cash equivalents are considered to be demand deposits, money market funds, and short-term investments. All interest income is recognized as revenue in the appropriate fund's Statement of Revenues, Expenditures and Changes in Fund Balance.

L. 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. Accordingly, actual results could differ from those estimates.

M. CAPITAL ASSETS

Capital assets purchased or acquired with an original cost of \$500 or more and estimated useful lives of greater than one year are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received.

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Leasehold improvements	3
Equipment	4

In the fund financial statements, fixed assets used in governmental operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

N. COMPENSATED ABSENCES

After one year of employment, noncertified and certified employees who have a 261-day contract can earn up to 20 vacation days per year, prorated based on the number of days worked. Employees with less than full-year contracts do not earn vacation days. The Regional Office currently employs five individuals eligible to carry forward a maximum of five days of unused vacation time to the next year with director's approval, but the previous year's unused vacation time is forfeited if unused by the end of the next year. Unused vacation time is paid on termination of employment. Management has determined that the current year accrual for vacation time is immaterial to the financial statements; therefore, this amount has not been accrued.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

N. COMPENSATED ABSENCES (Concluded)

Employees who have at least a 182-day contract receive two personal days per year. Unused personal days are allowed to accrue as sick leave. Employees earn up to 15 sick days per year, depending on the length of their annual contract, and the unused portion accumulates indefinitely. Employee sick leave is recorded when paid. Upon retirement, unused sick leave may be used as service credits toward the employee's retirement fund. Upon termination, employees do not receive any accumulated sick leave pay, and therefore no liability is accrued.

O. DEFERRED OUTFLOWS OF RESOURCES AND INFLOWS OF RESOURCES

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources are reported in the governmental fund financial statements as unavailable revenue and represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental funds consist of grant receivables not collected within sixty days after year end.

Deferred inflows of resources in the Statement of Net Position consist of the unamortized portion of the components of the net pension liability that will reduce pension expense in future years.

P. BUDGET INFORMATION

The Regional Office of Education #39 acts as the administrative agent for certain grant programs that are accounted for in the General and Education Funds. Certain programs have separate budgets and are required to report to the Illinois State Board of Education and the Illinois Community College Board; however, none of the annual budgets have been legally adopted, nor are they required to be. Certain programs within the General Fund and Special Revenue Funds do not have separate budgets. Comparisons of budgeted and actual results are presented as supplemental information. Budgetary comparison schedules have been provided in supplemental schedules for the following funds: Adult Education Performance, Adult Education Public Assistance, Adult Education State Basic, Adult Education Federal Basic, WIS -Year Round Youth Program I, Truants Alternative/Optional Education, ROE/ISC Operations, Title II Teacher Quality, Title II Teacher Quality Leadership, Ounce of Prevention - Training and Technical, Regional Safe Schools, Early Childhood Block Grant, Title I - School Improvement and Accountability, Early Childhood Block Grant - Continuing Three to Five, and Homeless Children Youth Program.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 - CASH

The Regional Office of Education #39 does not have a formal investment policy. The Regional Office of Education #39 is allowed to invest in securities as authorized by 30 ILCS 235/2 and 6 and 105 ILCS 5/8-7.

A. DEPOSITS

At June 30, 2015, the carrying amount of the Regional Office of Education #39's government-wide and Agency Fund deposits were \$2,210,958 and \$248,924, respectively, and the bank balances were \$2,326,214 and \$261,900, respectively. Of the total bank balances as of June 30, 2015, \$250,000 was secured by federal depository insurance, \$45,878 was invested in the Illinois Funds Money Market Fund, and \$2,292,236 was collateralized by securities pledged by the Regional Office of Education #39's financial institution in the name of the Regional Office.

CUSTODIAL CREDIT RISK

Custodial credit risk for deposits with financial institutions is the risk that, in the event of bank failure, the ROE's deposits may not be returned to it. To guard against custodial credit risk for deposits with financial institutions, the Regional Office of Education #39's investment policy requires that deposits with financial institutions in excess of FDIC limits be secured by some form of collateral, by a written agreement, and held at an independent, third-party institution in the name of the Regional Office of Education #39.

B. INVESTMENTS

The Regional Office of Education #39's only investments are internally pooled in the Illinois Funds Money Market Fund. As noted earlier, at June 30, 2015, the Regional Office of Education #39 had investments with carrying and fair values of \$45,878, invested in the Illinois Funds Money Market Fund, which is reported as cash and cash equivalents in the financial statements.

CREDIT RISK

At June 30, 2015, 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 provision of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

CONCENTRATION OF CREDIT RISK

Unless specifically authorized by the Treasurer, the Illinois Funds Money Market Fund's investment policy limits investment categories to not exceed 25% of the portfolio with the exception of cash equivalents and U.S. Treasury securities. Further certificates of deposit cannot exceed 10% of any single financial institution's total deposits.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 - CASH (Concluded)

B. INVESTMENTS (Concluded)

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 fully collateralized investments and immediate access to the funds. The investment policy of the Illinois Funds Money Market Funds states that, unless authorized specifically by the Treasurer, 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

In accordance with GASB Statement No. 34, the Regional Office of Education #39 has reported capital assets in the government-wide Statement of Net Position. Purchases are reported as capital outlay in the governmental fund statements. Purchases of business-type activities are capitalized when purchased. The following table provides a summary of changes in total capital assets, accumulated depreciation, and investment in capital assets for the year ended June 30, 2015:

	Balance 7/1/2014	Additions	Disposals	Balance 6/30/2015
Governmental Activities				
<u>General Fund</u>				
Leasehold improvements	\$ 45,000	\$ -	\$ -	\$ 45,000
Equipment and furniture	160,270	4,216	-	164,486
<u>Education Fund</u>				
Equipment and furniture	312,350	2,476	-	314,826
Governmental Activities				
Total Capital Assets	517,620	6,692	-	524,312
Less: Accumulated Depreciation	(488,280)	(16,661)	-	(504,941)
Governmental Activities				
Investment in Capital Assets, Net	<u>\$ 29,340</u>	<u>\$ (9,969)</u>	<u>\$ -</u>	<u>\$ 19,371</u>
Business-Type Activities				
<u>Enterprise Fund</u>				
Equipment and furniture	\$ 5,555	\$ -	\$ -	\$ 5,555
Business-Type Activities				
Total Capital Assets	5,555	-	-	5,555
Less: Accumulated Depreciation	(5,555)	-	-	(5,555)
Business-Type Activities				
Investment in Capital Assets, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3 - CAPITAL ASSETS (Concluded)

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended June 30, 2015 of \$16,661 was charged to the governmental activities on the government-wide Statement of Activities. Investment in capital assets is the component of net position that reports capital assets net of accumulated depreciation.

NOTE 4 - DEFINED BENEFIT PENSION PLAN

IMRF Plan Description

The Regional Office of Education #39'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 Regional Office of Education #39's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015

NOTE 4 - DEFINED BENEFIT PENSION PLAN (Continued)

Employees Covered by Benefit Terms

As of December 31, 2014, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	27
Inactive Plan Members entitled to but not yet receiving benefits	52
Active Plan Members	29
Total	108

Contributions

As set by statute, the Regional Office of Education #39's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Regional Office of Education #39's annual contribution rate for calendar year 2014 was 11.25%. For the calendar year ended 2014, the Regional Office of Education #39 contributed \$117,065 to the plan. The Regional Office of Education #39 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The Regional Office of Education #39's net pension liability was measured as of December 31, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2014:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 3.5%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 4 - DEFINED BENEFIT PENSION PLAN (Continued)

- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38%	7.60%
International Equity	17%	7.80%
Fixed Income	27%	3.00%
Real Estate	8%	6.15%
Alternative Investments	9%	5.25-8.50%
Cash Equivalents	1%	2.25%
Total	100%	

Single Discount Rate

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.56%, and the resulting single discount rate is 7.50%.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 4 - DEFINED BENEFIT PENSION PLAN (Continued)

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2013	\$ 4,184,752	\$ 4,300,336	\$ (115,584)
Changes for the year:			
Service Cost	126,812	-	126,812
Interest on the Total Pension Liability	313,188	-	313,188
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(41,927)	-	(41,927)
Changes of Assumptions	166,432	-	166,432
Contributions - Employer	-	117,065	(117,065)
Contributions - Employees	-	61,488	(61,488)
Net Investment Income	-	199,279	(199,279)
Benefit Payments, including Refunds of Employee Contributions	(149,424)	(149,424)	-
Other (Net Transfer)	-	(2,632)	2,632
Net Changes	415,081	225,776	189,305
Balances at December 31, 2014	\$ 4,599,833	\$ 4,526,112	\$ 73,721

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower 6.50%	Current Discount 7.50%	1% Higher 8.50%
Net Pension Liability (Asset)	\$ 680,887	\$ 73,721	\$ (408,389)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ending June 30, 2015, the Regional Office of Education #39 recognized pension expense of \$133,488. At June 30, 2015, the Regional Office of Education #39 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 4 - DEFINED BENEFIT PENSION PLAN (Continued)

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ -	\$ 25,546
Changes of assumptions	101,407	-
Net difference between projected and actual earnings on pension plan investments	<u>97,021</u>	<u>-</u>
Total Deferred Amounts to be recognized in pension expense in future periods	<u>198,428</u>	<u>25,546</u>
Pension Contributions made subsequent to the Measurement Date	<u>57,954</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u><u>\$ 256,382</u></u>	<u><u>\$ 25,546</u></u>

\$57,954 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
	<u> </u>
2015	\$ 72,899
2016	51,472
2017	24,255
2018	24,256
2019	-
Thereafter	<u>-</u>
Total	<u><u>\$ 172,882</u></u>

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

The Macon/Piatt Counties Regional Office of Education #39 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. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. 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 TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <http://trs.illinois.gov/pubs/cafr>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 877-0890, option 2.

Benefits provided

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system services prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service. Disability and death benefits are also provided.

Tier II members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Contributions

The State of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90 percent of the total actuarial liabilities of the System by the end of fiscal year 2045.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2015, was 9.4 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the Regional Office of Education #39.

On behalf contributions. The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #39. For the year ended June 30, 2015, State of Illinois contributions recognized by the Regional Office of Education #39 were based on the State's proportionate share of the collective net pension liability associated with the Regional Office of Education #39, and the Regional Office of Education #39 recognized revenue and expenditures of \$1,132,858 in pension contributions from the State of Illinois.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2015 were \$10,720, and are deferred because they were paid after the June 30, 2014 measurement date.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the Macon/Piatt Counties Regional Office of Education #39, there is a statutory requirement for the Regional Office of Education #39 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that has been in effect since 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. Public Act 98-0674 now requires the two rates to be the same.

For the year ended June 30, 2015, the employer pension contribution was 33.00 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2015, salaries totaling \$79,568 were paid from federal and special trust funds that required employer contributions of \$26,257. These contributions are deferred because they were paid after the June 30, 2014 measurement date.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The Regional Office of Education #39 is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2015, the Regional Office of Education #39 paid no employer ERO contributions to TRS.

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015

NOTE 5 - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

The Regional Office of Education #39 is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2015, the Regional Office of Education #39 made no payments to TRS for employer contributions due on salary increases in excess of 6 percent and no payments for sick leave days granted in excess of the normal allotment.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015 the Regional Office of Education #39 reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the employer. The State's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the employer were as follow:

Employers proportionate share of the net pension liability	\$ 1,103,609
State's proportionate share of the net pension liability associated with the employer	<u>\$ 14,070,912</u>
Total	<u>\$ 15,174,521</u>

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013, and rolled forward to June 30, 2014. The Regional Office of Education #39's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2014, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2014, the Regional Office of Education #39's proportion was .0018134081 percent.

The net pension liability as of the beginning of this first measurement period under GASB Statement No. 68 was measured as of June 30, 2013, and the total pension liability was based on the June 30, 2013, actuarial valuation without any roll-up. The Regional Office of Education #39's proportion of the net pension liability as of June 30, 2013, was based on the Regional Office of Education #39's share of contributions to TRS for the measurement year ended June 30, 2013, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2013, the Regional Office of Education #39's proportion was .0055410218 percent.

For the year ended June 30, 2015, the Regional Office of Education #39 recognized pension expense of \$1,132,858 and revenue of \$1,132,858 for support provided by the State. For the year ended June 30, 2015, the Regional Office of Education #39 recognized pension income of \$368,533. At June 30, 2015, the Regional Office of Education #39 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 583	\$ -
Net difference between projected and actual earnings on pension plan investments	-	55,465
Change of assumptions	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	1,879,201
Employer contributions subsequent to the measurement date	36,977	-
Total	\$ 37,560	\$ 1,934,666

\$36,977 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (469,841)
2017	\$ (469,841)
2018	\$ (469,841)
2019	\$ (469,841)
2020	\$ (54,719)
	\$ (1,934,083)

Actuarial assumptions

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 percent
Salary Increase	5.75 percent, average, including inflation
Investment rate of return	7.50 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 White Collar Table with projections using scale AA that vary by member group.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

For GASB disclosure purposes, the actuarial assumptions for the years ended June 30, 2014 and 2013 were assumed to be the same. However, for funding purposes, the actuarial valuations for those two years were different. The actuarial assumptions used in the June 30, 2014 valuation were based on updates to economic assumptions adopted in 2014 which lowered the investment return assumption from 8.0 percent to 7.5 percent. The salary increase and inflation assumptions were also lowered. The actuarial assumptions used in the June 30, 2013 valuation were based on the 2012 actuarial experience analysis and first adopted in the June 30, 2012 valuation. The investment return assumption was lowered from 8.5 percent to 8.0 percent and the salary increase and inflation assumptions were also lowered. Mortality assumptions were adjusted to anticipate continued improvement in mortality.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large cap	18%	8.23%
Global equity excluding U.S.	18	8.58
Aggregate bonds	16	2.27
U.S. TIPS	2	3.52
NCREIF	11	5.81
Opportunistic real estate	4	9.79
ARS	8	3.27
Risk parity	8	5.57
Diversified inflation strategy	1	3.96
Private equity	14	13.03
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015

NOTE 5 - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Concluded)

Based on those assumptions, TRS's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Therefore, the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Regional Office of Education #39's proportionate share of the net pension liability to changes in the discount rate

The following presents the Regional Office of Education #39's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the Regional Office of Education #39's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate.

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employer's proportionate share of the net pension liability	\$ 1,362,903	\$ 1,103,609	\$ 888,884

TRS fiduciary net position

Detailed information about the TRS's fiduciary net position as of June 30, 2014 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

NOTE 6 - TEACHERS' HEALTH INSURANCE SYSTEM

The Macon/Piatt Counties Regional Office of Education #39 participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the State-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

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 Illinois Department of Central Management Services (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 the THIS Fund.

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015

NOTE 6 - TEACHERS' HEALTH INSURANCE SYSTEM (Concluded)

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.

On behalf contributions to the THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office of Education #39. State contributions are intended to match contributions to the THIS Fund from active members which were 1.02 percent of pay during the year ended June 30, 2015. State of Illinois contributions were \$18,852, and the Regional Office of Education #39 recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2014 and June 30, 2013 were 0.97 and 0.92 percent of pay, respectively. State contributions on behalf of the Regional Office of Education #39 employees were \$22,112 and \$25,558, respectively.

Employer contributions to THIS Fund. The Regional Office of Education #39 also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.76 percent during the year ended June 30, 2015. For the year ended June 30, 2015, the Regional Office of Education #39 paid \$14,047 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2014 and June 30, 2013, the Regional Office of Education #39 paid \$16,413 and \$19,169, respectively.

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 current reports are listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

NOTE 7 - RISK MANAGEMENT

The Regional Office of Education #39 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Regional Office of Education #39 has purchased commercial insurance to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past three years.

NOTE 8 - ON BEHALF PAYMENTS

The State of Illinois paid the following salaries on behalf of the Regional Office of Education #39:

Regional Superintendent Salary	\$ 111,108
Assistant Regional Superintendent Salary	99,996
Regional Superintendent Benefits (Includes State paid insurance)	32,099
Assistant Regional Superintendent Benefits (Includes State paid insurance)	31,434
Teachers' Health Insurance System (THIS) Contribution	<u>18,852</u>
Total	<u>\$ 293,489</u>

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 8 - ON BEHALF PAYMENTS (Concluded)

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent were calculated based on data provided by the Illinois State Board of Education. These amounts have been recorded in the accompanying financial statements as State revenue and expenditures.

Regional Office of Education #39 also recorded \$1,132,858 in revenue and expenses as on-behalf payments from ISBE for the Regional Office’s share of the State’s Teachers’ Retirement System (TRS) pension expense in the Statement of Activities. In addition, the Regional Office of Education #39 has not included any on-behalf payments related to the State’s TRS pension expense for the Regional Superintendent or Assistant Regional Superintendent.

State of Illinois on-behalf payments	\$	293,489
ROE #39’s share of TRS pension expense		1,132,858
Total		\$ 1,426,347

NOTE 9 - INTERFUND ACTIVITY

DUE TO/FROM OTHER FUNDS

Inter-fund due to/from other fund balances at June 30, 2015 consist of the following individual due to/from other funds in the governmental fund’s Balance Sheet. The balances between governmental funds were eliminated in the government-wide Statement of Net Position.

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 351,814	\$ 184,172
Education Fund	-	167,642
Total	\$ 351,814	\$ 351,814

TRANSFERS

Interfund transfers in/out to other fund balances at June 30, 2015 consist of the following individual transfers in/out to other funds in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances. The transfer balances between governmental funds were eliminated in the government-wide Statement of Activities.

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 140,338	\$ 140,338
Total	\$ 140,338	\$ 140,338

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015

NOTE 10 - OPERATING LEASE

The Regional Office of Education #39 was committed through July 31, 2014 under a lease agreement for the ground and second floor of a building located at 250 East William Street, Decatur, Illinois. This lease called for monthly rental payments of \$7,573 through July 31, 2014. For the period August 1, 2014 through July 31, 2016 the monthly rental payments decrease to \$7,073. The lease also calls for the Regional Office to pay all utilities and liability insurance.

The Regional Office of Education #39 leased the first floor of the building located at 432 North Water Street, Decatur, Illinois, through August 8, 2015. The monthly rental payments were \$4,200. The lease also called for the Regional Office to pay all utilities and liability insurance.

The Regional Office of Education #39 is committed through June 30, 2016 under a lease agreement for the building located at 1690 Huston Drive, Decatur, Illinois. The lease calls for monthly rental payments of \$4,200 through June 30, 2016.

The counties served by the Regional Office of Education #39 are required by statute to provide the Regional Superintendents of Schools with office space. Therefore, Macon and Piatt Counties share a portion of the facility costs associated with the office space and reimburse the Regional Office of Education #39 for the rent, building maintenance and utilities expense incurred as a result of the lease for this office space.

Total lease expense for the year ended June 30, 2015 was \$186,176. Future minimum payments are as follows for the years ending June 30:

2016	\$ 140,736
2017	<u>7,073</u>
Total	<u><u>\$ 147,809</u></u>

NOTE 11 - DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education #39's Agency Funds, General Funds, Education Funds, Proprietary Funds, and Non-Major Special Revenue Funds have funds due from/to various other governmental units which consist of the following:

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 11 - DUE TO/FROM OTHER GOVERNMENTS

Due from Other Governments:

General Funds

Local Governments	\$	237,439
-------------------	----	---------

Education Funds

Illinois Community College Board		30,938
----------------------------------	--	--------

Illinois State Board of Education		10,169
-----------------------------------	--	--------

Local Governments		24,028
-------------------	--	--------

Iroquois/Kankakee ROE		7,600
-----------------------	--	-------

Workforce Investment Solutions		1,806
--------------------------------	--	-------

Ounce of Prevention Fund		106,560
--------------------------	--	---------

Non-Major Special Revenue Funds

Local Governments		400
-------------------	--	-----

Proprietary Funds

Local Governments		2,550
-------------------	--	-------

Agency Funds

Local Governments		2,496,347
-------------------	--	-----------

Total		<u>\$ 2,917,837</u>
-------	--	---------------------

Due to Other Governments:

Agency Funds

Local Governments		<u>\$ 2,690,498</u>
-------------------	--	---------------------

NOTE 12 - OTHER POST EMPLOYMENT BENEFITS - HEALTH INSURANCE

The Governmental Accounting Standards Board (GASB) issued Statement No. 43 & 45 that established generally accepted accounting principles for the annual financial statement for postemployment benefit plans other than pension plans. The Regional Office of Education #39 did not recognize an Other Post-Employment Benefits (OPEB) liability at June 30, 2014, because the amount is immaterial. The required information is as follows:

Membership in the plan consisted of the following as of:

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Retirees and beneficiaries receiving benefits	-	-
Terminated plan members entitled to but not yet receiving benefits	-	-
Active vested plan members	14	14
Active nonvested plan members	<u>20</u>	<u>15</u>
Total	<u>34</u>	<u>29</u>
Number of participating employers	1	1

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 - OTHER POST EMPLOYMENT BENEFITS - HEALTH INSURANCE (Continued)

ANNUAL OPEB COST AND NET OPEB OBLIGATION

	<u>June 30, 2014</u>
Annual required contribution	\$ 3,808
Interest on net OPEB obligation	154
Adjustment to annual required contribution	<u>(128)</u>
Annual OPEB cost	3,834
Contributions made	<u>-</u>
Increase (decrease) in net OPEB obligation	3,834
Net OPEB obligation beginning of year	<u>3,846</u>
Net OPEB obligation end of year	<u><u>\$ 7,680</u></u>

THREE-YEAR TREND INFORMATION

Fiscal Year Ending	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2014	\$ 3,834	0.00%	\$ 7,680
6/30/2013	-	-	-
6/30/2012	-	-	-

ANNUAL REQUIRED CONTRIBUTION

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Service cost	\$ 4,706	\$ 2,618
Amortization	2,652	1,009
Interest	<u>294</u>	<u>181</u>
Annual required contribution	<u><u>\$ 7,652</u></u>	<u><u>\$ 3,808</u></u>

FUNDING POLICY AND ACTUARIAL ASSUMPTIONS

The last actuarial valuation was completed three years ago (06/31/2011). The Net OPEB Obligation has been updated through 06/30/2014. The Investment Rate of Return and Projected Salary Increases Assumptions have been reduced to 4.0% from 5.0%. The Healthcare Inflation Rate Assumption has been reduced to 7.5% from 8.0% (initial) and to 5.5% from 6.0% (ultimate). The current premiums have increased 28.9%.

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015

NOTE 12 - OTHER POST EMPLOYMENT BENEFITS - HEALTH INSURANCE (Concluded)

Contribution rates:

Employer
 Plan members 0.00%

Actuarial valuation date 6/30/2014

Actuarial cost method Entry age

Amortization period Level percentage of pay, open

Remaining amortization period 30 years

Asset valuation method Market

Actuarial assumptions:

Investment rate of return* 4.00%

Projected salary increases 4.00%

Healthcare inflation rate 7.50% intial,
 5.50% ultimate (0.5% reduction per year)

Mortality, Turnover, Disability, Retirement ages Similar rates utilized for IMRF

Active utilization rate: 20%

Assumed Coverage Elections 50% Single Coverage. 50% Single plus Spouse
 Current Premium Rates to age 65: Single: \$571/mo; Single plus Spouse: \$1,462/mo
 (50% of \$571/mo + 50% of \$1,462/mo)

* Includes inflation at 3.00%

GASB 45 Summary as of June 30, 2014

Division	Service Cost	Active Liability	Retired Liability	Total Liability	Annual		Actives	Retirees	Total
					Required Contribution	Expected Payments			
All	\$ 4,706	\$ 41,088	\$ 38,466	\$ 79,554	\$ 7,652	\$ -	34	-	34

Discount Rate: 4.0%

Medical Inflation Rate: 7.5% intial, 5.5% ultimate

Future Payroll Increases: 4.0%

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 13 - RESTATEMENT

The Regional Office of Education #39 implemented GASB 68 and consequently recognized deferred outflows of resources, deferred inflows of resources, and net pension liability in the current year. The net effect on recognizing deferred outflows of resources, deferred inflows of resources, and net pension liability was \$3,228,227. Because these pension-related opening balances reflect pension expenses not previously recognized, the opening net position of the governmental activities on the government-wide Statement of Activities has been restated as follows:

Governmental Activities Net Position

Net position - July 1, 2014	\$ 2,703,955
Effect of recognizing deferred outflows of resources and net pension liability	<u>(3,228,228)</u>
Net position, restated - July 1, 2014	<u><u>\$ (524,273)</u></u>

REQUIRED SUPPLEMENTARY INFORMATION
(Other than Management's Discussion and Analysis)

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY & RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
CALENDAR YEAR 2014

Calendar Year Ended December 31,	2014
Total Pension Liability	
Service Cost	\$ 126,812
Interest on the Total Pension Liability	313,188
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(41,927)
Changes of Assumptions	166,432
Benefit Payments, including Refunds of Employee Contributions	(149,424)
Net Change in Total Pension Liability	415,081
 Total Pension Liability - Beginning	 4,184,752
 Total Pension Liability - Ending (A)	 \$ 4,599,833
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 117,065
Contributions - Employees	61,487
Net Investment Income	199,279
Benefit Payments, including Refunds of Employee Contributions	(149,424)
Other (Net Transfer)	(2,632)
Net Change in Plan Fiduciary Net Position	225,775
 Plan Fiduciary Net Position - Beginning	 4,300,336
 Plan Fiduciary Net Position - Ending (B)	 \$ 4,526,111
 Net Pension Liability - Ending (A) - (B)	 \$ 73,722
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 98.40%
 Covered Valuation Payroll	 1,040,578
 Net Pension Liability as a Percentage of Covered Valuation Payroll	 7.08%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
CALENDAR YEAR 2014

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2014	\$ 110,614 *	\$ 117,065	\$ (6,451)	\$ 1,040,578	11.25%

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2014 Contribution Rate*

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2014 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate entry age = normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	29-year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	4%
<i>Price Inflation:</i>	3%, approximate; No explicit price inflation assumption in used in this valuation.
<i>Salary Increases:</i>	4.40% to 16%, including inflation
<i>Investment Rate of Return:</i>	7.50%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.
<i>Mortality:</i>	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92 percent of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2012, actuarial valuation; note two year lag between valuation and rate setting.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 SCHEDULE OF THE EMPLOYER'S PROPORTIONATE
 SHARE OF THE NET PENSION LIABILITY
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
 FOR THE YEAR ENDED JUNE 30, 2015 *

Employer's proportion of the net pension liability	0.0018134081%
Employer's proportionate share of the net pension liability	\$ 1,103,609
State's proportionate share of the net pension liability associated with the employer	<u>14,070,912</u>
Total	<u><u>\$ 15,174,521</u></u>
Employer's covered-employee payroll	\$ 2,312,387
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	47.7%
Plan fiduciary net position as a percentage of the total pension liability	43.0%

**The amounts presented were determined as of the prior fiscal-year end.*

SCHEDULE OF EMPLOYER CONTRIBUTIONS
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
 FOR THE YEAR ENDED JUNE 30, 2015 †

<u>Fiscal Year Ended June 30,</u>	<u>Contractually Required Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
2015	\$ 36,977	\$ 36,977	\$ -	\$ 1,900,261	1.9%
2014	64,695	64,695	-	2,312,387	2.8%

† *This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.*

Notes to This Required Supplementary Information

Changes of assumptions

Amounts reported in 2014 reflect an investment rate of return of 7.5 percent, an inflation rate of 3.0 percent and real return of 4.5 percent, and a salary increase assumption of 5.75 percent. In 2013, assumptions used were an investment rate of return of 8.0 percent, an inflation rate of 3.25 percent and real return of 4.75 percent, and salary increases of 6.00 percent. However, the total pension liability at the beginning and end of the year were calculated using the same assumptions, so the difference due to actuarial assumptions was not calculated or allocated.

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 OTHER POST-EMPLOYMENT BENEFITS - HEALTH INSURANCE
 SCHEDULE OF FUNDING PROGRESS
 (UNAUDITED)
 JUNE 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	(2) Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	(3) Funded Ratio (a/b)	(4) Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/14	\$ -	\$ 79,554	\$ 79,554	0.00%	\$ -	0.00%
6/30/13	-	30,260	30,260	0.00%	-	0.00%
6/30/12	-	30,260	30,260	0.00%	-	0.00%

OTHER SUPPLEMENTARY INFORMATION

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND
JUNE 30, 2015

	General	Business Office	Water Street Pop Fund	Adult Education	Junior Achievement	ADA State Aid
ASSETS						
Cash and cash equivalents	\$ 10,357	\$ 735,040	\$ -	\$ 238,626	\$ 3,483	\$ 770,395
Due from other funds	-	-	-	-	-	351,814
Due from other governments - Local	-	37,944	-	804	-	150
Accounts receivable	-	-	-	-	-	-
TOTAL ASSETS	\$ 10,357	\$ 772,984	\$ -	\$ 239,430	\$ 3,483	\$ 1,122,359
LIABILITIES						
Accounts payable	\$ -	\$ 2,221	\$ -	\$ 354	\$ -	\$ 927
Accrued payroll and benefits	-	2,486	-	1,210	-	32,629
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total Liabilities	-	4,707	-	1,564	-	33,556
FUND BALANCE (DEFICIT)						
Assigned	-	-	-	-	3,483	-
Unassigned	10,357	768,277	-	237,866	-	1,088,803
Total Fund Balance (Deficit)	10,357	768,277	-	237,866	3,483	1,088,803
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 10,357	\$ 772,984	\$ -	\$ 239,430	\$ 3,483	\$ 1,122,359

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 COMBINING SCHEDULE OF ACCOUNTS
 GENERAL FUND
 JUNE 30, 2015

	Futures Pop Fund	St. Mary's Hospital School	Student Council	Recycling and Energy	Teachers' Exchange	General State Aid & Lunch & Breakfast
ASSETS						
Cash and cash equivalents	\$ 1,113	\$ 164,074	\$ 119	\$ 494	\$ 1,899	\$ 85,793
Due from other funds	-	-	-	-	-	-
Due from other governments - Local	499	13,593	-	-	8,662	24,180
Accounts receivable	-	-	-	-	-	-
TOTAL ASSETS	\$ 1,612	\$ 177,667	\$ 119	\$ 494	\$ 10,561	\$ 109,973
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 7,140	\$ 402
Accrued payroll and benefits	-	612	-	-	-	13,563
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	494	-	-
Total Liabilities	-	612	-	494	7,140	13,965
FUND BALANCE (DEFICIT)						
Assigned	1,612	-	119	-	-	-
Unassigned	-	177,055	-	-	3,421	96,008
Total Fund Balance (Deficit)	1,612	177,055	119	-	3,421	96,008
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 1,612	\$ 177,667	\$ 119	\$ 494	\$ 10,561	\$ 109,973

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND
JUNE 30, 2015

	Baby Talk	Department of Corrections - GED Contract	Futures Foundation	Spelling Bee	School Improvement	TOTALS
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ 1,075	\$ 124	\$ -	\$ 2,012,592
Due from other funds	-	-	-	-	-	351,814
Due from other governments - Local	-	-	-	-	151,607	237,439
Accounts receivable	49,508	-	33,635	-	-	83,143
TOTAL ASSETS	\$ 49,508	\$ -	\$ 34,710	\$ 124	\$ 151,607	\$ 2,684,988
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 13,108	\$ 24,152
Accrued payroll and benefits	2,597	-	-	-	1,238	54,335
Due to other funds	46,911	-	-	-	137,261	184,172
Unearned revenue	-	-	-	-	-	494
Total Liabilities	49,508	-	-	-	151,607	263,153
FUND BALANCE (DEFICIT)						
Assigned	-	-	34,710	124	-	40,048
Unassigned	-	-	-	-	-	2,381,787
Total Fund Balance (Deficit)	-	-	34,710	124	-	2,421,835
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 49,508	\$ -	\$ 34,710	\$ 124	\$ 151,607	\$ 2,684,988

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	General	Business Office	Water Street Pop Fund	Adult Education	Junior Achievement	ADA State Aid
REVENUES						
Local sources	\$ -	\$ 214,417	\$ 193	\$ 809	\$ -	\$ 3,900
State sources	-	-	-	-	-	617,463
On-behalf payments - State	293,489	-	-	-	-	-
Total Revenues	293,489	214,417	193	809	-	621,363
EXPENDITURES						
Salaries and benefits	-	152,715	-	81,842	-	381,640
Pension expense	-	26,315	-	5,927	-	5,834
Purchased services	-	89,416	292	9,498	-	177,258
Supplies and materials	-	14,925	-	2,658	-	18,901
Other objects	-	785	-	-	-	-
On-behalf payments - State	293,489	-	-	-	-	-
Capital outlay	-	726	-	-	-	1,450
Total Expenditures	293,489	284,882	292	99,925	-	585,083
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(70,465)	(99)	(99,116)	-	36,280
OTHER FINANCING SOURCES (USES)						
Transfers in	-	11,948	-	114,225	-	-
Transfers out	(11,879)	-	-	-	-	(128,390)
Interest	8	785	-	-	-	-
Total Other Financing Sources (Uses)	(11,871)	12,733	-	114,225	-	(128,390)
NET CHANGE IN FUND BALANCE (DEFICIT)	(11,871)	(57,732)	(99)	15,109	-	(92,110)
FUND BALANCE (DEFICIT) - BEGINNING	22,228	826,009	99	222,757	3,483	1,180,913
FUND BALANCE (DEFICIT) - ENDING	\$ 10,357	\$ 768,277	\$ -	\$ 237,866	\$ 3,483	\$ 1,088,803

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	Futures Pop Fund	St. Mary's Hospital School	Student Council	Recycling and Energy	Teachers' Exchange	General State Aid & Lunch & Breakfast
REVENUES						
Local sources	\$ 5,513	\$ 106,681	\$ -	\$ -	\$ 116,508	\$ 127,159
State sources	-	-	-	-	-	157,103
On-behalf payments - State	-	-	-	-	-	-
Total Revenues	<u>5,513</u>	<u>106,681</u>	<u>-</u>	<u>-</u>	<u>116,508</u>	<u>284,262</u>
EXPENDITURES						
Salaries and benefits	-	97,439	-	-	-	187,567
Pension expense	-	1,095	-	-	-	4,022
Purchased services	-	7,793	-	-	116,508	44,176
Supplies and materials	4,858	14	-	-	-	9,570
Other objects	-	-	-	-	-	1,750
On-behalf payments - State	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Expenditures	<u>4,858</u>	<u>106,341</u>	<u>-</u>	<u>-</u>	<u>116,508</u>	<u>247,085</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>655</u>	<u>340</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,177</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	14,165	-	-	-	-
Transfers out	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>14,165</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE (DEFICIT)	<u>655</u>	<u>14,505</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,177</u>
FUND BALANCE (DEFICIT) - BEGINNING	<u>957</u>	<u>162,550</u>	<u>119</u>	<u>-</u>	<u>3,421</u>	<u>58,831</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ 1,612</u>	<u>\$ 177,055</u>	<u>\$ 119</u>	<u>\$ -</u>	<u>\$ 3,421</u>	<u>\$ 96,008</u>

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	Baby Talk	Department of Corrections - GED Contract	Futures Foundation	Spelling Bee	School Improvement	TOTALS
REVENUES						
Local sources	\$ 256,306	\$ -	\$ -	\$ 1,001	\$ 613,099	\$ 1,445,586
State sources	-	-	-	-	-	774,566
On-behalf payments - State	-	-	-	-	-	293,489
Total Revenues	256,306	-	-	1,001	613,099	2,513,641
EXPENDITURES						
Salaries and benefits	230,184	-	-	-	228,799	1,360,186
Pension expense	9,947	-	-	-	15,622	68,762
Purchased services	16,175	-	-	3,983	359,183	824,282
Supplies and materials	-	-	-	813	7,455	59,194
Other objects	-	-	-	160	-	2,695
On-behalf payments - State	-	-	-	-	-	293,489
Capital outlay	-	-	-	-	2,040	4,216
Total Expenditures	256,306	-	-	4,956	613,099	2,612,824
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	(3,955)	-	(99,183)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	140,338
Transfers out	-	(69)	-	-	-	(140,338)
Interest	-	-	-	-	-	793
Total Other Financing Sources (Uses)	-	(69)	-	-	-	793
NET CHANGE IN FUND BALANCE (DEFICIT)	-	(69)	-	(3,955)	-	(98,390)
FUND BALANCE (DEFICIT) - BEGINNING	-	69	34,710	4,079	-	2,520,225
FUND BALANCE (DEFICIT) - ENDING	\$ -	\$ -	\$ 34,710	\$ 124	\$ -	\$ 2,421,835

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2015

	Adult Education Performance	Adult Education Public Assistance	Adult Education State Basic	Adult Education Federal Basic	WIS - Year Round Youth Program I	Truants Alternative/ Optional Education
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,917
Due from other governments:						
Local	-	-	-	-	-	-
State	10,562	6,973	6,219	-	-	-
Federal	-	-	-	7,184	1,806	-
TOTAL ASSETS	\$ 10,562	\$ 6,973	\$ 6,219	\$ 7,184	\$ 1,806	\$ 18,917
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ 272	\$ -	\$ -
Accrued payroll and benefits	126	107	84	-	104	18,917
Due to other funds	10,436	6,866	6,135	6,912	1,702	-
Unearned revenue	-	-	-	-	-	-
Total Liabilities	10,562	6,973	6,219	7,184	1,806	18,917
FUND BALANCE (DEFICIT)						
Restricted	-	-	-	-	-	-
Total Fund Balance (Deficit)	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 10,562	\$ 6,973	\$ 6,219	\$ 7,184	\$ 1,806	\$ 18,917

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2015

	ROE/ISC Operations	Title II Teacher Quality	Title II Teacher Quality Leadership	Ounce of Prevention - Training and Technical	Regional Safe Schools	Early Childhood Block Grant
ASSETS						
Cash and cash equivalents	\$ 2,118	\$ -	\$ -	\$ -	\$ 2,329	\$ 8,375
Due from other governments:						
Local	-	-	-	-	-	-
State	-	-	-	106,560	6,694	-
Federal	-	475	3,000	-	-	-
TOTAL ASSETS	\$ 2,118	\$ 475	\$ 3,000	\$ 106,560	\$ 9,023	\$ 8,375
LIABILITIES						
Accounts payable	\$ 59	\$ -	\$ -	\$ -	\$ -	\$ 2,527
Accrued payroll and benefits	2,059	-	-	701	9,023	5,848
Due to other funds	-	475	3,000	105,859	-	-
Unearned revenue	-	-	-	-	-	-
Total Liabilities	2,118	475	3,000	106,560	9,023	8,375
FUND BALANCE (DEFICIT)						
Restricted	-	-	-	-	-	-
Total Fund Balance (Deficit)	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 2,118	\$ 475	\$ 3,000	\$ 106,560	\$ 9,023	\$ 8,375

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2015

	Not on Tobacco	Title I - School Improvement and Accountability	Early Childhood Block Grant- Continuing Three to Five	Homeless Children Youth Program	Professional Development	TOTALS
ASSETS						
Cash and cash equivalents	\$ 394	\$ -	\$ 509	\$ -	\$ -	\$ 32,642
Due from other governments:						
Local	-	-	-	2,325	21,703	24,028
State	-	-	-	-	-	137,008
Federal	-	7,600	-	-	-	20,065
TOTAL ASSETS	\$ 394	\$ 7,600	\$ 509	\$ 2,325	\$ 21,703	\$ 213,743
LIABILITIES						
Accounts payable	\$ -	\$ 66	\$ 125	\$ -	\$ -	\$ 3,049
Accrued payroll and benefits	-	1,000	384	51	1,484	39,888
Due to other funds	-	6,534	-	2,274	17,449	167,642
Unearned revenue	-	-	-	-	2,770	2,770
Total Liabilities	-	7,600	509	2,325	21,703	213,349
FUND BALANCE (DEFICIT)						
Restricted	394	-	-	-	-	394
Total Fund Balance (Deficit)	394	-	-	-	-	394
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 394	\$ 7,600	\$ 509	\$ 2,325	\$ 21,703	\$ 213,743

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2015

	Adult Education Performance	Adult Education Public Assistance	Adult Education State Basic	Adult Education Federal Basic	WIS - Year Round Youth Program I	Truants Alternative/ Optional Education
REVENUES						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	63,373	41,840	37,311	-	-	195,670
Federal sources	-	-	-	33,184	32,419	-
Total Revenues	63,373	41,840	37,311	33,184	32,419	195,670
EXPENDITURES						
Salaries and benefits	33,530	26,971	24,937	30,090	26,116	181,744
Pension expense	326	803	358	2,466	2,552	7,603
Purchased services	28,675	12,369	11,587	628	1,546	6,146
Supplies and materials	842	1,697	429	-	2,205	177
Capital outlay	-	-	-	-	-	-
Total Expenditures	63,373	41,840	37,311	33,184	32,419	195,670
EXCESS OF REVENUES OVER EXPENDITURES	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE (DEFICIT)	-	-	-	-	-	-
FUND BALANCE (DEFICIT) - BEGINNING	-	-	-	-	-	-
FUND BALANCE (DEFICIT) - ENDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2015

	ROE/ISC Operations	Title II Teacher Quality	Title II Teacher Quality Leadership	Ounce of Prevention - Training and Technical	Regional Safe Schools	Early Childhood Block Grant
REVENUES						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	69,653	-	-	185,725	73,972	763,818
Federal sources	-	1,467	3,000	-	-	-
Total Revenues	<u>69,653</u>	<u>1,467</u>	<u>3,000</u>	<u>185,725</u>	<u>73,972</u>	<u>763,818</u>
EXPENDITURES						
Salaries and benefits	36,522	-	-	127,323	72,135	512,920
Pension expense	-	-	-	7,403	797	28,356
Purchased services	29,618	1,467	3,000	35,850	1,040	200,412
Supplies and materials	3,513	-	-	14,280	-	20,523
Capital outlay	-	-	-	869	-	1,607
Total Expenditures	<u>69,653</u>	<u>1,467</u>	<u>3,000</u>	<u>185,725</u>	<u>73,972</u>	<u>763,818</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE (DEFICIT)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2015

	Not on Tobacco	Title I - School Improvement and Accountability	Early Childhood Block Grant- Continuing Three to Five	Homeless Children Youth Program	Professional Development	TOTALS
REVENUES						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 138,373	\$ 138,373
State sources	-	-	57,461	-	-	1,488,823
Federal sources	-	9,423	-	9,716	-	89,209
Total Revenues	<u>-</u>	<u>9,423</u>	<u>57,461</u>	<u>9,716</u>	<u>138,373</u>	<u>1,716,405</u>
EXPENDITURES						
Salaries and benefits	-	7,300	49,670	8,853	87,973	1,226,084
Pension expense	-	-	980	863	27,323	79,830
Purchased services	-	2,123	5,313	-	20,500	360,274
Supplies and materials	-	-	1,498	-	2,577	47,741
Capital outlay	-	-	-	-	-	2,476
Total Expenditures	<u>-</u>	<u>9,423</u>	<u>57,461</u>	<u>9,716</u>	<u>138,373</u>	<u>1,716,405</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE (DEFICIT)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING	<u>394</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>394</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ 394</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 394</u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 ADULT EDUCATION PERFORMANCE
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 63,373	\$ 63,373	\$ 63,373
Total Revenues	<u>63,373</u>	<u>63,373</u>	<u>63,373</u>
EXPENDITURES			
Salaries and benefits	27,150	27,150	33,530
Pension expense	-	-	326
Purchased services	34,426	34,426	28,675
Supplies and materials	1,797	1,797	842
Total Expenditures	<u>63,373</u>	<u>63,373</u>	<u>63,373</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 ADULT EDUCATION PUBLIC ASSISTANCE
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 41,840	\$ 41,840	\$ 41,840
Total Revenues	<u>41,840</u>	<u>41,840</u>	<u>41,840</u>
EXPENDITURES			
Salaries and benefits	27,502	27,502	26,971
Pension expense	-	-	803
Purchased services	12,110	12,110	12,369
Supplies and materials	2,228	2,228	1,697
Total Expenditures	<u>41,840</u>	<u>41,840</u>	<u>41,840</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 ADULT EDUCATION STATE BASIC
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 37,311	\$ 37,311	\$ 37,311
Total Revenues	<u>37,311</u>	<u>37,311</u>	<u>37,311</u>
EXPENDITURES			
Salaries and benefits	21,117	21,117	24,937
Pension expense	-	-	358
Purchased services	14,204	14,204	11,587
Supplies and materials	1,990	1,990	429
Total Expenditures	<u>37,311</u>	<u>37,311</u>	<u>37,311</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Note: The final budgeted amount for the Adult Education State Basic fund does not reflect additional funding received by the Regional Office. Per Illinois Community College Board (ICCB) guidelines, if the Regional Office's expenditures exceed those approved in the original budget, the Regional Office is able to request additional funding. The ICCB does not require an amended budget be submitted; rather, the ICCB notifies the Regional Office of the total updated program expenditures approved.

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 ADULT EDUCATION FEDERAL BASIC
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 33,184	\$ 33,184	\$ 33,184
Total Revenues	<u>33,184</u>	<u>33,184</u>	<u>33,184</u>
EXPENDITURES			
Salaries and benefits	33,184	33,184	30,090
Pension expense	-	-	2,466
Purchased services	-	-	628
Total Expenditures	<u>33,184</u>	<u>33,184</u>	<u>33,184</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 WIS-YEAR ROUND YOUTH PROGRAM I
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 41,336	\$ 41,336	\$ 32,419
Total Revenues	<u>41,336</u>	<u>41,336</u>	<u>32,419</u>
EXPENDITURES			
Salaries and benefits	35,000	35,000	26,116
Pension expense	-	-	2,552
Purchased services	3,776	3,776	1,546
Supplies and materials	2,560	2,560	2,205
Total Expenditures	<u>41,336</u>	<u>41,336</u>	<u>32,419</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 TRUANTS ALTERNATIVE/OPTIONAL EDUCATION
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 200,174	\$ 195,670	\$ 195,670
Total Revenues	<u>200,174</u>	<u>195,670</u>	<u>195,670</u>
EXPENDITURES			
Salaries and benefits	193,851	189,347	181,744
Pension expense	-	-	7,603
Purchased services	6,146	6,146	6,146
Supplies and materials	177	177	177
Total Expenditures	<u>200,174</u>	<u>195,670</u>	<u>195,670</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 ROE/ISC OPERATIONS
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 69,653	\$ 69,653	\$ 69,653
Total revenues	<u>69,653</u>	<u>69,653</u>	<u>69,653</u>
EXPENDITURES			
Salaries and benefits	33,478	36,522	36,522
Purchased services	33,841	30,198	29,618
Supplies and materials	2,334	2,933	3,513
Total expenditures	<u>69,653</u>	<u>69,653</u>	<u>69,653</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 TITLE II TEACHER QUALITY
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 3,101	\$ 3,947	\$ 1,467
Total Revenues	<u>3,101</u>	<u>3,947</u>	<u>1,467</u>
EXPENDITURES			
Purchased services	2,700	3,547	1,467
Supplies and materials	401	400	-
Total Expenditures	<u>3,101</u>	<u>3,947</u>	<u>1,467</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 TITLE II TEACHER QUALITY LEADERSHIP
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 3,700	\$ 3,700	\$ 3,000
Total Revenues	<u>3,700</u>	<u>3,700</u>	<u>3,000</u>
EXPENDITURES			
Purchased services	3,700	3,700	3,000
Total Expenditures	<u>3,700</u>	<u>3,700</u>	<u>3,000</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 OUNCE OF PREVENTION - TRAINING AND TECHNICAL
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 190,000	\$ 185,725	\$ 185,725
Total Revenues	<u>190,000</u>	<u>185,725</u>	<u>185,725</u>
EXPENDITURES			
Salaries and benefits	134,521	134,521	127,323
Pension expense	-	-	7,403
Purchased services	47,126	37,996	35,850
Supplies and materials	7,653	12,508	14,280
Capital outlay	700	700	869
Total Expenditures	<u>190,000</u>	<u>185,725</u>	<u>185,725</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 REGIONAL SAFE SCHOOLS
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 75,675	\$ 73,972	\$ 73,972
Total Revenues	<u>75,675</u>	<u>73,972</u>	<u>73,972</u>
EXPENDITURES			
Salaries and benefits	74,634	72,931	72,135
Pension expense	-	-	797
Purchased services	1,041	1,041	1,040
Total Expenditures	<u>75,675</u>	<u>73,972</u>	<u>73,972</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 EARLY CHILDHOOD BLOCK GRANT
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 726,292	\$ 712,818	\$ 763,818
Total Revenues	<u>726,292</u>	<u>712,818</u>	<u>763,818</u>
EXPENDITURES			
Salaries and benefits	554,497	546,881	512,920
Pension expense	-	-	28,356
Purchased services	153,346	146,258	200,412
Supplies and materials	16,949	18,179	20,523
Capital outlay	1,500	1,500	1,607
Total Expenditures	<u>726,292</u>	<u>712,818</u>	<u>763,818</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 TITLE I - SCHOOL IMPROVEMENT AND ACCOUNTABILITY
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 43,144	\$ 43,144	\$ 9,423
Total Revenues	<u>43,144</u>	<u>43,144</u>	<u>9,423</u>
EXPENDITURES			
Salaries and benefits	25,000	25,000	7,300
Purchased services	16,009	16,009	2,123
Supplies and materials	2,135	2,135	-
Total Expenditures	<u>43,144</u>	<u>43,144</u>	<u>9,423</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 EARLY CHILDHOOD BLOCK GRANT - CONTINUING THREE TO FIVE
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 58,547	\$ 57,461	\$ 57,461
Total Revenues	<u>58,547</u>	<u>57,461</u>	<u>57,461</u>
EXPENDITURES			
Salaries and benefits	51,100	50,739	49,670
Pension expense	-	-	980
Purchased services	5,354	5,165	5,313
Supplies and materials	2,093	1,557	1,498
Total Expenditures	<u>58,547</u>	<u>57,461</u>	<u>57,461</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNT
 HOMELESS CHILDREN YOUTH PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 10,476	\$ 9,716	\$ 9,716
Total Revenues	<u>10,476</u>	<u>9,716</u>	<u>9,716</u>
EXPENDITURES			
Salaries and benefits	10,476	9,716	8,853
Pension expense	-	-	863
Total Expenditures	<u>10,476</u>	<u>9,716</u>	<u>9,716</u>
NET CHANGE IN FUND BALANCE (DEFICIT)			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

	Institute	General Education Development	Bus Permit	TOTALS
ASSETS				
Cash and cash equivalents	\$ 113,771	\$ 16,820	\$ 20,637	\$ 151,228
Due from other governments - Local	-	-	400	400
TOTAL ASSETS	\$ 113,771	\$ 16,820	\$ 21,037	\$ 151,628
LIABILITIES				
Accounts payable	\$ 20	\$ -	\$ 100	\$ 120
Accrued payroll and benefits	52	92	-	144
Total Liabilities	72	92	100	264
FUND BALANCE (DEFICIT)				
Restricted	113,699	16,728	20,937	151,364
Total Fund Balance (Deficit)	113,699	16,728	20,937	151,364
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 113,771	\$ 16,820	\$ 21,037	\$ 151,628

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Institute	General Education Development	Bus Permit	TOTALS
REVENUES				
Local sources	\$ 35,600	\$ 2,377	\$ 3,845	\$ 41,822
State sources	-	-	1,140	1,140
Total Revenues	<u>35,600</u>	<u>2,377</u>	<u>4,985</u>	<u>42,962</u>
EXPENDITURES				
Salaries and benefits	5,955	5,654	-	11,609
Pension expense	518	473	-	991
Purchased services	26,164	5,021	1,500	32,685
Supplies and materials	305	4	-	309
Total Expenditures	<u>32,942</u>	<u>11,152</u>	<u>1,500</u>	<u>45,594</u>
NET CHANGE IN FUND BALANCE (DEFICIT)	2,658	(8,775)	3,485	(2,632)
FUND BALANCE (DEFICIT) - BEGINNING	<u>111,041</u>	<u>25,503</u>	<u>17,452</u>	<u>153,996</u>
FUND BALANCE (DEFICIT) - ENDING	<u><u>\$ 113,699</u></u>	<u><u>\$ 16,728</u></u>	<u><u>\$ 20,937</u></u>	<u><u>\$ 151,364</u></u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 JUNE 30, 2015

	Distributive Fund	Heartland Region Fund	Regional Board of Trustees	School Occupation Facility Tax	TOTALS
ASSETS					
Cash and cash equivalents	\$ -	\$ 247,580	\$ 1,344	\$ -	\$ 248,924
Due from other governments	9,132	17,492	-	2,469,723	2,496,347
TOTAL ASSETS	\$ 9,132	\$ 265,072	\$ 1,344	\$ 2,469,723	\$ 2,745,271
LIABILITIES					
Accounts payable	\$ -	\$ 54,773	\$ -	\$ -	\$ 54,773
Due to other governments	9,132	210,299	1,344	2,469,723	2,690,498
TOTAL LIABILITIES	\$ 9,132	\$ 265,072	\$ 1,344	\$ 2,469,723	\$ 2,745,271

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<u>Distributive Fund</u>				
ASSETS				
Cash and cash equivalents	\$ -	\$ 2,899,270	\$ 2,899,270	\$ -
Due from other governments	254,195	9,132	254,195	9,132
Total Assets	<u>\$ 254,195</u>	<u>\$ 2,908,402</u>	<u>\$ 3,153,465</u>	<u>\$ 9,132</u>
LIABILITIES				
Due to other governments	\$ 254,195	\$ 2,908,402	\$ 3,153,465	\$ 9,132
Total Liabilities	<u>\$ 254,195</u>	<u>\$ 2,908,402</u>	<u>\$ 3,153,465</u>	<u>\$ 9,132</u>
<u>Heartland Region Fund</u>				
ASSETS				
Cash and cash equivalents	\$ 109,535	\$ 1,810,250	\$ 1,672,205	\$ 247,580
Due from other governments	77,080	17,492	77,080	17,492
Total Assets	<u>\$ 186,615</u>	<u>\$ 1,827,742</u>	<u>\$ 1,749,285</u>	<u>\$ 265,072</u>
LIABILITIES				
Accounts payable	\$ 41,672	\$ 54,773	\$ 41,672	\$ 54,773
Due to other governments	144,943	1,772,969	1,707,613	210,299
Total Liabilities	<u>\$ 186,615</u>	<u>\$ 1,827,742</u>	<u>\$ 1,749,285</u>	<u>\$ 265,072</u>

MACON/PIATT COUNTIES
REGIONAL OFFICE OF EDUCATION #39
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<u>Regional Board of Trustees</u>				
ASSETS				
Cash and cash equivalents	\$ 1,344	\$ -	\$ -	\$ 1,344
Total Assets	<u>\$ 1,344</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,344</u>
LIABILITIES				
Due to other governments	\$ 1,344	\$ -	\$ -	\$ 1,344
Total Liabilities	<u>\$ 1,344</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,344</u>
<u>School Occupation Facility Tax</u>				
ASSETS				
Cash and cash equivalents	\$ -	\$ 7,195,196	\$ 7,195,196	\$ -
Due from other governments	2,549,551	2,469,723	2,549,551	2,469,723
Total Assets	<u>\$ 2,549,551</u>	<u>\$ 9,664,919</u>	<u>\$ 9,744,747</u>	<u>\$ 2,469,723</u>
LIABILITIES				
Due to other governments	\$ 2,549,551	\$ 9,664,919	\$ 9,744,747	\$ 2,469,723
Total Liabilities	<u>\$ 2,549,551</u>	<u>\$ 9,664,919</u>	<u>\$ 9,744,747</u>	<u>\$ 2,469,723</u>
<u>TOTALS</u>				
ASSETS				
Cash and cash equivalents	\$ 110,879	\$ 11,904,716	\$ 11,766,671	\$ 248,924
Due from other governments	2,880,826	2,496,347	2,880,826	2,496,347
Total Assets	<u>\$ 2,991,705</u>	<u>\$ 14,401,063</u>	<u>\$ 14,647,497</u>	<u>\$ 2,745,271</u>
LIABILITIES				
Accounts payable	\$ 41,672	\$ 54,773	\$ 41,672	\$ 54,773
Due to other governments	2,950,033	14,346,290	14,605,825	2,690,498
Total Liabilities	<u>\$ 2,991,705</u>	<u>\$ 14,401,063</u>	<u>\$ 14,647,497</u>	<u>\$ 2,745,271</u>

MACON/PIATT COUNTIES
 REGIONAL OFFICE OF EDUCATION #39
 SCHEDULE OF DISBURSEMENTS TO
 SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES
 DISTRIBUTIVE FUND
 FOR THE YEAR ENDED JUNE 30, 2015

	Heartland Region	ROE #39	Total
General State Aid	\$ -	\$ 774,549	\$ 774,549
Transportation - Regular and Vocational	9,894	-	9,894
Career & Technical Ed Imp	737,828	-	737,828
School Bus Driver Training	-	1,140	1,140
Truants Alternative Optional Education	-	195,670	195,670
Regional Safe Schools	-	73,972	73,972
Early Childhood - Block Grant	-	770,279	770,279
School Improvement - Operations	-	69,653	69,653
VE Perkins Title IIC Sec	265,293	-	265,293
Title II - Teacher Quality	-	992	992
TOTAL	\$ 1,013,015	\$ 1,886,255	\$ 2,899,270