

**State of Illinois  
LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
FINANCIAL AUDIT  
(In Accordance with the Single Audit Act  
and OMB Circular A-133)  
For the Year Ended June 30, 2013**

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

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47**

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**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47**

**OFFICIALS**

Regional Superintendent  
(Current effective August 16, 2013)

Honorable Paul McMahon

Regional Superintendent  
(During the audit period through August 15, 2013)

Honorable Amy Jo Clemens

Assistant Regional Superintendent  
(Current effective August 16, 2013)

Ms. Janet Kacvinsky

Assistant Regional Superintendent  
(During the audit period through August 15, 2013)

Mr. Paul McMahon

Office is located at:

7772 Clinton St.  
Dixon, IL 61021

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47**

**COMPLIANCE REPORT SUMMARY**

The compliance 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 on compliance and internal controls 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	2
Repeated audit findings	1	1
Prior recommendations implemented or not repeated	1	1

Details of audit findings are included in a separate report section.

**SUMMARY OF FINDINGS AND QUESTIONED COSTS**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
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FINDINGS (GOVERNMENT AUDITING STANDARDS)

2013-001	13-14	Controls Over Financial Statement Preparation	Significant Deficiency
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FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)

None

PRIOR AUDIT FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

12-2	17	Inadequate Control Over Recording of Grant Activity	Significant Deficiency Noncompliance
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PRIOR AUDIT FINDINGS NOT REPEATED (FEDERAL COMPLIANCE)

12-2	17	Inadequate Control Over Recording of Grant Activity	Material Weakness and Noncompliance
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**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47**

**COMPLIANCE REPORT SUMMARY**

**EXIT CONFERENCE**

The Lee/Ogle Counties Regional Office of Education No. 47 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2013. Throughout the audit, numerous meetings were held between auditors and Regional Office officials to discuss matters contained in this audit report.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47**

**FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of the Lee/Ogle Counties Regional Office of Education No. 47 was performed by Winkel, Parker & Foster, CPA PC.

Based on their audit, the auditors expressed an unmodified opinion on the Lee/Ogle Counties Regional Office of Education No. 47's basic financial statements.

## INDEPENDENT AUDITORS' REPORT

Honorable William G. Holland  
Auditor General  
State of Illinois

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

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lee/Ogle Counties Regional Office of Education No. 47, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Lee/Ogle Counties Regional Office of Education No. 47's basic financial statements as listed in the table of contents.

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

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

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of the 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 Lee/Ogle Counties Regional Office of Education No. 47, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedule of Funding Progress - Illinois Municipal Retirement Fund on pages 19 through 33 and 71 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.

### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lee/Ogle Counties Regional Office of Education No. 47's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, Schedule of Disbursements to School District Treasurers and Other Entities and the Schedule of Expenditures of Federal Awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, Schedule of Disbursements to School District Treasurers and Other Entities and the Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, Schedule of Disbursements to School District Treasurers and Other Entities and the Schedule of Expenditures of Federal Awards 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 11, 2014 on our consideration of the Lee/Ogle Counties Regional Office of Education No. 47'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 Lee/Ogle Counties Regional Office of Education No. 47's internal control over financial reporting and compliance.

**Winkel, Parker & Foster, CPA PC**

Clinton, Iowa  
June 11, 2014

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

Honorable William G. Holland  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with 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 Lee/Ogle Counties Regional Office of Education No. 47, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Lee/Ogle Counties Regional Office of Education No. 47's basic financial statements, and have issued our report thereon dated June 11, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lee/Ogle Counties Regional Office of Education No. 47'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 Lee/Ogle Counties Regional Office of Education No. 47's internal control. Accordingly, we do not express an opinion on the effectiveness of Lee/Ogle Counties Regional Office of Education No. 47's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2013-001 that we consider to be a significant deficiency.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lee/Ogle Counties Regional Office of Education No. 47'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 No. 47's Response to Finding

Lee/Ogle Counties Regional Office of Education No. 47's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Lee/Ogle Counties Regional Office of Education No. 47'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 Lee/Ogle Counties Regional Office of Education No. 47'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 Lee/Ogle Counties Regional Office of Education No. 47's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

## **Winkel, Parker & Foster, CPA PC**

Clinton, Iowa  
June 11, 2014

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Honorable William G. Holland  
Auditor General  
State of Illinois

Report on Compliance for Each Major Federal Program

We have audited Lee/Ogle Counties Regional Office of Education No. 47's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Lee/Ogle Counties Regional Office of Education No. 47's major federal programs for the year ended June 30, 2013. Lee/Ogle Counties Regional Office of Education No. 47's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Lee/Ogle Counties Regional Office of Education No. 47's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Lee/Ogle Counties Regional Office of Education No. 47's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Lee/Ogle Counties Regional Office of Education No. 47's compliance.

Opinion on Each Major Federal Program

In our opinion, Lee/Ogle Counties Regional Office of Education No. 47 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

## Report on Internal Control Over Compliance

Management of Lee/Ogle Counties Regional Office of Education No. 47 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Lee/Ogle Counties Regional Office of Education No. 47's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Lee/Ogle Counties Regional Office of Education No. 47's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**Winkel, Parker & Foster, CPA PC**

Clinton, Iowa  
June 11, 2014

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013**

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

**Financial Statements**

Type of auditors' report issued: \_\_\_\_\_ Unmodified \_\_\_\_\_

Internal control over financial reporting:

Material weakness(es) identified?                           yes      x   no  
 Significant deficiency(ies) identified?              x   yes           none reported

Noncompliance material to financial statements noted?                  yes      x   \_\_\_\_\_

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?                           yes      x   no  
 Significant deficiency(ies) identified?                   yes      x   none reported

Type of auditors' report issued on compliance for major programs:  
 \_\_\_\_\_ Unmodified \_\_\_\_\_

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?                           yes      x   no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.323A</u>	<u>Special Education - State Personnel Development</u>
_____	_____
_____	_____
_____	_____
_____	_____

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee?                           yes      x   no

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013**

**Section II: Financial Statement Findings:**

**FINDING NO. 2013-001 - Controls Over Financial Statement Preparation** (Repeat of findings 12-1, 11-1, 10-1 and 09-1)

**Criteria/Specific Requirement:**

The Lee/Ogle Counties Regional Office of Education No. 47 is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). Regional Office of Education No. 47's internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge, skills and experience to prepare GAAP based financial statements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

GASB Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments* (Statement), requires governments to present government-wide and fund financial statements as well as a summary reconciliation of the (a) total governmental funds balances to the net position of governmental activities in the Statement of Net Position, and (b) total change in governmental fund balances to the change in the net position of governmental activities in the Statement of Activities. In addition, the Statement requires information about the government's major and nonmajor funds in the aggregate, to be provided in the fund financial statements.

**Condition:**

The Regional Office of Education No. 47 does not have sufficient internal controls over the financial reporting process. While the Regional Office of Education No. 47 maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect and correct financial statement misstatements and disclosure omissions in a timely manner.

During review of the Regional Office of Education No. 47's financial information prepared by the Regional Office of Education No. 47, it was noted that the Regional Office did not have adequate controls over the maintenance of records of due from other governments, accounts payable and due to other governments. While the Regional Office did maintain records to indicate the balances due from other governments, accounts payable and due to other governments, audit adjustments were proposed in order to ensure financial statement balances were accurate.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013**

**Section II: Financial Statement Findings:**

**FINDING NO. 2013-001 - Controls Over Financial Statement Preparation** (Repeat of findings 12-1, 11-1, 10-1 and 09-1) (Continued)

**Effect:**

The Regional Office of Education No. 47's management or its employees, in the normal course of performing their assigned functions, may not prevent or detect and correct financial statement misstatements and disclosure omissions in a timely manner.

**Cause:**

Management did not effectively detect all of the adjustments needed in order to present financial statements in accordance with GAAP.

**Recommendation:**

As part of internal control over the preparation of financial statements, including disclosures, the Regional Office of Education No. 47 should implement comprehensive preparation procedures to ensure that the financial statements, including disclosures, are complete and accurate. These procedures should be performed by a properly trained individual possessing a thorough understanding of applicable generally accepted accounting principles, GASB pronouncements, and knowledge of the Regional Office of Education No. 47's activities and operations.

**Management's Response:**

As part of our internal control over the preparation of our financial statements, the Regional Office of Education No. 47 has implemented a comprehensive preparation and/or review procedure to ensure that the financial statements, including disclosures are complete and accurate on a monthly basis. The Regional Superintendent will continue to review all financial statements (including accruals) striving to be as accurate as possible, hoping to eliminate this finding in the future.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013**

**Section III: Federal Award Findings:**

**Instances of Noncompliance:**

None

**Material Weaknesses:**

None

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
Year Ended June 30, 2013**

**FINDING NO. 2013-001 - Controls Over Financial Statement Preparation** (Repeat of findings 12-1, 11-1, 10-1 and 09-1)

**Condition:**

The Regional Office of Education No. 47 does not have sufficient internal controls over the financial reporting process. While the Regional Office of Education No. 47 maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect and correct financial statement misstatements and disclosure omissions in a timely manner.

During review of the Regional Office of Education No. 47's financial information prepared by the Regional Office of Education No. 47, it was noted that the Regional Office did not have adequate controls over the maintenance of records of due from other governments, accounts payable and due to other governments. While the Regional Office did maintain records to indicate the balances due from other governments, accounts payable and due to other governments, audit adjustments were proposed in order to ensure financial statement balances were accurate.

**Plan:**

As part of our internal control over the preparation of our financial statements, the Regional Office of Education No. 47 will continue to provide a comprehensive preparation and/or review procedure to ensure that the financial statements, including disclosures are complete and accurate. Unfortunately, hiring an individual trained in Generally Accepted Accounting Principles will probably still be cost-prohibitive to our small government entity.

**Anticipated Completion Date:**

Immediately

**Contact Person Responsible for Corrective Action:**

Honorable Paul McMahon, Regional Superintendent

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
June 30, 2013**

<b><u>Finding No.</u></b>	<b><u>Condition</u></b>	<b><u>Current Status</u></b>
12-1 12-2 Resolved	Controls Over Financial Statement Preparation Inadequate Control Over Recording of Grant Activity	Repeated

## **Management's Discussion and Analysis**

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2013**

Lee/Ogle Counties Regional Office of Education No. 47 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, 2013. We encourage readers to consider this information in conjunction with Lee/Ogle Counties Regional Office of Education No. 47's financial statements, which follow.

**2013 FINANCIAL HIGHLIGHTS**

- General Fund revenues decreased from \$1,352,920 in fiscal year 2012 to \$1,293,131 in fiscal year 2013, while General Fund expenditures increased from \$1,203,773 in fiscal year 2012 to \$1,353,625 in fiscal year 2013. The decrease in revenues was due to lower enrollment in the Nachusa Campus School which resulted in a decrease in funding. The increase in expenses is due to the Regional Office of Education No. 47 incurring additional expenses for the Nachusa Campus School in response to decreased outside funding levels.
- Education Fund revenues increased from \$2,039,961 in fiscal year 2012 to \$2,576,280 in fiscal year 2013. Expenses also increased from \$2,075,243 in fiscal year 2012 to \$2,543,222 in fiscal year 2013. The Education Fund is made up of grants that the Regional Office receives and these can vary greatly from year to year as some programs have decreased funding or are discontinued while others see a funding increase.
- Institute Fund revenues decreased from \$29,136 in fiscal year 2012 to \$22,252 in fiscal year 2013. Expenses in the Institute Fund increased from \$12,981 in fiscal year 2012 to \$15,202 in fiscal year 2013. The decrease in revenues was due to differences in the cycles for teacher registration fees. The increase in expenses was due to using the institute fund for professional development more than in the past. This was due to reductions of other grants that used to fund these activities.
- Enterprise Fund revenues increased from \$117,706 in fiscal year 2012 to \$176,881 in fiscal year 2013. Enterprise Fund expenses also increased from \$109,490 in fiscal year 2012 to \$153,470 in fiscal year 2013. These increases were primarily due to increased workshop activity and changes in services provided, especially with regard to fingerprinting services. With the changes in state laws regarding fingerprinting requirements, more services were utilized which increased both revenues (fees paid by participants) and expenditures (salaries and fees).
- Government-wide revenues increased by approximately 14% from \$3,571,838 in fiscal year 2012 to \$4,062,402 in fiscal year 2013. Government-wide expenses increased by approximately 20% from \$3,428,899 in fiscal year 2012 to \$4,105,566 in fiscal year 2013.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2013**

**USING THIS ANNUAL REPORT**

The annual 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 Lee/Ogle Counties Regional Office of Education No. 47'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 Lee/Ogle Counties Regional Office of Education No. 47 as a whole and present an overall view of Lee/Ogle Counties Regional Office of Education No. 47's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report Lee/Ogle Counties Regional Office of Education No. 47's operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which Lee/Ogle Counties Regional Office of Education No. 47 acts solely as an agent or custodian for the benefit of those outside of Lee/Ogle Counties Regional Office of Education No. 47.

Notes to financial statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with information about the Illinois Municipal Retirement Fund Schedule of Funding Progress.

Supplementary Information provides detailed information about the major and nonmajor funds.

Figure A-1 summarizes the major features of Lee/Ogle Counties Regional Office of Education No. 47's financial statements, including the portion of Lee/Ogle Counties Regional Office of Education No. 47's activities they cover and the types of information they contain.

**LEE/OGLE COUNTIES  
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**Figure A-1  
Major Features of the Government-wide and Fund Financial Statements**

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Regional Office of Education No. 47 (except fiduciary funds)	The activities of Regional Office of Education No. 47 that are not proprietary or fiduciary, such as grants and statutory funds	Activities Regional Office of Education No. 47 operates similar to private businesses: workshops	Instances in which Regional Office of Education No. 47 administers resources on behalf of someone else, such as the distributive fund and Private Purpose Trust Fund
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Revenues, Expenses, and Changes in Fund Net Position</li> <li>• Statement of Cash Flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Fiduciary Net Position</li> <li>• Statement of Changes in Fiduciary Net Position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

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**REPORTING LEE/OGLE COUNTIES REGIONAL OFFICE OF EDUCATION NO. 47'S  
FINANCIAL ACTIVITIES**

***Government-wide Financial Statements***

The government-wide financial statements report information about Lee/Ogle Counties Regional Office of Education No. 47 as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of Lee/Ogle Counties Regional Office of Education No. 47's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide financial statements report Lee/Ogle Counties Regional Office of Education No. 47's net position and how they have changed. Net position - the difference between Lee/Ogle Counties Regional Office of Education No. 47's assets and liabilities - are one way to measure Lee/Ogle Counties Regional Office of Education No. 47's financial health or financial position. Over time, increases or decreases in Lee/Ogle Counties Regional Office of Education No. 47's net position are an indicator of whether financial position is improving or deteriorating. To assess Lee/Ogle Counties Regional Office of Education No. 47's overall health, additional non-financial factors, such as changes in Lee/Ogle Counties Regional Office of Education No. 47's grant funding and the condition of facilities need to be considered.

In the government-wide financial statements, Lee/Ogle Counties Regional Office of Education No. 47's activities are divided into two categories:

- *Governmental activities:* Most of Lee/Ogle Counties Regional Office of Education No. 47's basic services are included here, such as grants and statutory funds. Federal and state grant proceeds finance most of these activities.
- *Business-type activities:* Lee/Ogle Counties Regional Office of Education No. 47 charges fees to help cover the costs of certain services it provides. Lee/Ogle Counties Regional Office of Education No. 47's business-type activities can be found on pages 41-43.

***Fund Financial Statements***

The fund financial statements provide more detailed information about Lee/Ogle Counties Regional Office of Education No. 47's funds, focusing on its most significant or "major" funds - not Lee/Ogle Counties Regional Office of Education No. 47 as a whole. Funds are accounting devices Lee/Ogle Counties Regional Office of Education No. 47 uses to keep track of specific sources of funding and spending on particular programs.

**LEE/OGLE COUNTIES  
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Some funds are required by state law. Lee/Ogle Counties Regional Office of Education No. 47 establishes other funds to control and manage money for particular purposes, such as accounting for special revenue funds, or to show that it is properly using certain revenues, such as federal grants.

Lee/Ogle Counties Regional Office of Education No. 47 has three kinds of funds:

1) *Governmental funds*: Most of Lee/Ogle Counties Regional Office of Education No. 47's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) 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 financial resources that can be spent in the near future to finance Lee/Ogle Counties Regional Office of Education No. 47's programs.

Lee/Ogle Counties Regional Office of Education No. 47's governmental funds include the General Fund and Special Revenue Funds.

The required financial statements for governmental funds include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances.

2) *Proprietary funds*: Services for which Lee/Ogle Counties Regional Office of Education No. 47 charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. Lee/Ogle Counties Regional Office of Education No. 47's Enterprise Funds, one type of proprietary fund, are the same as its business-type activities, but provide more detail and additional information, such as cash flows. Lee/Ogle Counties Regional Office of Education No. 47 currently has three Enterprise Funds, the Workshops fund, the School Improvement Plan (SIP) fund, and the Fingerprinting fund.

The required financial statements for proprietary funds 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*: Lee/Ogle Counties Regional Office of Education No. 47 is the trustee for assets that belong to others. These funds include a Private-Purpose Trust Fund and Agency Funds.

- Private-Purpose Trust Fund - This is a fund that contains funds that remain on account from the interest accumulated when the Regional Office collected and distributed state funds to the districts. This practice was phased-out over several years as individual districts were able to accept electronic funds from the state into their local banks. The practice was totally eliminated before 2006, yet the interest has continued to be held by the Regional Office in this fund.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
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- Agency Funds - These are funds through which Lee/Ogle Counties Regional Office of Education No. 47 administers and accounts for certain federal and/or state grants on behalf of others.

Lee/Ogle Counties Regional Office of Education No. 47 is responsible for ensuring the assets reported in the fiduciary funds are used only for their intended purposes and by those to whom the assets belong. Lee/Ogle Counties Regional Office of Education No. 47 excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

The required financial statements for fiduciary funds include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

Reconciliations between the government-wide financial statements and the fund financial statements follow the fund financial statements.

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve, over time, as a useful indicator of a government's financial position. In the case of Lee/Ogle Counties Regional Office of Education No. 47, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$796,102 as of June 30, 2013.

A portion of Lee/Ogle Counties Regional Office of Education No. 47's net position (8%) reflects its net investment in capital assets (e.g., furniture and equipment).

Lee/Ogle Counties Regional Office of Education No. 47's financial position is the product of several financial transactions including the net results of activities, the acquisition and disposal of capital assets, and the depreciation of capital assets.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
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June 30, 2013**

The following table presents a summary of Lee/Ogle Counties Regional Office of Education No. 47's net position for the fiscal year ended June 30, 2013 and 2012.

**2013**

	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>
Current assets	\$ 925,378	\$ 72,155	\$ 997,533
Capital assets, net of depreciation	<u>84,445</u>	<u>-</u>	<u>84,445</u>
Total assets	<u>1,009,823</u>	<u>72,155</u>	<u>1,081,978</u>
 Deferred outflows of resources	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Current liabilities	 267,214	 2,354	 269,568
Non-current liabilities	<u>16,308</u>	<u>-</u>	<u>16,308</u>
Total liabilities	<u>283,522</u>	<u>2,354</u>	<u>285,876</u>
 Deferred inflows of resources	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Net position			
Net investment in capital assets	64,296	-	64,296
Unrestricted	586,960	69,801	656,761
Restricted for educational purposes	<u>75,045</u>	<u>-</u>	<u>75,045</u>
<b>Total net position</b>	<b><u>\$ 726,301</u></b>	<b><u>\$ 69,801</u></b>	<b><u>\$ 796,102</u></b>

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
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June 30, 2013**

<b><u>2012</u></b>	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>
Current assets	\$ 914,191	\$ 63,538	\$ 977,729
Capital assets, net of depreciation	<u>92,864</u>	<u>-</u>	<u>92,864</u>
<b>Total assets</b>	<u>1,007,055</u>	<u>63,538</u>	<u>1,070,593</u>
 Deferred outflows of resources	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Current liabilities	 <u>229,786</u>	 <u>1,541</u>	 <u>231,327</u>
 Deferred inflows of resources	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Net position			
Net investment in capital assets	92,864	-	92,864
Unrestricted	630,192	61,997	692,189
Restricted for educational purposes	<u>54,213</u>	<u>-</u>	<u>54,213</u>
<b>Total net position</b>	<u>\$ 777,269</u>	<u>\$ 61,997</u>	<u>\$ 839,266</u>

The largest portion of Lee/Ogle Counties Regional Office of Education No. 47's net position is unrestricted. Unrestricted net position is the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements. Unrestricted net position was \$656,761 at year end. In addition, net position related to the Institute Fund, Education Fund, and Non-Major Funds are considered restricted for educational purposes.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
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June 30, 2013**

**Changes in net position.** Lee/Ogle Counties Regional Office of Education No. 47's total revenue for the fiscal year ended June 30, 2013 was \$4,062,402. The total cost of all programs and services was \$4,105,566. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2013 and 2012.

**2013**

	<b><u>Governmental Activities</u></b>	<b><u>Business- Type Activities</u></b>	<b><u>Total</u></b>
<b>Revenues:</b>			
Program revenues			
Charges for services	\$ 47,689	\$ 176,881	\$ 224,570
Operating grants and contributions	2,544,701	-	2,544,701
General revenues			
Local sources	189,298	-	189,298
State sources	563,521	-	563,521
On-behalf payments	540,312	-	540,312
Total revenues	<u>3,885,521</u>	<u>176,881</u>	<u>4,062,402</u>
<b>Expenses:</b>			
Education			
Salaries	1,037,122	5,461	1,042,583
Benefits	192,654	604	193,258
Purchased services	511,838	143,031	654,869
Supplies and materials	108,140	4,374	112,514
Depreciation	38,465	-	38,465
Payments to other governments	1,505,041	-	1,505,041
Other objects	18,032	-	18,032
Capital outlay	492	-	492
Administrative			
On-behalf payments	540,312	-	540,312
Total expenses	<u>3,952,096</u>	<u>153,470</u>	<u>4,105,566</u>
<b>Excess (deficiency) of revenues over (under) expenses before transfers</b>	(66,575)	23,411	(43,164)
<b>Transfers</b>	<u>15,607</u>	<u>(15,607)</u>	<u>-</u>
<b>Change in net position</b>	(50,968)	7,804	(43,164)
<b>Net position, beginning</b>	<u>777,269</u>	<u>61,997</u>	<u>839,266</u>
<b>Net position, ending</b>	<u>\$ 726,301</u>	<u>\$ 69,801</u>	<u>\$ 796,102</u>

Operating grants and contributions account for 63% of the total revenue. Lee/Ogle Counties Regional Office of Education No. 47's expenses primarily relate to education, which account for 87% of the total expenses.

**LEE/OGLE COUNTIES  
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<b><u>2012</u></b>	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b><u>Total</u></b>
<b>Revenues:</b>			
Program revenues			
Charges for services	\$ -	\$ 117,706	\$ 117,706
Operating grants and contributions	2,596,394	-	2,596,394
General revenues			
Local sources	277,882	-	277,882
State sources	126,220	-	126,220
On-behalf payments	<u>453,636</u>	<u>-</u>	<u>453,636</u>
Total revenues	<u>3,454,132</u>	<u>117,706</u>	<u>3,571,838</u>
<b>Expenses:</b>			
Education			
Salaries	913,114	15,481	928,595
Benefits	157,200	2,556	159,756
Purchased services	478,316	88,843	567,159
Supplies and materials	100,923	2,610	103,533
Depreciation	33,879	-	33,879
Payments to other governments	1,143,039	-	1,143,039
Other objects	4,783	-	4,783
Capital outlay	34,519	-	34,519
Administrative			
On-behalf payments	<u>453,636</u>	<u>-</u>	<u>453,636</u>
Total expenses	<u>3,319,409</u>	<u>109,490</u>	<u>3,428,899</u>
<b>Change in net position</b>	134,723	8,216	142,939
<b>Net position, beginning</b>	<u>642,546</u>	<u>53,781</u>	<u>696,327</u>
<b>Net position, ending</b>	<u>\$ 777,269</u>	<u>\$ 61,997</u>	<u>\$ 839,266</u>

Operating grants and contributions account for 73% of the total revenue. Lee/Ogle Counties Regional Office of Education No. 47's expenses primarily relate to education, which account for 87% of the total expenses.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
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**Governmental Activities**

Revenues for governmental activities were \$3,885,521 and \$3,454,132 and expenses were \$3,952,096 and \$3,319,409 for 2013 and 2012, respectively.

The following tables present the cost of Lee/Ogle Counties Regional Office of Education No. 47's functional governmental activities. The tables also show each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and Lee/Ogle Counties Regional Office of Education No. 47's residents by each of these functions.

<b><u>2013</u></b>	<b><u>Total Expenses</u></b>	<b><u>Net (Expenses) Revenues</u></b>
Education		
Salaries	\$ 1,037,122	\$ (381,872)
Benefits	192,654	(50,788)
Purchased services	511,838	(134,120)
Supplies and materials	108,140	(26,553)
Depreciation	38,465	(38,465)
Payments to other governments	1,505,041	(207,243)
Other objects	18,032	(5,308)
Capital outlay	492	24,955
Administrative		
On-behalf payments	<u>540,312</u>	<u>(540,312)</u>
<b>Total expenses</b>	<b><u>\$ 3,952,096</u></b>	<b><u>\$(1,359,706)</u></b>

<b><u>2012</u></b>	<b><u>Total Expenses</u></b>	<b><u>Net (Expenses) Revenues</u></b>
Education		
Salaries	\$ 913,114	\$ (84,920)
Benefits	157,200	(14,620)
Purchased services	478,316	(44,483)
Supplies and materials	100,923	(9,386)
Depreciation	33,879	(33,879)
Payments to other governments	1,143,039	(106,303)
Other objects	4,783	(445)
Capital outlay	34,519	24,657
Administrative		
On-behalf payments	<u>453,636</u>	<u>(453,636)</u>
<b>Total expenses</b>	<b><u>\$ 3,319,409</u></b>	<b><u>\$(723,015)</u></b>

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
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- The cost of all governmental activities was \$3,952,096 and \$3,319,409 for 2013 and 2012, respectively.
- Federal and state governments subsidized certain governmental activities with grants and contributions of \$2,544,701 and \$2,596,394 for 2013 and 2012, respectively.

Net cost of governmental activities (\$1,359,706), was financed by general revenues, which are made up of primarily local sources (\$189,298), state sources (\$563,521), and on-behalf payments (\$540,312) for 2013.

Net cost of governmental activities (\$723,015), was financed by general revenues, which are made up of primarily local sources (\$277,882), state sources (\$126,220), and on-behalf payments (\$453,636) for 2012.

**Business-Type Activities**

Revenues for business-type activities were \$117,706 and \$176,881 and expenses were \$109,490 and \$153,470 for 2012 and 2013, respectively. Lee/Ogle Counties Regional Office of Education No. 47's business-type activities include the Workshops fund, the School Improvement Plan (SIP) fund, and the Fingerprinting fund. Revenues of these activities were comprised of charges for services.

**INDIVIDUAL FUND ANALYSIS**

As previously noted, Lee/Ogle Counties Regional Office of Education No. 47 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The financial performance of Lee/Ogle Counties Regional Office of Education No. 47 as a whole is reflected in its governmental funds, as well. As Lee/Ogle Counties Regional Office of Education No. 47 completed the year, its governmental funds reported a combined fund balance of \$661,539, above last year's ending fund balances of \$651,457.

**Governmental Fund Highlights**

The General Fund fund balance decreased from \$630,192 in 2012 to \$586,960 in 2013. The decrease in revenues was due to lower enrollment in the Nachusa Campus School which resulted in a decrease in funding. The increase in expenses is due to the Regional Office of Education No. 47 incurring additional expenses for the Nachusa Campus School in response to decreased outside funding levels.

The Education Fund fund balance increased from \$(52,820) in 2012 to \$(1,268) in 2013. The Education Fund is primarily made up of grants the Regional Office receives and this can vary greatly from year to year as some programs are discontinued while others see a funding increase. Over the various programs that make up the fund, total revenues exceeded expenditures by \$51,552 thus increasing fund balance in fiscal year 2013.

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The Institute Fund fund balance increased from \$62,033 in 2012 to \$69,083 in 2013. The Institute Fund fund balance increase was mostly attributable to revenues of registration fees that exceeded expenditures related to professional development services.

**Proprietary Fund Highlights**

Enterprise Fund net position increased from \$61,997 in 2012 to \$69,801 in 2013. The Workshops fund consists of funds the Regional Office receives for providing professional development to individual teachers. These teachers use these activities to satisfy their certificate renewal requirements. The School Improvement Plan (SIP) fund consists of funds the Regional Office receives for providing professional development activities to the districts which are based on their school improvement plans. The Fingerprinting fund consists of revenues and expenses the Regional Office receives for providing fingerprinting services to the community.

The Enterprise Fund revenues increased from \$117,706 in 2012 to \$176,881 in 2013. The Enterprise Fund operating expenses also increased from \$109,490 in 2012 to \$153,470 in 2013. The increases were attributable to increased workshops and fingerprinting services.

**BUDGETARY HIGHLIGHTS**

Lee/Ogle Counties Regional Office of Education No. 47 is not required to create a budget for overall operations. They are required to prepare budgets for most of the grants they receive. Over the course of the year, Lee/Ogle Counties Regional Office of Education No. 47 amended several of the grant budgets within the Education Fund. Budgets for grant programs are adjusted because of an increase or decrease in funding due to changes at the State level or to better allocate funds received to meet the needs of the program.

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June 30, 2013**

**CAPITAL ASSETS AND LONG-TERM DEBT**

As of June 30, 2013, Lee/Ogle Counties Regional Office of Education No. 47 had invested \$84,445 in capital assets, including furniture and equipment. This is a decrease of \$8,419 from investment in capital assets, including furniture and equipment on June 30, 2012. Total depreciation expense for 2013 was \$38,465.

The following schedule presents capital asset balances net of depreciation for the fiscal year ended June 30, 2013:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Furniture and equipment	<u>\$ 84,445</u>	<u>\$ -</u>	<u>\$ 84,445</u>

The following schedule presents capital asset balances net of depreciation for the fiscal year ended June 30, 2012:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Furniture and equipment	<u>\$ 92,864</u>	<u>\$ -</u>	<u>\$ 92,864</u>

Additional information on Lee/Ogle Counties Regional Office of Education No. 47's capital assets can be found in Note 3 on pages 57-58 of this report.

Lee/Ogle Counties Regional Office of Education No. 47 has entered into lease agreements as lessee for financing the acquisition of copiers. The present value of minimum lease payments at June 30, 2013 was \$20,149. Additional information on Lee/Ogle Counties Regional Office of Education No. 47's leases can be found in Note 4 on page 58 of this report.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
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June 30, 2013**

**ECONOMIC FACTORS BEARING ON LEE/OGLE COUNTIES REGIONAL OFFICE OF EDUCATION NO. 47'S FUTURE**

At the time these financial statements were prepared and audited, Lee/Ogle Counties Regional Office of Education No. 47 was aware of several existing circumstances that could significantly affect its financial health in the future:

The most impactful factor is the proration of general state aid. Due to the state budget difficulties, General State Aid has been prorated at 89% for several years. This significantly impacts ROE 47's ability to provide alternative educational services through our Nachusa Campus School. Districts must increase their fees paid or ROE 47 must cut teachers and other services. In fiscal year 13, ROE 47 used budget surpluses from previous years to accommodate for this shortfall, but that will not be possible in future years.

Other factors impacting future programs is the continual decline of federal grant revenue. This has included significant reductions in McKinney-Vento Homeless Education (reduced by 1/3<sup>rd</sup>) and Illinois Math Science Partnership (reduced by 100%) and Statewide System of Support (reduced by 100%). These cuts will significantly impact services delivered.

**CONTACTING LEE/OGLE COUNTIES REGIONAL OFFICE OF EDUCATION NO. 47'S FINANCIAL MANAGEMENT**

This financial report is designed to provide Lee/Ogle Counties Regional Office of Education No. 47's citizens, taxpayers, customers, and creditors with a general overview of Lee/Ogle Counties Regional Office of Education No. 47's finances and to demonstrate Lee/Ogle Counties Regional Office of Education No. 47's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Lee/Ogle Counties Regional Office of Education No. 47, 7772 Clinton Street, Dixon, Illinois 61021.

## **BASIC FINANCIAL STATEMENTS**

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
STATEMENT OF NET POSITION  
June 30, 2013**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 352,069	\$ 69,100	\$ 421,169
Prepaid expenses	20,150	-	20,150
Due from other governments	<u>553,159</u>	<u>3,055</u>	<u>556,214</u>
Total current assets	925,378	72,155	997,533
Non-current assets:			
Capital assets, net of depreciation	<u>84,445</u>	<u>-</u>	<u>84,445</u>
Total assets	<u>1,009,823</u>	<u>72,155</u>	<u>1,081,978</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
None	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	21,554	2,354	23,908
Due to other governments	227,864	-	227,864
Unearned revenue	13,955	-	13,955
Leases payable	<u>3,841</u>	<u>-</u>	<u>3,841</u>
Total current liabilities	267,214	2,354	269,568
Non-current liabilities:			
Leases payable	<u>16,308</u>	<u>-</u>	<u>16,308</u>
Total liabilities	<u>283,522</u>	<u>2,354</u>	<u>285,876</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
None	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>			
Net investment in capital assets	64,296	-	64,296
Unrestricted	586,960	69,801	656,761
Restricted for educational purposes	<u>75,045</u>	<u>-</u>	<u>75,045</u>
<b>Total net position</b>	<b><u>\$ 726,301</u></b>	<b><u>\$ 69,801</u></b>	<b><u>\$ 796,102</u></b>

The accompanying notes are an integral part of the financial statements.

LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
STATEMENT OF ACTIVITIES  
Year Ended June 30, 2013

EXHIBIT B

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	Primary Government		
				<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Primary government:						
Governmental activities:						
Education:						
Salaries	\$ 1,037,122	\$ 19,075	\$ 636,175	\$ (381,872)	\$ -	\$ (381,872)
Benefits	192,654	1,908	139,958	(50,788)	-	(50,788)
Purchased services	511,838	21,460	356,258	(134,120)	-	(134,120)
Supplies and materials	108,140	5,246	76,341	(26,553)	-	(26,553)
Depreciation	38,465	-	-	(38,465)	-	(38,465)
Payments to other governments	1,505,041	-	1,297,798	(207,243)	-	(207,243)
Other objects	18,032	-	12,724	(5,308)	-	(5,308)
Capital outlay	492	-	25,447	24,955	-	24,955
Administrative:						
On-behalf payments	<u>540,312</u>	<u>-</u>	<u>-</u>	<u>(540,312)</u>	<u>-</u>	<u>(540,312)</u>
Total governmental activities	3,952,096	47,689	2,544,701	(1,359,706)	-	(1,359,706)
Business-type activities:						
Other	<u>153,470</u>	<u>176,881</u>	<u>-</u>	<u>-</u>	<u>23,411</u>	<u>23,411</u>
<b>Total primary government</b>	<b><u>\$ 4,105,566</u></b>	<b><u>\$ 224,570</u></b>	<b><u>\$ 2,544,701</u></b>	<b><u>(1,359,706)</u></b>	<b><u>23,411</u></b>	<b><u>(1,336,295)</u></b>
General revenues:						
Local sources				189,298	-	189,298
State sources				563,521	-	563,521
On-behalf payments				540,312	-	540,312
Transfers				<u>15,607</u>	<u>(15,607)</u>	<u>-</u>
Total general revenues and transfers				<u>1,308,738</u>	<u>(15,607)</u>	<u>1,293,131</u>
<b>CHANGE IN NET POSITION</b>				(50,968)	7,804	(43,164)
<b>NET POSITION, BEGINNING OF YEAR</b>				<u>777,269</u>	<u>61,997</u>	<u>839,266</u>
<b>NET POSITION, END OF YEAR</b>				<b><u>\$ 726,301</u></b>	<b><u>\$ 69,801</u></b>	<b><u>\$ 796,102</u></b>

The accompanying notes are an integral part of the financial statements.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2013**

**EXHIBIT C**

	<u>General Fund</u>	<u>Education Fund</u>	<u>Institute Fund</u>	<u>Other Non-Major Funds</u>	<u>Total</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 272,770	\$ 4,561	\$ 69,103	\$ 5,635	\$ 352,069
Prepaid expenses	20,150	-	-	-	20,150
Due from other governments	12,488	535,318	-	5,353	553,159
Due from other funds	<u>327,251</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>327,251</u>
Total assets	<u>632,659</u>	<u>539,879</u>	<u>69,103</u>	<u>10,988</u>	<u>1,252,629</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
	<u>\$ 632,659</u>	<u>\$ 539,879</u>	<u>\$ 69,103</u>	<u>\$ 10,988</u>	<u>\$ 1,252,629</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 3,217	\$ 17,804	\$ 20	\$ 513	\$ 21,554
Due to other governments	28,583	199,281	-	-	227,864
Due to other funds	13,899	309,641	-	3,711	327,251
Unearned revenue	<u>-</u>	<u>14,421</u>	<u>-</u>	<u>-</u>	<u>14,421</u>
Total liabilities	<u>45,699</u>	<u>541,147</u>	<u>20</u>	<u>4,224</u>	<u>591,090</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT)</b>					
Nonspendable	20,150	-	-	-	20,150
Restricted	-	14	69,083	6,764	75,861
Assigned	22,793	-	-	-	22,793
Unassigned	<u>544,017</u>	<u>(1,282)</u>	<u>-</u>	<u>-</u>	<u>542,735</u>
Total fund balance (deficit)	<u>586,960</u>	<u>(1,268)</u>	<u>69,083</u>	<u>6,764</u>	<u>661,539</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)</b>					
	<u>\$ 632,659</u>	<u>\$ 539,879</u>	<u>\$ 69,103</u>	<u>\$ 10,988</u>	<u>\$ 1,252,629</u>

The accompanying notes are an integral part of the financial statements.

**LEE/OGLE COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 47**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**GOVERNMENTAL FUNDS**  
**June 30, 2013**

<b>Total fund balance of governmental funds (page 37)</b>	\$ 661,539
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.	84,445
Capital lease obligations are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.	(20,149)
Receivables not collected within 60 days of year end are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	<u>466</u>
<b>Net position of governmental activities (page 35)</b>	<u>\$ 726,301</u>

The accompanying notes are an integral part of the financial statements.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2013**

	<u>General Fund</u>	<u>Education Fund</u>	<u>Institute Fund</u>	<u>Other Non-Major Funds</u>	<u>Total</u>
<b>REVENUES:</b>					
Local sources	\$ 189,298	\$ -	\$ 22,252	\$ 25,437	\$ 236,987
State sources	563,521	454,736	-	903	1,019,160
Federal sources	-	2,121,544	-	-	2,121,544
On-behalf payments	540,312	-	-	-	540,312
Total revenues	<u>1,293,131</u>	<u>2,576,280</u>	<u>22,252</u>	<u>26,340</u>	<u>3,918,003</u>
<b>EXPENDITURES:</b>					
Education:					
Salaries	373,073	645,409	4,583	14,057	1,037,122
Benefits	52,395	138,243	789	1,227	192,654
Purchased services	145,410	345,435	9,751	11,242	511,838
Supplies and materials	23,225	79,734	79	5,102	108,140
Payments to other governments	191,546	1,313,495	-	-	1,505,041
On-behalf payments	540,312	-	-	-	540,312
Other objects	-	18,032	-	-	18,032
Capital outlay	27,664	2,874	-	-	30,538
Total expenditures	<u>1,353,625</u>	<u>2,543,222</u>	<u>15,202</u>	<u>31,628</u>	<u>3,943,677</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(60,494)</u>	<u>33,058</u>	<u>7,050</u>	<u>(5,288)</u>	<u>(25,674)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from long-term lease payable	21,951	-	-	-	21,951
Repayment of long-term lease payable	(1,802)	-	-	-	(1,802)
Transfer in	-	18,494	-	-	18,494
Transfer out	(2,887)	-	-	-	(2,887)
Total other financing sources (uses)	<u>17,262</u>	<u>18,494</u>	<u>-</u>	<u>-</u>	<u>35,756</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	(43,232)	51,552	7,050	(5,288)	10,082
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>630,192</u>	<u>(52,820)</u>	<u>62,033</u>	<u>12,052</u>	<u>651,457</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 586,960</u>	<u>\$ (1,268)</u>	<u>\$ 69,083</u>	<u>\$ 6,764</u>	<u>\$ 661,539</u>

The accompanying notes are an integral part of the financial statements.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2013**

**Net change in fund balance (page 39)** **\$ 10,082**

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 are allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 30,046	
Depreciation expense	<u>(38,465)</u>	(8,419)

Some of the capital assets acquired this year were financed with capital leases. The amount financed by the leases is reported in the governmental funds as a source of financing. Capital leases are not revenues in the Statement of Activities, but rather constitute long-term liabilities in the Statement of Net Position. (21,951)

Repayment of long-term capital lease obligations is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 1,802

Some receivables will not be collected for several months after the fiscal year end, so they are not considered as "available" revenues in the governmental funds, and they are instead counted as deferred revenues. They are, however, recorded as revenues in the Statement of Activities.

Fiscal year 2012 deferred revenue recognized in fiscal year 2013	(32,948)	
Fiscal year 2013 deferred revenue	<u>466</u>	<u>(32,482)</u>

**Change in net position of governmental activities (page 36)** **\$ (50,968)**

The accompanying notes are an integral part of the financial statements.

LEE/OGLE COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 47  
 STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 June 30, 2013

		<u>Business-Type Activities Enterprise Funds</u>	<u>Non-Major Funds</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$	69,100	
Due from other governments		<u>3,055</u>	
Total current assets		<u>72,155</u>	
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
None		<u>-</u>	
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable		<u>2,354</u>	
<b>DEFERRED INFLOWS OF RESOURCES</b>			
None		<u>-</u>	
<b>NET POSITION</b>			
Unrestricted	\$	<u>69,801</u>	

The accompanying notes are an integral part of the financial statements.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
Year Ended June 30, 2013**

	<b>Business-Type Activities Enterprise Funds</b>
	<b>Non-Major <u>Funds</u></b>
<b>Operating revenues:</b>	
Charges for services	\$ 176,881
<b>Operating expenses:</b>	
Education:	
Salaries	5,461
Benefits	604
Purchased services	143,031
Supplies and materials	4,374
Total operating expenses	153,470
<b>Operating income before transfer</b>	23,411
Transfer out	(15,607)
<b>Change in net position</b>	7,804
<b>Net position, beginning of year</b>	61,997
<b>Net position, end of year</b>	\$ 69,801

The accompanying notes are an integral part of the financial statements.

LEE/OGLE COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 47  
 STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 Year Ended June 30, 2013

	Business-Type Activities Enterprise Funds
	Non-Major Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from workshops and services	\$ 173,641
Payments to suppliers and providers of goods and services	(145,907)
Payments to employees	(6,065)
Net cash provided by operating activities	21,669
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Transfer to other funds	(15,607)
Net cash used in noncapital financing activities	(15,607)
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	6,062
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	63,038
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 69,100
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 23,411
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in assets and liabilities:	
Due from other governments	(2,555)
Accounts payable	1,498
Deferred revenue	(685)
	(1,742)
<b>Net cash provided by operating activities</b>	\$ 21,669

The accompanying notes are an integral part of the financial statements.

LEE/OGLE COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 47  
 STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 June 30, 2013

	<b>Private- Purpose Trust Fund</b>	<b>Agency Funds</b>
<b>ASSETS</b>		
Current assets:		
Cash	\$ 26,308	\$ 1,603
Due from other governments	-	501
Total current assets	<u>26,308</u>	<u>2,104</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
None	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>		
Current liabilities:		
Due to other governments	<u>-</u>	<u>2,104</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
None	<u>-</u>	<u>-</u>
<b>NET POSITION</b>		
Unrestricted		
Held in trust for other purposes	<u>\$ 26,308</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

**LEE/OGLE COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 47**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**Year Ended June 30, 2013**

	<b>Private- Purpose Trust <u>Fund</u></b>
<b>ADDITIONS</b>	
None	\$ -
<b>DEDUCTIONS</b>	
Miscellaneous	<u>516</u>
<b>Change in net position</b>	(516)
<b>Net position, beginning of year</b>	<u>26,824</u>
<b>Net position, end of year</b>	<u>\$ 26,308</u>

The accompanying notes are an integral part of the financial statements.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

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

The Lee/Ogle Counties Regional Office of Education No. 47 was formed under the provisions of the State of Illinois, Illinois State Board of Education. The Lee/Ogle Counties Regional Office of Education No. 47 operates under the School Code (105 ILCS 5/3 and 5/3A). The Regional Office of Education No. 47 encompasses Lee/Ogle Counties in Illinois. A Regional Superintendent of Schools serves as chief administrative officer and is elected pursuant to 105 ILCS 5/3 and 5/3A of the School Code. The principal financial duty of the Regional Superintendent is to receive and distribute monies due to school districts from general state aid, state categorical grants, and various other sources.

**Reporting Entity**

The Regional Superintendent is charged with:

- The elevation of the standard of teaching (Article 3), which includes but is not limited to conducting teacher institutes, writing and delivering various educational grants as are needed by the districts, listing unfilled teaching positions and providing assistance in grant writing.
- Maintaining pupil compulsory attendance (Article 26), which includes but is not limited to serving as county truancy officer, providing various truancy prevention programs and services, delivering graduation incentive programs and various home school and other private school registration.
- Supervision and control of school districts (Article 3), which includes but is not limited to conducting ISBE required compliance reviews, official advisor to school officers and teachers, visitation to all public schools, retaining accurate maps and boundary changes, review of district and joint agreement Annual Financial Reports, review of district treasurer bonds, public ombudsman services, recommendation of school and district recognition along with removal of school board members when necessary.
- Inspection of schools for health/life safety (Article 3), which includes but is not limited to annual walk through inspections, school building plan reviews, condemnation of school buildings, and bus driver training and permits.
- Secretary to the Regional Board of School Trustees (Article 5, 6, 7, 11B and 11E), which includes but is not limited to conducting the hearings for any petitions submitted for annexation or detachment from districts, district consolidation or withdrawal from joint agreements.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

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

- Teacher certification (Article 21 and 21A), which includes but is not limited to registering educational certificates for all teachers, principals, school support personnel, and paraprofessionals in the region, filing applications for all certificates, endorsements and approvals, completing all certificate renewal reviews and audits, review district teacher assignments, review district paraprofessional assignments, complete highly qualified teacher audits, maintain substitute teacher list and personnel files, along with required criminal background checks.
- Schools for special purposes (Article 13 A and B), which includes but is not limited to Regional Safe Schools for expelled or multiply suspended students and alternative learning opportunities programs.
- High school equivalency testing (Article 3), which includes but is not limited to completing GED preparation and testing along with maintaining transcripts and other records.

For financial reporting purposes, the Lee/Ogle Counties Regional Office of Education No. 47 has included all funds, organizations, agencies, boards, commissions and authorities. The Lee/Ogle Counties Regional Office of Education No. 47 has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the Lee/Ogle Counties Regional Office of Education No. 47 are such that exclusion would cause the Lee/Ogle Counties Regional Office of Education No. 47's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Lee/Ogle Counties Regional Office of Education No. 47 to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the Lee/Ogle Counties Regional Office of Education No. 47. The Regional Superintendent has determined that no outside agency meets the above criteria and, therefore, no agency has been included as a component unit in the financial statements. In addition, the Regional Superintendent is not aware of any entity which would exercise such oversight which would result in the Regional Office of Education No. 47 being considered a component unit of the entity.

**Basis of Presentation**

**Government-wide Financial Statements** - The Statement of Net Position and the Statement of Activities report information on all of the activities of Lee/Ogle Counties Regional Office of Education No. 47. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by intergovernmental and local revenues.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

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

The Statement of Net Position presents Lee/Ogle Counties Regional Office of Education No. 47's nonfiduciary assets and liabilities, with the difference reported as net position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

**Fund Financial Statements** - 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 and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are consolidated into a single column within the governmental funds in the financial section of the basic financial statements and are detailed in the supplementary information.

Lee/Ogle Counties Regional Office of Education No. 47 reports the following major governmental funds:

The General Fund is used to account for resources traditionally associated with government, which are not required legally or by sound financial management, to be accounted and reported for in another fund. The General Fund is always considered a major fund. The following accounts are included in the General Fund:

Local Fund - to account for monies received for, and payment of, expenditures for various educational workshops and interest income related to various grants.

Alternative Learning Opportunity Program - General State Aid (ALOP-GSA) - to account for state aid funds received for, and payment of, expenditures relating to the operation of an Alternative Learning Opportunity Program.

Regional Safe Schools Program - General State Aid (RSSP-GSA) - to account for the state aid funds received for, and payment of, the expenditures relating to the Regional Safe Schools Program - General State Aid.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

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

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service and capital projects. Major special revenue funds include the following:

Institute Fund - The Institute Fund is used to account for the stewardship of the assets held in trust for the benefit of the teachers. Fees are collected from registration of teachers' certificates of qualification. These funds are to be used to defray expenses connected with improving the technology necessary for the efficient processing of certificates as well as any expenses incidental to teachers' institutes, conferences and workshops or meetings of a professional nature that are designed to promote growth of teachers. All funds generated remain restricted until expended only on the aforementioned activities.

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

Illinois Family Violence Coordinating Council - to account for grant monies received for, and payment of, expenditures relating to violence prevention.

Mathematics and Science Partnership - to account for grant monies received for, and payment of, expenditures for improving teacher knowledge and skills in mathematics and science such that they prepare content-rich, contextual learning experiences which will increase the achievement of their middle school students in math and/or science.

Rural Education Achievement Program - to account for the grant monies received for, and payment of, expenditures related to this program.

McKinney Education for Homeless Children - to account for the grant monies received for, and payment of, expenditures relating to McKinney Education for Homeless Children program.

Truants Alternative Education - to account for grant monies received for, and payment of, expenditures related to Truants Alternative Education Program.

Social Emotional Learning - to account for the grant monies received for, and payment of, the expenditures relating to the Social Emotional Learning Program.

Regional System of Support Providers - to account for the grant monies received for, and payment of, the expenditures to support schools and districts that have been identified as in federal "School Improvement Status" due to not making adequate yearly progress.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

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

Pre-School For All Program - to account for grant monies received for, and payment of, expenditures relating to Early Childhood Block Grant Prevention Initiative program.

Early Childhood Block Grant - to account for grant monies received for, and payment of, expenditures relating to Early Childhood Block Grant Prevention Initiative program.

Regional Safe Schools Program - to account for grant monies received for, and payment of, expenditures relating to Regional Safe Schools Program.

Title I - Migrant Education - used to account for grant monies received for, and payment of, the expenditures incurred to support high quality education programs for migratory children.

National School Lunch - this program supports the National School Lunch program.

State Free Lunch and Breakfast - this program supports the State Free Lunch and Breakfast programs.

School Breakfast Program - this program supports the School Breakfast programs.

IDEA Improvement Grant - this program provides a statewide network for the technical assistance and professional development of Response to Intervention through the Illinois State Board of Education.

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

Illinois Violence Prevention Authority - used to account for grant monies received for, and payment of, updating protocols and training personnel for procedures during an arrest and investigation with a family violence allegation.

Title II - Teacher Quality Leadership - used to account for grant monies received for, and payment of, expenditures incurred in providing professional development training to teachers for improvement of instruction in the classroom.

E-Rate - this program helps ensure that schools and libraries can obtain telecommunications and internet access at affordable rates.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
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June 30, 2013**

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

Lee/Ogle Counties Regional Office of Education No. 47 reports the following non-major governmental funds:

Bus Driver Fund - used to account for resources accumulated for, and payment of, expenses of issuing school bus driver permits and administering school bus driver training.

General Educational Development (GED) Fund - used to account for resources accumulated for, and payment of, expenses of administering the GED test.

Lee/Ogle Counties Regional Office of Education No. 47 reports the following non-major proprietary funds:

Workshops - used to account for workshops associated with various grant programs.

School Improvement Plan (SIP) - to account for monies received from school districts held for expenses relating to their school improvement plans.

Fingerprinting - used to account for resources accumulated for, and payment of, expenses of providing criminal background checks.

Lee/Ogle Counties Regional Office of Education No. 47 also reports fiduciary funds which focus on net position and changes in net position. They include the following:

Private-Purpose Trust Fund - used to account for interest earned on Distributive Funds. Under written agreement with individual school districts, interest earned on Distributive Funds is used for the benefit of Lee/Ogle Counties Regional Office of Education No. 47.

Agency Funds - used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. These include agency funds which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Lee/Ogle Counties Regional Office of Education No. 47 reports the following agency funds:

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

Impact Fees - to account for monies received from owners/builders for the issuance of a zoning certificate. The Regional Superintendent, as agent, remits the fees collected to the appropriate school district.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

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

Petitions Fund - to account for monies received from entities and citizens petitioning the Regional Board of Trustees to change boundaries. The Regional Superintendent, as agent, remits the fees collected to the appropriate agencies.

**Measurement Focus and Basis of Accounting**

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 provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter 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.

Intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the Lee/Ogle Counties Regional Office of Education No. 47.

Lee/Ogle Counties Regional Office of Education No. 47 records on-behalf payments made by the State to the Teachers' Retirement System as revenue and expenditures.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Capital asset acquisitions are reported as expenditures in governmental funds.

Under the terms of grant agreements, Lee/Ogle Counties Regional Office of Education No. 47 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 Lee/Ogle Counties Regional Office of Education No. 47's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues. It is the Regional Office of Education No. 47's policy to first apply restricted funds, then unrestricted. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned if any.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Lee/Ogle Counties Regional Office of Education No. 47's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Lee/Ogle Counties Regional Office of Education No. 47 maintains its financial records on the cash basis. The financial statements of Lee/Ogle Counties Regional Office of Education No. 47 are prepared by making memorandum adjusting entries to the cash basis financial records.

**Assets and Liabilities**

The following accounting policies are followed in preparing the balance sheet:

Cash and investments - The cash and investment balances of Lee/Ogle Counties Regional Office of Education No. 47 are valued at cost.

For purposes of the Statement of Cash Flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months.

Due from other governments - Due from other governments represents amounts due from the Illinois State Board of Education, other agencies, and districts.

Capital assets - Capital assets, which include furniture and equipment, are reported in the government-wide Statement of Net Position. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by Lee/Ogle Counties Regional Office of Education No. 47 as assets with estimated useful lives in excess of one year and an original cost in excess of \$500. Capital assets are depreciated using the straight line method over 5 - 7 years.

Impairment of Long Lived Assets - Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

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

Unearned revenues - The Regional Office of Education reports unearned deferred revenue in the governmental fund Balance Sheet. Deferred and unearned revenue arises when potential revenue does not meet both the measurable and available criteria for recognition in the current period.

Management 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. Actual results could differ from those estimates.

**Governmental Fund Balance**

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

*Nonspendable Fund Balance* - the portion of a Governmental Fund's net position that are not available to be spent, either short term or long term, in either form or through legal restrictions. The Local Fund and the Alternative Learning Opportunity Program - General State Aid (ALOP-GSA) have nonspendable fund balances.

*Restricted Fund Balance* - the portion of a Governmental Fund's net position that are subject to external enforceable legal restrictions. The Early Childhood Block Grant has a fund balance that is restricted by grant agreement. The Institute Fund, Bus Driver Fund, and General Educational Development (GED) Fund fund balances are restricted by Illinois Statute.

*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. There are no accounts presenting a committed fund balance.

*Assigned Fund Balance* - the portion of a Governmental Fund's net position to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The Alternative Learning Opportunity Program - General State Aid (ALOP-GSA) fund has a fund balance that is assigned by the Regional Superintendent.

**LEE/OGLE COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 47**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2013**

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

*Unassigned Fund Balance* - available expendable financial resources in a governmental fund that are not designated for a specific purpose. The following accounts compromise unassigned fund balance: Local Fund and Alternative Learning Opportunity Program - General State Aid (ALOP-GSA). The following accounts compromise unassigned fund balance due to having negative fund balances at year end: Regional Safe Schools Program - General State Aid (RSSP-GSA), Illinois Family Violence Coordinating Council, Rural Education Achievement Program, Social Emotional Learning, Title I - Migrant Education, and E-Rate.

**Net Position**

Net position presents the difference between assets and liabilities in the Statement of Net Position. Net position of the Regional Office of Education are classified as follows:

*Net Investment in Capital Assets* - represents the Regional Office of Education's total investment in capital assets.

*Restricted Net Position* - represents net position that are restricted due to constraints placed on the net position use that are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted Net Position* - represents resources used for transactions relating to the general operations of the Regional Office of Education and may be used at the discretion of management to meet expenses for any purpose.

**Interfund Activity**

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**Revenue**

Charges for services result from exchange or exchange-like transactions, in which customers or applicants who purchase, use, or directly benefit from the goods, services, or privileges provided, or are otherwise directly affected by the services. Teacher certification, license and permit revenues are recognized in the year for which the licenses and permits are issued.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

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

Revenues from Federal and State grant awards are recorded net of the amount due to the State for the unused portion of the grant or the amount carried over to the following fiscal year project. Amounts due to the State or carried over to the following year project are recorded as liabilities.

**Budgets and Budgetary Accounting**

Lee/Ogle Counties Regional Office of Education No. 47 did not adopt a formal budget nor is it legally required to do so for the year ended June 30, 2013; subsequently, the accompanying financial statements are not presented on a budgetary basis whereby budget and actual revenues and expenditures are compared; however, Illinois State Board of Education, a granting agent, requires budgets for certain program money. For the year ended June 30, 2013, a budgetary comparison schedule is presented for the following grant funds: Mathematics and Science Partnership, McKinney Education for Homeless Children, Truants Alternative Education, Pre-School For All Program, Early Childhood Block Grant, Regional Safe Schools Program, Title I - Migrant Education, IDEA Improvement Grant, ROE Operations and Title II - Teacher Quality Leadership.

**Subsequent Events**

Management has evaluated subsequent events through June 11, 2014, the date the financial statements were available to be issued.

**NOTE 2 - DEPOSITS**

**Deposits**

At June 30, 2013, the carrying amount of the Regional Office of Education No. 47's deposits were \$449,080 and the bank balance was \$705,785. As of June 30, 2013, all of Lee/Ogle Counties Regional Office of Education No. 47's deposits were either covered by FDIC insurance or covered by collateral held by the financial institution in Lee/Ogle Counties Regional Office of Education No. 47's name.

The Regional Office of Education No. 47's established investment policy follows the State of Illinois Public Funds Investment Act which authorizes the Regional Office of Education No. 47 to purchase certain obligations of the U.S. Treasury, federal agencies and instrumentalities; certificates of deposit and time deposits covered by Federal depository insurance; commercial paper of U.S. corporations with assets exceeding \$500,000,000, if such paper is rated at the highest classification established by at least two standard rating services; money market funds and the Illinois Funds.

As of June 30, 2013, the Lee/Ogle Counties Regional Office of Education No. 47 had cash equivalents with carrying and fair value of \$24,085 invested in the Illinois Funds Money Market.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

**NOTE 2 - DEPOSITS (CONTINUED)**

*Credit Risk*

At June 30, 2013, the Illinois Funds Money Market Fund had a Standards 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 provisions of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

*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 funds. The investment policy of the Illinois Funds Money Market Fund 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.

*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 portfolio, with the exception of cash equivalents of U.S. Treasury securities. Further, certificates of deposit cannot exceed 10% of any single financial institution's total deposits.

A reconciliation of cash as shown on the Statement of Net Position for the primary government is as follows:

	<b><u>Carrying Amount</u></b>
Cash - Primary Government	\$ 421,169
Cash - Private-Purpose Trust	26,308
Cash - Agency	<u>1,603</u>
<b>Total</b>	<b><u>\$ 449,080</u></b>

**NOTE 3 - CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2013 is as follows:

	<b><u>June 30, 2012</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b><u>June 30, 2013</u></b>
Governmental activities:				
Furniture and equipment	\$ 653,250	\$ 30,046	\$ (301,290)	\$ 382,006
Less accumulated depreciation	<u>(560,386)</u>	<u>(38,465)</u>	<u>301,290</u>	<u>(297,561)</u>
Total capital assets, net	<b><u>\$ 92,864</u></b>	<b><u>\$ (8,419)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 84,445</u></b>

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

**NOTE 3 - CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged as follows:

Governmental activities:

Education:

Depreciation \$ 38,465

**NOTE 4 - CAPITAL LEASE AND LONG-TERM LIABILITIES**

Lee/Ogle Counties Regional Office of Education No. 47 has entered into lease agreements as lessee for financing the acquisition of copiers. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date in the capital assets account. The gross amount of assets recorded under capital leases is \$22,190 and the accumulated amortization as of June 30, 2013 was \$2,219. The leases include end of term purchase options of \$1.

The future minimum lease obligations and the net present value of these lease payments as of June 30, 2013 were as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2014	\$ 5,400
2015	5,400
2016	5,400
2017	5,400
2018	<u>2,700</u>
Total minimum lease payments	24,300
Less: amount representing interest	<u>4,151</u>
Present value of minimum lease payments	<u>\$ 20,149</u>

Long-term liability activity for the year ended June 30, 2013, is as follows:

<u>Capital Lease</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
Governmental Funds	<u>\$ -</u>	<u>\$ 21,951</u>	<u>\$ 1,802</u>	<u>\$ 20,149</u>	<u>\$ 3,841</u>

**NOTE 5 - EMPLOYEE BENEFIT PLAN**

The Regional Office of Education No. 47 employees are covered under the Illinois Municipal Retirement Fund. Contributions to the Fund are made by Lee/Ogle Counties and through grant monies on behalf of the Lee/Ogle Counties Regional Office of Education No. 47 staff employees and grant coordinators.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

**NOTE 5 - EMPLOYEE BENEFIT PLAN (CONTINUED)**

Lee/Ogle Counties are participating members of the Illinois Municipal Retirement Fund whose coverage includes all employees who:

- a. Occupy a job normally requiring 600 hours or more per year;
- b. Are paid on a regular payroll from County or Lee/Ogle Counties Regional Office of Education No. 47 funds;
- c. Were under age sixty when first entering employment; and
- d. Are not covered by another State created retirement system for the same service.

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

The Regional Superintendent and the Assistant Regional Superintendent of Lee/Ogle Counties Regional Office of Education No. 47 are paid by the State of Illinois. Certain staff employees of the office are employed and paid by Lee or Ogle Counties (other support staff and grant coordinators are paid through grant monies). Lee/Ogle Counties Regional Office of Education No. 47 has no separate employee benefit plan.

Illinois Municipal Retirement Plan

*Plan Description.* Lee/Ogle Counties Regional Office of Education No. 47's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. Lee/Ogle Counties Regional Office of Education No. 47 plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Funding Policy.* As set by statute, Lee/Ogle Counties Regional Office of Education No. 47 Regular plan members are required to contribute 4.50 percent 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 employer annual required contribution rate for calendar year 2012 was 9.56 percent. Lee/Ogle Counties Regional Office of Education No. 47 also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Annual Pension Cost.* The required contribution for calendar year 2012 was \$33,534.

**LEE/OGLE COUNTIES  
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NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

**NOTE 5 - EMPLOYEE BENEFIT PLAN (CONTINUED)**

**THREE YEAR TREND INFORMATION FOR THE REGULAR PLAN**

<u>Calendar Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/12	\$ 33,534	100%	\$ -
12/31/11	29,007	100%	-
12/31/10	22,443	100%	-

The required contribution for 2012 was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of Lee/Ogle Counties Regional Office of Education No. 47 Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. Lee/Ogle Counties Regional Office of Education No. 47 Regular plan's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 10 year basis.

*Funded Status and Funding Progress.* As of December 31, 2012, the most recent actuarial valuation date, the Regular plan was 56.64 percent funded. The actuarial accrued liability for benefits was \$397,403 and the actuarial value of assets was \$225,071, resulting in an underfunded actuarial accrued liability (UAAL) of \$172,332. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$350,774 and the ratio of the UAAL to the covered payroll was 49 percent.

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

**NOTE 6 - RETIREMENT PLANS**

Teachers' Retirement System of the State of Illinois

Lee/Ogle Counties Regional Office of Education No. 47 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.

**LEE/OGLE COUNTIES  
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**NOTE 6 - RETIREMENT PLANS (CONTINUED)**

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

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

The state of Illinois makes contributions directly to TRS on behalf of Lee/Ogle Counties Regional Office of Education No. 47's TRS-covered employees.

- **On-behalf Contributions to TRS.** The state of Illinois makes employer pension contributions on behalf of Lee/Ogle Counties Regional Office of Education No. 47. For the year ended June 30, 2013, state of Illinois contributions were based on 28.05 percent of creditable earnings not paid from federal funds, and Lee/Ogle Counties Regional Office of Education No. 47 recognized revenue and expenditures of \$213,002 in pension contributions that the state of Illinois paid directly to TRS. For the years ended June 30, 2012 and June 30, 2011, the state of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 24.91 percent (\$160,366) and 23.10 percent (\$176,461), respectively.

Lee/Ogle Counties Regional Office of Education No. 47 makes other types of employer contributions directly to TRS:

- **2.2 Formula Contributions.** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2013 were \$3,269. Contributions for the years ending June 30, 2012 and June 30, 2011 were \$2,631 and \$3,368, respectively.
- **Federal and Special Trust Fund Contributions.** When TRS members are paid from federal and special trust funds administered by Lee/Ogle Counties Regional Office of Education No. 47, there is a statutory requirement for Lee/Ogle Counties Regional Office of Education No. 47 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective for 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 for TRS.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

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

For the year ended June 30, 2013, the employer pension contribution was 28.05 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2012 and 2011, the employer contribution was 24.91 and 23.10 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2013, salaries totaling \$173,945 were paid from federal and special trust funds that required employer contributions of \$48,792. For the years ended June 30, 2012 and 2011, required Lee/Ogle Counties Regional Office of Education No. 47 contributions were \$26,563 and \$24,818, respectively.

- **Early Retirement Option (ERO).** Lee/Ogle Counties Regional Office of Education No. 47 is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member.

The maximum employer ERO contribution under the current program is 117.5 percent and applies when the member is age 55 at retirement. For the years ended June 30, 2013, June 30, 2012 and June 30, 2011, Lee/Ogle Counties Regional Office Education No. 47 paid no ERO contributions.

- **Salary increases over 6 percent and excess sick leave.**
  - If an employer grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the employer makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent. For the years ended June 30, 2013, June 30, 2012, and June 30, 2011, Lee/Ogle Counties Regional Office of Education No. 47 did not make any contributions to TRS for salary increases in excess of 6 percent.
  - If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary rate reported by the granting employer during the four-year sick leave review period, and the TRS total normal cost rate (17.63 percent of salary during the year ended June 30, 2013). For the years ended June 30, 2013, June 30, 2012, and June 30, 2011, Lee/Ogle Regional Office of Education No. 47 did not make any contributions to TRS for sick leave days granted in excess of the normal annual allotment.

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

**LEE/OGLE COUNTIES  
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**NOTE 6 - RETIREMENT PLANS (CONTINUED)**

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

Teacher Health Insurance Security Fund

Lee/Ogle Regional Office of Education No. 47 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 may participate in the state administered participating provider option plan or choose from several managed care options.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the 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 THIS Fund.

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

- **On-behalf Contributions to THIS Fund.** The state of Illinois makes employer retiree health insurance contributions on behalf of Lee/Ogle Counties Regional Office of Education No. 47. State contributions are intended to match contributions to THIS Fund from active members which were 0.92 percent of pay during the year ended June 30, 2013. State of Illinois contributions were \$5,185, and Lee/Ogle Counties Regional Office of Education No. 47 recognized revenue and expenditures of this amount during the year. State contributions intended to match active member contributions during the year ended June 30, 2012, and June 30, 2011 were 0.88 percent of pay, both years. State contributions on behalf of Lee/Ogle Counties Regional Office of Education No. 47 employees were \$3,991 and \$5,110, respectively.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

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

- **Employer Contributions to THIS Fund.** Lee/Ogle Counties Regional Office of Education No. 47 also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.69 percent during the year ended June 30, 2013 and 0.66 percent during the years ended June 30, 2012 and June 30, 2011. For the year ended June 30, 2013, Lee/Ogle Counties Regional Office of Education No. 47 paid \$3,889 to the THIS Fund. For the years ended June 30, 2012 and June 30, 2011, Lee/Ogle Counties Regional Office of Education No. 47 paid \$2,993 and \$3,832 to the THIS Fund, respectively, which was 100 percent of the required contribution.

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

**NOTE 7 - ON-BEHALF PAYMENTS**

Salaries of the Regional Superintendent and her first assistant are paid by the State of Illinois. All other salaries are paid by Lee/Ogle Counties. Pension plan contributions associated with these salaries are also paid by the State of Illinois and Lee/Ogle Counties, respectively.

A breakdown of the on-behalf payments are as follows:

Regional Superintendent - salary	\$ 103,032
Regional Superintendent - benefits (includes state paid insurance)	34,711
Assistant Regional Superintendent - salary	92,736
Assistant Regional Superintendent - benefits (includes state paid insurance)	34,098
TRS on-behalf payments	213,002
THIS on-behalf payments	5,185
Lee County on-behalf payments	28,323
Ogle County on-behalf payments	<u>29,225</u>
<b>Total on-behalf payments</b>	<b><u>\$ 540,312</u></b>

Salary and benefit data for the Regional Superintendent and the Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education.

The Lee/Ogle Counties Regional Office of Education No. 47 recorded the on-behalf payments as both revenues and expenditures in the general fund.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

**NOTE 8 - DISTRIBUTIVE FUND INTEREST DISPOSITION**

Interest earned on distributive fund receipts is transferred to the Local Fund by the consent of all affected school boards and other entities. The funds are utilized by the Regional Superintendent to purchase computer equipment, develop inservice activities, and other innovative programs, as well as, assist with the necessary operating expenses of the Regional Office.

**NOTE 9 - DUE FROM/TO OTHER GOVERNMENTS**

The Lee/Ogle Counties Regional Office of Education No. 47's General, Special Revenue, Proprietary and Agency Funds have funds due from/to various other governmental units which consist of the following:

Due From Other Governments

General Fund		
Local Fund		
Other local entities	\$	9,988
Alternative Learning Opportunity Program - General State Aid (ALOP-GSA)		
Local Government		2,500
Education Fund		
Illinois Family Violence Coordinating Council		
Local Government		10,509
Mathematics and Science Partnership		
Illinois State Board of Education		11,502
McKinney Education for Homeless Children		
Illinois State Board of Education		82,423
Truants Alternative Education		
Illinois State Board of Education		20,601
Social Emotional Learning		
Local Government		17,908
Regional System of Support Providers		
Local Government		27,726
Early Childhood Block Grant		
Illinois State Board of Education		2,664
Regional Safe Schools Program		
Illinois State Board of Education		12,175
Title I - Migrant Education		
Illinois State Board of Education		39,282
State Free Lunch and Breakfast		
Illinois State Board of Education		28
IDEA Improvement Grant		
Illinois State Board of Education		301,211
ROE Operations		
Illinois State Board of Education		2,473

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

**NOTE 9 - DUE FROM/TO OTHER GOVERNMENTS (CONTINUED)**

Illinois Violence Prevention Authority	
Local Government	\$ 1,200
Title II - Teacher Quality Leadership	
Illinois State Board of Education	4,305
E-Rate	
Local Government	1,311
Nonmajor Special Revenue Funds	
General Educational Development (GED) Fund	
Local Government	5,353
Proprietary Funds	
Workshops	
Local Government	3,055
Agency Funds	
Petitions Fund	
Local Government	501
<b>Total</b>	<b><u>\$ 556,715</u></b>
Due To Other Governments	
General Fund	
Alternative Learning Opportunity Program - General State Aid (ALOP-GSA)	
Local Government	\$ 28,583
Education Fund	
McKinney Education for Homeless Children	
Local Government	12,365
Regional Safe Schools Program	
Local Government	12,175
National School Lunch	
Local Government	1,074
State Free Lunch and Breakfast	
Local Government	28
IDEA Improvement Grant	
Local Government	173,639
Agency Funds	
Impact Fees	
Local Government	2,104
<b>Total</b>	<b><u>\$ 229,968</u></b>

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

**NOTE 10 - DUE FROM/TO OTHER FUNDS**

The detail of interfund receivables and payables at June 30, 2013 is as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund		
Local Fund	\$ 327,251	\$ -
Regional Safe Schools Program - General State Aid (RSSP-GSA)	-	13,899
Education Fund		
Illinois Family Violence Coordinating Council	-	924
Mathematics and Science Partnership	-	11,324
Rural Education Achievement Program	-	160
McKinney Education for Homeless Children	-	70,027
Truants Alternative Education	-	20,601
Social Emotional Learning	-	17,983
Regional System of Support Providers	-	27,726
Early Childhood Block Grant	-	2,650
Title I - Migrant Education	-	23,418
IDEA Improvement Grant	-	127,170
ROE Operations	-	2,473
Title II - Teacher Quality Leadership	-	4,305
E-Rate	-	880
Nonmajor Special Revenue Funds		
General Educational Development (GED) Fund	-	3,711
	<u>-</u>	<u>3,711</u>
Totals	<u>\$ 327,251</u>	<u>\$ 327,251</u>

These balances result from interfund loans. Repayment will be made from future revenues.

**NOTE 11 - DEFICIT FUND BALANCE**

At June 30, 2013, the following funds had deficit fund balances. They are expected to correct themselves in 2014, through payments from applicable sources and transfers from local funds.

General Fund		
Regional Safe Schools Program - General State Aid (RSSP-GSA)	\$	(13,899)
Education Fund		
Illinois Family Violence Coordinating Council		(148)
Rural Education Achievement Program		(160)
Social Emotional Learning		(471)
Title I - Migrant Education		(2)
E-Rate		(501)

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

**NOTE 12 - TRANSFERS**

The following transfer was to provide supplemental funding for additional expenditures incurred as of June 30, 2013:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund		
Local Fund	\$ -	\$ 2,887
Education Fund		
Mathematics and Science Partnership	948	-
McKinney Education for Homeless Children	1,939	-
Regional System of Support Providers	15,607	-
Proprietary Funds		
School Improvement Plan (SIP)	-	15,607
Total	<u>\$ 18,494</u>	<u>\$ 18,494</u>

**NOTE 13 - RISK MANAGEMENT**

Lee/Ogle Counties Regional Office of Education No. 47 is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. These risks are covered by the purchase of commercial insurance. Lee/Ogle Counties Regional Office of Education No. 47 assumes liability for any deductibles and claims in excess of coverage limitations. There has been no significant reduction in insurance coverage from the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage during the year.

**NOTE 14 - COMMITMENT**

On April 17, 2013 the Lee/Ogle Counties Regional Office of Education No. 47 entered into an agreement for the lease of a school building. The lease agreement is for the period of August 1, 2013 through July 31, 2015. The lease agreement requires annual lease payments of \$33,000.

**NOTE 15 - NEW PRONOUNCEMENTS**

In 2013, Lee/Ogle Counties Regional Office of Education No. 47 implemented Governmental Accounting Standards Board (GASB) Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*; GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*; and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The Lee/Ogle Counties Regional Office of Education No. 47 implemented these standards during the current year; however, GASB Statement No. 60 and 61 had no impact on the financial statements. The implementation of GASB Statement No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2013**

**NOTE 16 - SUBSEQUENT EVENT**

On November 22, 2013 the Illinois State Board of Education adopted a motion pursuant to its obligation under 105 ILCS 5/3A-4(a), which recognizes consolidations agreed to via county board resolutions prior to June 30, 2013. Effective July 1, 2015, Whiteside County will be included in the Regional Office of Education No. 47.

This information is an integral part of the accompanying financial statements.

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

**LEE/OGLE COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 47  
 SCHEDULE OF FUNDING PROGRESS -  
 ILLINOIS MUNICIPAL RETIREMENT FUND (Unaudited)  
 June 30, 2013**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
12/31/12	\$ 225,071	\$ 397,403	\$ 172,332	56.64%	\$ 350,774	49.13%
12/31/11	367,430	392,587	25,157	93.59%	281,344	8.94%
12/31/10	321,530	347,525	25,995	92.52%	219,813	11.83%

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$234,176. On a market basis, the funded ratio would be 58.93%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Lee/Ogle Counties Regional Office of Education No. 47. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

**SUPPLEMENTARY INFORMATION**

LEE/OGLE COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 47  
 COMBINING SCHEDULE OF ACCOUNTS  
 GENERAL FUND  
 June 30, 2013

	<u>Local Fund</u>	<u>Alternative Learning Opportunity Program - General State Aid (ALOP-GSA)</u>	<u>Regional Safe Schools Program - General State Aid (RSSP-GSA)</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 131,837	\$ 140,933	\$ -	\$ 272,770
Prepaid expenses	450	19,700	-	20,150
Due from other governments	9,988	2,500	-	12,488
Due from other funds	<u>327,251</u>	<u>-</u>	<u>-</u>	<u>327,251</u>
Total assets	<u>469,526</u>	<u>163,133</u>	<u>-</u>	<u>632,659</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
	<u>\$ 469,526</u>	<u>\$ 163,133</u>	<u>\$ -</u>	<u>\$ 632,659</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 1,298	\$ 1,919	\$ -	\$ 3,217
Due to other governments	-	28,583	-	28,583
Due to other funds	<u>-</u>	<u>-</u>	<u>13,899</u>	<u>13,899</u>
Total liabilities	<u>1,298</u>	<u>30,502</u>	<u>13,899</u>	<u>45,699</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT)</b>				
Nonspendable	450	19,700	-	20,150
Assigned	-	22,793	-	22,793
Unassigned	<u>467,778</u>	<u>90,138</u>	<u>(13,899)</u>	<u>544,017</u>
Total fund balance (deficit)	<u>468,228</u>	<u>132,631</u>	<u>(13,899)</u>	<u>586,960</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)</b>				
	<u>\$ 469,526</u>	<u>\$ 163,133</u>	<u>\$ -</u>	<u>\$ 632,659</u>

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GENERAL FUND ACCOUNTS  
Year Ended June 30, 2013**

	<u>Local Fund</u>	<u>Alternative Learning Opportunity Program - General State Aid (ALOP-GSA)</u>	<u>Regional Safe Schools Program - General State Aid (RSSP-GSA)</u>	<u>Total</u>
<b>REVENUES:</b>				
Local sources	\$ 150,798	\$ 38,500	\$ -	\$ 189,298
State sources	11,124	399,511	152,886	563,521
On-behalf payments	540,312	-	-	540,312
Total revenues	<u>702,234</u>	<u>438,011</u>	<u>152,886</u>	<u>1,293,131</u>
<b>EXPENDITURES:</b>				
Education:				
Salaries	27,561	345,512	-	373,073
Benefits	4,266	48,129	-	52,395
Purchased services	94,156	47,432	3,822	145,410
Supplies and materials	6,680	16,545	-	23,225
Payments to other governments	-	28,583	162,963	191,546
On-behalf payments	540,312	-	-	540,312
Capital outlay	27,664	-	-	27,664
Total expenditures	<u>700,639</u>	<u>486,201</u>	<u>166,785</u>	<u>1,353,625</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,595</u>	<u>(48,190)</u>	<u>(13,899)</u>	<u>(60,494)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from long-term lease payable	21,951	-	-	21,951
Repayment of long-term lease payable	(1,802)	-	-	(1,802)
Transfer out	(2,887)	-	-	(2,887)
Total other financing sources (uses)	<u>17,262</u>	<u>-</u>	<u>-</u>	<u>17,262</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	18,857	(48,190)	(13,899)	(43,232)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>449,371</u>	<u>180,821</u>	<u>-</u>	<u>630,192</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 468,228</u>	<u>\$ 132,631</u>	<u>\$ (13,899)</u>	<u>\$ 586,960</u>

LEE/OGLE COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 47  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND  
 June 30, 2013

	<u>Illinois Family Violence Coordinating Council</u>	<u>Mathematics and Science Partnership</u>	<u>Rural Education Achievement Program</u>	<u>McKinney Education for Homeless Children</u>	<u>Truants Alternative Education</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	10,509	11,502	-	82,423	20,601
Total assets	<u>10,509</u>	<u>11,502</u>	<u>-</u>	<u>82,423</u>	<u>20,601</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
	<u>\$ 10,509</u>	<u>\$ 11,502</u>	<u>\$ -</u>	<u>\$ 82,423</u>	<u>\$ 20,601</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 178	\$ -	\$ 31	\$ -
Due to other governments	-	-	-	12,365	-
Due to other funds	924	11,324	160	70,027	20,601
Unearned revenue	9,733	-	-	-	-
Total liabilities	<u>10,657</u>	<u>11,502</u>	<u>160</u>	<u>82,423</u>	<u>20,601</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
<b>FUND BALANCE (DEFICIT)</b>					
Restricted	-	-	-	-	-
Unassigned	(148)	-	(160)	-	-
Total fund balance (deficit)	<u>(148)</u>	<u>-</u>	<u>(160)</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)</b>					
	<u>\$ 10,509</u>	<u>\$ 11,502</u>	<u>\$ -</u>	<u>\$ 82,423</u>	<u>\$ 20,601</u>

LEE/OGLE COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 47  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND  
 June 30, 2013

SCHEDULE 3  
 (CONTINUED)

	<u>Social Emotional Learning</u>	<u>Regional System of Support Providers</u>	<u>Pre-School For All Program</u>	<u>Early Childhood Block Grant</u>	<u>Regional Safe Schools Program</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	17,908	27,726	-	2,664	12,175
Total assets	<u>17,908</u>	<u>27,726</u>	<u>-</u>	<u>2,664</u>	<u>12,175</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
	<u>\$ 17,908</u>	<u>\$ 27,726</u>	<u>\$ -</u>	<u>\$ 2,664</u>	<u>\$ 12,175</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 396	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-	12,175
Due to other funds	17,983	27,726	-	2,650	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>18,379</u>	<u>27,726</u>	<u>-</u>	<u>2,650</u>	<u>12,175</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT)</b>					
Restricted	-	-	-	14	-
Unassigned	(471)	-	-	-	-
Total fund balance (deficit)	<u>(471)</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>-</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)</b>					
	<u>\$ 17,908</u>	<u>\$ 27,726</u>	<u>\$ -</u>	<u>\$ 2,664</u>	<u>\$ 12,175</u>

LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND  
June 30, 2013

SCHEDULE 3  
(CONTINUED)

	<u>Title I - Migrant Education</u>	<u>National School Lunch</u>	<u>State Free Lunch and Breakfast</u>	<u>School Breakfast Program</u>	<u>IDEA Improvement Grant</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 1,074	\$ -	\$ 465	\$ -
Due from other governments	39,282	-	28	-	301,211
Total assets	39,282	1,074	28	465	301,211
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
	\$ 39,282	\$ 1,074	\$ 28	\$ 465	\$ 301,211
<b>LIABILITIES</b>					
Accounts payable	\$ 15,866	\$ -	\$ -	\$ 465	\$ 402
Due to other governments	-	1,074	28	-	173,639
Due to other funds	23,418	-	-	-	127,170
Unearned revenue	-	-	-	-	-
Total liabilities	39,284	1,074	28	465	301,211
<b>DEFERRED INFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
<b>FUND BALANCE (DEFICIT)</b>					
Restricted	-	-	-	-	-
Unassigned	(2)	-	-	-	-
Total fund balance (deficit)	(2)	-	-	-	-
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)</b>					
	\$ 39,282	\$ 1,074	\$ 28	\$ 465	\$ 301,211

LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND  
June 30, 2013

SCHEDULE 3  
(CONTINUED)

	<u>ROE</u>	<u>Illinois</u>	<u>Title II -</u>	<u>E-Rate</u>	<u>Totals</u>
	<u>Operations</u>	<u>Violence</u>	<u>Teacher Quality</u>		
		<u>Prevention</u>	<u>Leadership</u>		
		<u>Authority</u>			
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 3,022	\$ -	\$ -	\$ 4,561
Due from other governments	2,473	1,200	4,305	1,311	535,318
Total assets	<u>2,473</u>	<u>4,222</u>	<u>4,305</u>	<u>1,311</u>	<u>539,879</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
	<u>\$ 2,473</u>	<u>\$ 4,222</u>	<u>\$ 4,305</u>	<u>\$ 1,311</u>	<u>\$ 539,879</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 466	\$ 17,804
Due to other governments	-	-	-	-	199,281
Due to other funds	2,473	-	4,305	880	309,641
Unearned revenue	-	4,222	-	466	14,421
Total liabilities	<u>2,473</u>	<u>4,222</u>	<u>4,305</u>	<u>1,812</u>	<u>541,147</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
<b>FUND BALANCE (DEFICIT)</b>					
Restricted	-	-	-	-	14
Unassigned	-	-	-	(501)	(1,282)
Total fund balance (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(501)</u>	<u>(1,268)</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)</b>					
	<u>\$ 2,473</u>	<u>\$ 4,222</u>	<u>\$ 4,305</u>	<u>\$ 1,311</u>	<u>\$ 539,879</u>

LEE/OGLE COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 47  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 Year Ended June 30, 2013

	<u>Illinois Family Violence Coordinating Council</u>	<u>Mathematics and Science Partnership</u>	<u>Rural Education Achievement Program</u>	<u>McKinney Education for Homeless Children</u>	<u>Truants Alternative Education</u>
<b>REVENUES:</b>					
State sources	\$ 18,391	\$ -	\$ -	\$ -	\$ 126,696
Federal sources	-	196,381	19,584	352,858	-
Total revenues	<u>18,391</u>	<u>196,381</u>	<u>19,584</u>	<u>352,858</u>	<u>126,696</u>
<b>EXPENDITURES:</b>					
Education:					
Salaries	-	40,590	-	63,702	105,477
Benefits	-	13,985	-	10,799	10,671
Purchased services	18,320	77,140	12,761	12,059	10,309
Supplies and materials	70	56,430	1,535	1,199	239
Payments to other governments	-	5,853	5,288	267,038	-
Other objects	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>18,390</u>	<u>193,998</u>	<u>19,584</u>	<u>354,797</u>	<u>126,696</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1</u>	<u>2,383</u>	<u>-</u>	<u>(1,939)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES:</b>					
Transfer in	-	948	-	1,939	-
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	1	3,331	-	-	-
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>(149)</u>	<u>(3,331)</u>	<u>(160)</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ (148)</u>	<u>\$ -</u>	<u>\$ (160)</u>	<u>\$ -</u>	<u>\$ -</u>

LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
Year Ended June 30, 2013

	<u>Social Emotional Learning</u>	<u>Regional System of Support Providers</u>	<u>Pre-School For All Program</u>	<u>Early Childhood Block Grant</u>	<u>Regional Safe Schools Program</u>
<b>REVENUES:</b>					
State sources	\$ 105,757	\$ -	\$ 78,821	\$ 29,664	\$ 66,985
Federal sources	4,246	82,279	-	-	-
Total revenues	<u>110,003</u>	<u>82,279</u>	<u>78,821</u>	<u>29,664</u>	<u>66,985</u>
<b>EXPENDITURES:</b>					
Education:					
Salaries	77,800	53,714	63,384	22,057	-
Benefits	13,441	15,955	10,032	1,687	-
Purchased services	17,793	8,287	5,280	5,849	1,674
Supplies and materials	1,440	-	125	57	-
Payments to other governments	-	367	-	-	65,311
Other objects	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>110,474</u>	<u>78,323</u>	<u>78,821</u>	<u>29,650</u>	<u>66,985</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(471)</u>	<u>3,956</u>	<u>-</u>	<u>14</u>	<u>-</u>
<b>OTHER FINANCING SOURCES:</b>					
Transfer in	-	15,607	-	-	-
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	(471)	19,563	-	14	-
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>-</u>	<u>(19,563)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ (471)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14</u>	<u>\$ -</u>

LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
Year Ended June 30, 2013

	<u>Title I - Migrant Education</u>	<u>National School Lunch</u>	<u>State Free Lunch and Breakfast</u>	<u>School Breakfast Program</u>	<u>IDEA Improvement Grant</u>
<b>REVENUES:</b>					
State sources	\$ -	\$ -	\$ 269	\$ -	\$ -
Federal sources	128,001	8,225	-	3,294	1,315,924
Total revenues	<u>128,001</u>	<u>8,225</u>	<u>269</u>	<u>3,294</u>	<u>1,315,924</u>
<b>EXPENDITURES:</b>					
Education:					
Salaries	60,730	-	-	-	149,063
Benefits	20,447	-	-	-	38,558
Purchased services	25,697	-	269	3,294	118,857
Supplies and materials	6,748	-	-	-	11,891
Payments to other governments	1,750	8,225	-	-	959,663
Other objects	-	-	-	-	18,032
Capital outlay	-	-	-	-	2,874
Total expenditures	<u>115,372</u>	<u>8,225</u>	<u>269</u>	<u>3,294</u>	<u>1,298,938</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>12,629</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,986</u>
<b>OTHER FINANCING SOURCES:</b>					
Transfer in	-	-	-	-	-
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	12,629	-	-	-	16,986
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>(12,631)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,986)</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ (2)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
Year Ended June 30, 2013

	<u>ROE</u> <u>Operations</u>	Illinois Violence Prevention <u>Authority</u>	Title II - Teacher Quality <u>Leadership</u>	<u>E-Rate</u>	<u>Totals</u>
<b>REVENUES:</b>					
State sources	\$ 28,153	\$ -	\$ -	\$ -	\$ 454,736
Federal sources	-	2,120	4,305	4,327	2,121,544
Total revenues	<u>28,153</u>	<u>2,120</u>	<u>4,305</u>	<u>4,327</u>	<u>2,576,280</u>
<b>EXPENDITURES:</b>					
Education:					
Salaries	8,892	-	-	-	645,409
Benefits	2,668	-	-	-	138,243
Purchased services	16,593	2,120	4,305	4,828	345,435
Supplies and materials	-	-	-	-	79,734
Payments to other governments	-	-	-	-	1,313,495
Other objects	-	-	-	-	18,032
Capital outlay	-	-	-	-	2,874
Total expenditures	<u>28,153</u>	<u>2,120</u>	<u>4,305</u>	<u>4,828</u>	<u>2,543,222</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(501)</u>	<u>33,058</u>
<b>OTHER FINANCING SOURCES:</b>					
Transfer in	-	-	-	-	18,494
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(501)</u>	<u>51,552</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(52,820)</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (501)</u>	<u>\$ (1,268)</u>

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
Year Ended June 30, 2013**

	Mathematics and Science Partnership*				McKinney Education for Homeless Children*			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>REVENUES:</b>								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	140,000	140,000	196,381	56,381	323,153	333,153	352,858	19,705
Total revenues	140,000	140,000	196,381	56,381	323,153	333,153	352,858	19,705
<b>EXPENDITURES:</b>								
Education:								
Salaries	31,022	52,457	40,590	11,867	60,840	61,340	63,702	(2,362)
Benefits	12,241	14,746	13,985	761	10,457	10,457	10,799	(342)
Purchased services	76,988	53,048	77,140	(24,092)	11,555	12,855	12,059	796
Supplies and materials	12,749	12,749	56,430	(43,681)	1,137	1,137	1,199	(62)
Payments to other governments	7,000	7,000	5,853	1,147	239,164	247,364	267,038	(19,674)
Other objects	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	140,000	140,000	193,998	(53,998)	323,153	333,153	354,797	(21,644)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>2,383</u>	<u>\$ 2,383</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,939)</u>	<u>\$ (1,939)</u>
<b>OTHER FINANCING SOURCES:</b>								
Transfer in			948				1,939	
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>			3,331				-	
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			(3,331)				-	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			<u>\$ -</u>				<u>\$ -</u>	

\* The budgeted amounts are for grant periods that are different than the Regional Office of Education No. 47's fiscal period. The most representative budgeted amounts are being presented. Additionally, the current year revenues and expenditures may include multiple grant project years or may not include all of the grant period activity.

LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
Year Ended June 30, 2013

	Truants Alternative Education				Pre-School For All Program			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>REVENUES:</b>								
State sources	\$ 126,696	\$ 126,696	\$ 126,696	\$ -	\$ 78,821	\$ 78,821	\$ 78,821	\$ -
Federal sources	-	-	-	-	-	-	-	-
Total revenues	<u>126,696</u>	<u>126,696</u>	<u>126,696</u>	<u>-</u>	<u>78,821</u>	<u>78,821</u>	<u>78,821</u>	<u>-</u>
<b>EXPENDITURES:</b>								
Education:								
Salaries	104,482	104,482	105,477	(995)	63,784	63,784	63,384	400
Benefits	11,077	11,077	10,671	406	8,934	8,934	10,032	(1,098)
Purchased services	10,784	10,784	10,309	475	5,853	5,853	5,280	573
Supplies and materials	353	353	239	114	250	250	125	125
Payments to other governments	-	-	-	-	-	-	-	-
Other objects	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>126,696</u>	<u>126,696</u>	<u>126,696</u>	<u>-</u>	<u>78,821</u>	<u>78,821</u>	<u>78,821</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>OTHER FINANCING SOURCES:</b>								
Transfer in			-				-	
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>			-				-	
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			-				-	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			<u>\$ -</u>				<u>\$ -</u>	

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LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
Year Ended June 30, 2013

	<u>Early Childhood Block Grant</u>				<u>Regional Safe Schools Program</u>			
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>			<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>								
State sources	\$ 29,664	\$ 29,664	\$ 29,664	\$ -	\$ 66,985	\$ 66,985	\$ 66,985	\$ -
Federal sources	-	-	-	-	-	-	-	-
Total revenues	<u>29,664</u>	<u>29,664</u>	<u>29,664</u>	<u>-</u>	<u>66,985</u>	<u>66,985</u>	<u>66,985</u>	<u>-</u>
<b>EXPENDITURES:</b>								
Education:								
Salaries	21,977	21,977	22,057	(80)	-	-	-	-
Benefits	1,602	1,602	1,687	(85)	-	-	-	-
Purchased services	5,825	5,825	5,849	(24)	1,674	1,674	1,674	-
Supplies and materials	260	260	57	203	-	-	-	-
Payments to other governments	-	-	-	-	65,311	65,311	65,311	-
Other objects	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>29,664</u>	<u>29,664</u>	<u>29,650</u>	<u>14</u>	<u>66,985</u>	<u>66,985</u>	<u>66,985</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>14</u>	<u>\$ 14</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>OTHER FINANCING SOURCES:</b>								
Transfer in			<u>-</u>				<u>-</u>	
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>			<u>14</u>				<u>-</u>	
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			<u>-</u>				<u>-</u>	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			<u>\$ 14</u>				<u>\$ -</u>	

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LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
Year Ended June 30, 2013

	Title I - Migrant Education*				IDEA Improvement Grant*			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>REVENUES:</b>								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	109,238	109,238	128,001	18,763	1,700,000	1,700,000	1,315,924	(384,076)
Total revenues	109,238	109,238	128,001	18,763	1,700,000	1,700,000	1,315,924	(384,076)
<b>EXPENDITURES:</b>								
Education:								
Salaries	56,443	56,443	60,730	(4,287)	185,000	195,667	149,063	46,604
Benefits	19,419	19,419	20,447	(1,028)	76,862	58,151	38,558	19,593
Purchased services	25,936	25,936	25,697	239	316,799	284,103	118,857	165,246
Supplies and materials	5,090	5,090	6,748	(1,658)	22,365	43,150	11,891	31,259
Payments to other governments	2,350	2,350	1,750	600	1,077,132	1,096,279	959,663	136,616
Other objects	-	-	-	-	19,342	18,650	18,032	618
Capital outlay	-	-	-	-	2,500	4,000	2,874	1,126
Total expenditures	109,238	109,238	115,372	(6,134)	1,700,000	1,700,000	1,298,938	401,062
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	\$ -	\$ -	12,629	\$ 12,629	\$ -	\$ -	16,986	\$ 16,986
<b>OTHER FINANCING SOURCES:</b>								
Transfer in			-				-	
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>			12,629				16,986	
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			(12,631)				(16,986)	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			\$ (2)				\$ -	

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LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
Year Ended June 30, 2013

	ROE Operations				Title II - Teacher Quality Leadership*			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>REVENUES:</b>								
State sources	\$ 28,153	\$ 28,153	\$ 28,153	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	-	-	-	-	4,305	4,830	4,305	(525)
Total revenues	<u>28,153</u>	<u>28,153</u>	<u>28,153</u>	<u>-</u>	<u>4,305</u>	<u>4,830</u>	<u>4,305</u>	<u>(525)</u>
<b>EXPENDITURES:</b>								
Education:								
Salaries	18,959	7,500	8,892	(1,392)	-	-	-	-
Benefits	4,126	1,600	2,668	(1,068)	-	-	-	-
Purchased services	4,386	18,671	16,593	2,078	4,305	4,830	4,305	525
Supplies and materials	682	382	-	382	-	-	-	-
Payments to other governments	-	-	-	-	-	-	-	-
Other objects	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>28,153</u>	<u>28,153</u>	<u>28,153</u>	<u>-</u>	<u>4,305</u>	<u>4,830</u>	<u>4,305</u>	<u>525</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>OTHER FINANCING SOURCES:</b>								
Transfer in			-				-	
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>			-				-	
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			-				-	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			<u>\$ -</u>				<u>\$ -</u>	

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LEE/OGLE COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 47  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 June 30, 2013

	<u>Bus Driver Fund</u>	<u>General Educational Development (GED) Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 5,635	\$ -	\$ 5,635
Due from other governments	-	5,353	5,353
Total assets	<u>5,635</u>	<u>5,353</u>	<u>10,988</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
None	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
	<u>\$ 5,635</u>	<u>\$ 5,353</u>	<u>\$ 10,988</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ 513	\$ 513
Due to other funds	-	3,711	3,711
Total liabilities	<u>-</u>	<u>4,224</u>	<u>4,224</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
None	-	-	-
<b>FUND BALANCE</b>			
Restricted	<u>5,635</u>	<u>1,129</u>	<u>6,764</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
	<u>\$ 5,635</u>	<u>\$ 5,353</u>	<u>\$ 10,988</u>

LEE/OGLE COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 47  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 Year Ended June 30, 2013

	<b>Bus Driver Fund</b>	<b>General Educational Development (GED) Fund</b>	<b><u>Total</u></b>
<b>REVENUES:</b>			
Local sources	\$ 2,756	\$ 22,681	\$ 25,437
State sources	903	-	903
Total revenues	3,659	22,681	26,340
<b>EXPENDITURES:</b>			
Education:			
Salaries	-	14,057	14,057
Benefits	-	1,227	1,227
Purchased services	2,654	8,588	11,242
Supplies and materials	-	5,102	5,102
Total expenditures	2,654	28,974	31,628
<b>NET CHANGE IN FUND BALANCE</b>	1,005	(6,293)	(5,288)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	4,630	7,422	12,052
<b>FUND BALANCE, END OF YEAR</b>	\$ 5,635	\$ 1,129	\$ 6,764

LEE/OGLE COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 47  
 COMBINING STATEMENT OF NET POSITION  
 NON-MAJOR PROPRIETARY FUNDS  
 June 30, 2013

	<u>Workshops</u>	<u>School Improvement Plan (SIP)</u>	<u>Fingerprinting</u>	<u>Total</u>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 61,921	\$ 625	\$ 6,554	\$ 69,100
Due from other governments	<u>3,055</u>	<u>-</u>	<u>-</u>	<u>3,055</u>
Total current assets	<u>64,976</u>	<u>625</u>	<u>6,554</u>	<u>72,155</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	<u>2,005</u>	<u>-</u>	<u>349</u>	<u>2,354</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>				
Unrestricted	<u>\$ 62,971</u>	<u>\$ 625</u>	<u>\$ 6,205</u>	<u>\$ 69,801</u>

**LEE/OGLE COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 47**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**Year Ended June 30, 2013**

	<u>Workshops</u>	<u>School Improvement Plan (SIP)</u>	<u>Fingerprinting</u>	<u>Total</u>
<b>Operating revenues:</b>				
Charges for services	\$ 113,237	\$ 46,555	\$ 17,089	\$ 176,881
<b>Operating expenses:</b>				
Education:				
Salaries	300	5,093	68	5,461
Benefits	-	604	-	604
Purchased services	108,789	24,626	9,616	143,031
Supplies and materials	3,031	-	1,343	4,374
Total operating expenses	<u>112,120</u>	<u>30,323</u>	<u>11,027</u>	<u>153,470</u>
<b>Operating income before transfer</b>	1,117	16,232	6,062	23,411
Transfer out	<u>-</u>	<u>(15,607)</u>	<u>-</u>	<u>(15,607)</u>
<b>Change in net position</b>	1,117	625	6,062	7,804
<b>Net position, beginning of year</b>	<u>61,854</u>	<u>-</u>	<u>143</u>	<u>61,997</u>
<b>Net position, end of year</b>	<u>\$ 62,971</u>	<u>\$ 625</u>	<u>\$ 6,205</u>	<u>\$ 69,801</u>

LEE/OGLE COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 47  
 COMBINING STATEMENT OF CASH FLOWS  
 NON-MAJOR PROPRIETARY FUNDS  
 Year Ended June 30, 2013

	<u>Workshops</u>	<u>School Improvement Plan (SIP)</u>	<u>Fingerprinting</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from workshops and services	\$ 109,497	\$ 46,555	\$ 17,589	\$ 173,641
Payments to suppliers and providers of goods and services	(110,314)	(24,626)	(10,967)	(145,907)
Payments to employees	(300)	(5,697)	(68)	(6,065)
Net cash provided by (used in) operating activities	<u>(1,117)</u>	<u>16,232</u>	<u>6,554</u>	<u>21,669</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfer to other funds	-	(15,607)	-	(15,607)
Net cash used in noncapital financing activities	<u>-</u>	<u>(15,607)</u>	<u>-</u>	<u>(15,607)</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	(1,117)	625	6,554	6,062
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>63,038</u>	<u>-</u>	<u>-</u>	<u>63,038</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 61,921</u>	<u>\$ 625</u>	<u>\$ 6,554</u>	<u>\$ 69,100</u>
<b>Reconciliation of operating income to net cash provided by (used in) operating activities:</b>				
Operating income	\$ 1,117	\$ 16,232	\$ 6,062	\$ 23,411
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Change in assets and liabilities:				
Due from other governments	(3,055)	-	500	(2,555)
Accounts payable	1,506	-	(8)	1,498
Deferred revenue	(685)	-	-	(685)
	<u>(2,234)</u>	<u>-</u>	<u>492</u>	<u>(1,742)</u>
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (1,117)</u>	<u>\$ 16,232</u>	<u>\$ 6,554</u>	<u>\$ 21,669</u>

**LEE/OGLE COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 47**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
**June 30, 2013**

	<u>Distributive</u> <u>Fund</u>	<u>Impact</u> <u>Fees</u>	<u>Petitions</u> <u>Fund</u>	<u>Total</u>
<b>ASSETS</b>				
Cash	\$ -	\$ 2,104	\$ (501)	\$ 1,603
Due from other governments	<u>-</u>	<u>-</u>	<u>501</u>	<u>501</u>
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ 2,104</u>	<u>\$ -</u>	<u>\$ 2,104</u>
<b>LIABILITIES</b>				
Due to other governments	<u>\$ -</u>	<u>\$ 2,104</u>	<u>\$ -</u>	<u>\$ 2,104</u>

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
COMBINING STATEMENT OF CHANGES IN  
ASSETS AND LIABILITIES  
AGENCY FUNDS  
Year Ended June 30, 2013**

	<u>Balance, July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, June 30, 2013</u>
<b><u>DISTRIBUTIVE FUND</u></b>				
<b>ASSETS</b>				
Cash	\$ 81,511	\$ -	\$ 81,511	\$ -
<b>LIABILITIES</b>				
Due to other governments	\$ 81,511	\$ -	\$ 81,511	\$ -
<b><u>IMPACT FEES</u></b>				
<b>ASSETS</b>				
Cash	\$ -	\$ 10,198	\$ 8,094	\$ 2,104
<b>LIABILITIES</b>				
Due to other governments	\$ -	\$ 10,198	\$ 8,094	\$ 2,104
<b><u>PETITIONS FUND</u></b>				
<b>ASSETS</b>				
Cash	\$ -	\$ 750	\$ 1,251	\$ (501)
Due from other governments	-	501	-	501
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ 1,251</u>	<u>\$ 1,251</u>	<u>\$ -</u>
<b>LIABILITIES</b>				
Due to other governments	<u>\$ -</u>	<u>\$ 1,251</u>	<u>\$ 1,251</u>	<u>\$ -</u>
<b><u>TOTAL ALL AGENCY FUNDS</u></b>				
<b>ASSETS</b>				
Cash	\$ 81,511	\$ 10,948	\$ 90,856	\$ 1,603
Due from other governments	-	501	-	501
<b>TOTAL ASSETS</b>	<u>\$ 81,511</u>	<u>\$ 11,449</u>	<u>\$ 90,856</u>	<u>\$ 2,104</u>
<b>LIABILITIES</b>				
Due to other governments	<u>\$ 81,511</u>	<u>\$ 11,449</u>	<u>\$ 90,856</u>	<u>\$ 2,104</u>

**LEE/OGLE COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 47**  
**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT**  
**TREASURERS AND OTHER ENTITIES**  
**DISTRIBUTIVE FUND**  
**Year Ended June 30, 2013**

<u>Program</u>	<u>Regional Office of Education</u>
Title I - Migrant Education	\$ 6,913
IDEA - Improvement Grants	33,523
McKinney Education for Homeless Children	41,062
Interest earnings	<u>13</u>
<b>Total</b>	<b><u>\$ 81,511</u></b>

**LEE/OGLE COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 47**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended June 30, 2013**

<b>Federal Grantor/Pass- Through Grantor, Program or Cluster Title</b>	<b>CFDA Number</b>	<b>Project Number (1st 8 digits) or Contract #</b>	<b>Federal Expenditures 7/1/2012 - 6/30/2013</b>
U.S. Department of Agriculture passed through Illinois State Board of Education (ISBE):			
National School Lunch Program	10.555	13-4210-00	\$ 8,225
School Breakfast Program	10.553	13-4220-00	3,294
Child Nutrition Cluster			<u>11,519</u>
U.S. Department of Justice passed through Illinois Family Violence Coordinating Council			
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	13-FVC15F-05	<u>2,120</u>
U.S. Department of Education			
Rural Education Achievement Program	84.358A	13-4999-00	<u>19,584</u>
U.S. Department of Education passed through Illinois State Board of Education (ISBE):			
Title I Grants to Local Educational Agencies			
Title I - Migrant Education	84.011A	12-4340-01	58,112
Title I - Migrant Education	84.011A	13-4340-00	16,467
Title I - Migrant Education	84.011A	13-4340-01	36,500
			<u>111,079</u>
Migrant Education - Coordination Program			
Title I - Migrant Education Incentive	84.144F	12-4341-00	1,259
Title I - Migrant Education Incentive	84.144F	13-4341-00	3,032
			<u>4,291</u>
McKinney Education for Homeless Children and Youth			
McKinney Education for Homeless Children and Youth	84.196A	12-4920-00	54,779
McKinney Education for Homeless Children and Youth	84.196A	13-4920-00	298,079
			<u>352,858</u>
Special Education - State Personnel Development			
(M) IDEA - Improvement Grants	84.323A	12-4631-RN	311,151
(M) IDEA - Improvement Grants	84.323A	13-4631-RN	987,787
			<u>1,298,938</u>
Mathematics and Science Partnership			
Mathematics and Science Partnership	84.366B	12-4936-10	16,923
Mathematics and Science Partnership	84.366B	12-4936-40	115,383
Mathematics and Science Partnership	84.366B	13-4936-40	60,744
			<u>193,050</u>
Improving Teacher Quality State Grants			
Title II - Teacher Quality Leadership	84.367A	13-4935-02	<u>4,305</u>
Total U.S. Department of Education passed through Illinois State Board of Education			<u>1,964,521</u>
U.S. Department of Education passed through Boone-Winnebago Counties - Regional Office of Education No. 4			
Title I Grants to Local Educational Agencies Regional System of Support Providers	84.010A	13-4331-SS	<u>78,323</u>
Department of Health and Human Services passed through VOICES for Illinois Children			
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program			
Social Emotional Learning	93.505	N/A	<u>4,246</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 2,080,313</b>

(M) Program was audited as a major program.

The accompanying notes are an integral part of this schedule.

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES REPORTING ENTITY BASIS OF PRESENTATION AND ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Lee/Ogle Counties Regional Office of Education No. 47 and is prepared on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of the basic financial statements.

**NOTE 2 - SUBRECIPIENTS**

Of the federal expenditures presented in the accompanying Schedule of Expenditures of Federal Awards, Lee/Ogle Counties Regional Office of Education No. 47 provided \$1,074,726 to sub-recipients during fiscal year ended June 30, 2013 as follows:

To:	Boone and Winnebago Counties Regional Office of Education No. 4:		
	84.196A	2012-4920-00 McKinney Education for Homeless Children	\$ 46,341
	84.196A	2013-4920-00 McKinney Education for Homeless Children	76,409
To:	Bureau, Henry, and Stark Counties Regional Office of Education No. 28:		
	84.196A	2013-4920-00 McKinney Education for Homeless Children	22,222
To:	Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education No. 8:		
	84.196A	2013-4920-00 McKinney Education for Homeless Children	13,226
To:	DeKalb County Regional Office of Education No. 16:		
	84.196A	2013-4920-00 McKinney Education for Homeless Children	21,329
To:	DuPage County Regional Office of Education No. 19:		
	84.323A	2012-4631-RN Special Education - State Personnel Development	16,297
	84.323A	2013-4631-RN Special Education - State Personnel Development	72,893
To:	Intermediate Service Center #2: West Cook:		
	84.323A	2012-4631-RN Special Education - State Personnel Development	74,019
	84.323A	2013-4631-RN Special Education - State Personnel Development	89,516
To:	Jackson and Perry Counties Regional Office of Education No. 30:		
	84.323A	2012-4631-RN Special Education - State Personnel Development	27,889
	84.323A	2013-4631-RN Special Education - State Personnel Development	114,551
To:	LaSalle County Regional Office of Education No. 35:		
	84.196A	2013-4920-00 McKinney Education for Homeless Children	29,671

**LEE/OGLE COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 47  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2013**

**NOTE 2 - SUBRECIPIENTS (CONTINUED)**

To: Marshall, Putnum, and Woodford Counties Regional Office of Education No. 43:  
84.196A 2013-4920-00 McKinney Education for Homeless Children \$ 9,279

To: Monroe and Randolph Counties Regional Office of Education No. 45:  
84.323A 2012-4631-RN Special Education - State Personnel Development 39,504  
84.323A 2013-4631-RN Special Education - State Personnel Development 123,098

To: Peoria County Regional Office of Education No. 48:  
84.323A 2012-4631-RN Special Education - State Personnel Development 34,778  
84.323A 2013-4631-RN Special Education - State Personnel Development 105,310

To: Rock Island County Regional Office of Education No. 49:  
84.196A 2013-4920-00 McKinney Education for Homeless Children 18,492

To: Vermilion County Regional Office of Education No. 54:  
84.323A 2012-4631-RN Special Education - State Personnel Development 24,919  
84.323A 2013-4631-RN Special Education - State Personnel Development 93,491

To: Whiteside County Regional Office of Education No. 55:  
84.196A 2013-4920-00 McKinney Education for Homeless Children 21,492

**NOTE 3 - DESCRIPTION OF MAJOR FEDERAL PROGRAM**

The following federal programs were audited as major programs in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Special Education - State Personnel Development

IDEA Improvement Grant - this program provides a statewide network for the technical assistance and professional development of Response to Intervention through the Illinois State Board of Education.

**NOTE 4 - NON-CASH ASSISTANCE**

N/A

**NOTE 5 - AMOUNT OF INSURANCE**

N/A

**NOTE 6 - LOANS OR LOAN GUARANTEES OUTSTANDING**

N/A

This information is an integral part of the accompanying schedule.