

**STATE OF ILLINOIS
TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**FINANCIAL AUDIT
For the year ended June 30, 2014**

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

TABLE OF CONTENTS

	<u>Page(s)</u>
OFFICIALS	1
FINANCIAL REPORT SUMMARY	2
FINANCIAL STATEMENT REPORT SUMMARY	3
FINANCIAL SECTION:	
Independent Auditors’ Report	4 - 6
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> - Independent Auditors’ Report.....	7 - 8
Schedule of Findings and Responses:	
Section I – Summary of Auditors’ Results	9
Section II – Financial Statement Findings	10
Corrective Action Plan for Current Year Audit Findings.....	11
Summary Schedule of Prior Audit Findings	12
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	13
Statement of Activities.....	14
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position – Governmental Funds	16
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	17

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**TABLE OF CONTENTS
(Continued)**

	<u>Page(s)</u>
BASIC FINANCIAL STATEMENTS: (Continued)	
Fund Financial Statements: (Continued)	
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities - Governmental Funds.....	18
Statement of Net Position - Proprietary Funds	19
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	20
Statement of Cash Flows - Proprietary Funds	21
Statement of Fiduciary Net Position - Fiduciary Funds.....	22
Statement of Changes in Fiduciary Net Position - Fiduciary Funds.....	23
Notes to Financial Statements	24 - 45
REQUIRED SUPPLEMENTARY INFORMATION:	
Illinois Municipal Retirement Fund - Schedule of Funding Progress	46
SUPPLEMENTAL INFORMATION:	
General Fund:	
Combining Schedules:	
Combining Schedule of Accounts - General Fund.....	47 - 48
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - General Fund Accounts	49 - 50
Education Fund:	
Combining Schedules:	
Combining Schedule of Accounts - Education Fund	51 - 55
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Education Fund Accounts	56 - 60

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**TABLE OF CONTENTS
(Concluded)**

	<u>Page(s)</u>
SUPPLEMENTAL INFORMATION: (Continued)	
Education Fund: (Continued)	
Budgetary Comparison Schedules:	
Budgetary Comparison Schedule - Education Fund Accounts ROE/ISC Operations Project #14-3730-00	61
Budgetary Comparison Schedule - Education Fund Accounts Truants Alternative/Optional Education Project #14-3695-12	62
Budgetary Comparison Schedule - Education Fund Accounts Regional Safe Schools Project #14-3696-00	63
Budgetary Comparison Schedule - Education Fund Accounts Title II – Teacher Quality Leadership Grant Project #13-4935-02	64
Budgetary Comparison Schedule - Education Fund Accounts Title II – Teacher Quality Leadership Grant Project #14-4935-02	65
Nonmajor Governmental Funds:	
Combining Statements:	
Combining Balance Sheet - Nonmajor Special Revenue Funds	66
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	67
Fiduciary Funds:	
Combining Statements:	
Combining Statement of Fiduciary Net Position - Agency Funds	68
Combining Statement of Changes in Assets and Liabilities - Agency Funds	69
Schedule of Disbursements to School District Treasurers and Other Entities - Distributive Fund.....	70

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

OFFICIALS

Regional Superintendent (current and during the audit period).....Ms. Gail Owen
Assistant Regional Superintendent (July 1, 2013 – November 15, 2013)Mr. Robin G. Houchin
Assistant Regional Superintendent (November 16, 2013 –March 31, 2014)Ms. Louise Bassett
Assistant Regional Superintendent (April 1, 2014 – June 30, 2014)..... Ms. Lorna Sherwood
Assistant Regional Superintendent (July 1, 2014 – current)..... Mr. Patrick Durley

Office is located at:

Tazewell Building
414 Court Street, Suite 100
Pekin, IL 61554

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

FINANCIAL REPORT SUMMARY

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

AUDITORS' REPORTS

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

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	-	5
Repeated audit findings	-	5
Prior recommendations implemented or not repeated	5	2

SUMMARY OF FINDINGS AND RESPONSES

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

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

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
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PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

2013-001	12	Controls Over Financial Statement Preparation	Material Weakness
2013-002	12	Noncompliance with the Grant Funds Recovery Act	Compliance
2013-003	12	Inadequate Internal Control Procedures	Significant Deficiency
2013-004	12	Inadequate Review of Journal Entries	Significant Deficiency
2013-005	12	Inadequate Controls Over Cash	Material Weakness

EXIT CONFERENCE

The Tazewell County Regional Office of Education No. 53 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2014. Throughout the audit, numerous meetings were held between auditors and Regional Office officials to discuss matters contained in this audit report.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

FINANCIAL STATEMENT REPORT

SUMMARY

The audit of the accompanying basic financial statements of the Tazewell County Regional Office of Education No. 53 was performed by West & Company, LLC.

Based on their audit, the auditors expressed an unmodified opinion on the Tazewell County Regional Office of Education No. 53's basic financial statements.

WEST & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS
&
CONSULTANTS

MEMBERS

RICHARD C. WEST
BRIAN E. DANIELL
JANICE K. ROMACK
DIANA R. SMITH
D. RAIF PERRY
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OFFICES

EDWARDSVILLE
EFFINGHAM
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MATTOON
SULLIVAN

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 Tazewell County Regional Office of Education No. 53, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Tazewell County Regional Office of Education No. 53'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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Tazewell County Regional Office of Education No. 53, as of June 30, 2014, 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 Illinois Municipal Retirement Fund – Schedule of Funding Progress on page 46 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.

Management has omitted the Management’s Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tazewell County Regional Office of Education No. 53’s basic financial statements. The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Disbursements to School District Treasurers and Other Entities are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Disbursements to School District Treasurers and Other Entities are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Disbursements to School District Treasurers and Other Entities 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 January 15, 2015 on our consideration of the Tazewell County Regional Office of Education No. 53'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 the 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 Tazewell County Regional Office of Education No. 53's internal control over financial reporting and compliance.

West & Company, LLC

Mattoon, Illinois
January 15, 2015

WEST & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS
&
CONSULTANTS

MEMBERS

RICHARD C. WEST
BRIAN E. DANIELL
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OFFICES

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**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***

INDEPENDENT AUDITORS' REPORT

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Tazewell County Regional Office of Education No. 53, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Tazewell County Regional Office of Education No. 53's basic financial statements, and have issued our report thereon dated January 15, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Tazewell County Regional Office of Education No. 53's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tazewell County Regional Office of Education No. 53's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tazewell County Regional Office of Education No. 53's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tazewell County Regional Office of Education No. 53's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tazewell County Regional Office of Education No. 53'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 Tazewell County Regional Office of Education No. 53's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

West & Company, LLC

Mattoon, Illinois
January 15, 2015

SCHEDULE OF FINDINGS AND RESPONSES

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**SCHEDULE OF FINDINGS AND RESPONSES
SECTION I – SUMMARY OF AUDITORS' RESULTS
For the year ended June 30, 2014**

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?

 yes X none reported

Noncompliance material to financial
statements noted?

 yes X no

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2014**

Section II - Financial Statement Findings

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the year ended June 30, 2014**

Corrective Action Plan

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2014**

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u>
2013-001	Controls Over Financial Statement Preparation	Resolved
2013-002	Noncompliance with the Grant Funds Recovery Act	Resolved
2013-003	Inadequate Internal Control Procedures	Resolved
2013-004	Inadequate Review of Journal Entries	Resolved
2013-005	Inadequate Controls Over Cash	Resolved

BASIC FINANCIAL STATEMENTS

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF NET POSITION
June 30, 2014**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,550,473	\$ 286,737	\$ 1,837,210
Investments	50,812	-	50,812
Accounts receivable	1,949	1,279	3,228
Due from other governments	21,717	-	21,717
Total current assets	1,624,951	288,016	1,912,967
Noncurrent assets:			
Capital assets, net	27,757	231	27,988
Total assets	1,652,708	288,247	1,940,955
LIABILITIES			
Current liabilities:			
Accounts payable	6,626	89	6,715
Accrued salaries and benefits	13,080	-	13,080
Due to other governments	42,602	-	42,602
Unearned revenue	38,580	-	38,580
Total current liabilities	100,888	89	100,977
NET POSITION			
Net investment in capital assets	27,757	231	27,988
Restricted for educational purposes	260,158	-	260,158
Unrestricted	1,263,905	287,927	1,551,832
Total net position	\$ 1,551,820	\$ 288,158	\$ 1,839,978

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF ACTIVITIES
For the year ended June 30, 2014**

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities	
Governmental activities:						
Instructional services:						
Salaries and benefits	\$ 163,122	\$ -	\$ 227,369	\$ 64,247	\$ -	\$ 64,247
Purchased services	170,674	-	199,636	28,962	-	28,962
Supplies and materials	13,878	-	17,922	4,044	-	4,044
Capital outlay	-	-	913	913	-	913
Payments to other governments	82,749	-	115,340	32,591	-	32,591
Other objects	1,915	-	2,515	600	-	600
Depreciation	11,821	-	-	(11,821)	-	(11,821)
Administrative:						
On-behalf payments - Local	226,985	-	-	(226,985)	-	(226,985)
On-behalf payments - State	360,801	-	-	(360,801)	-	(360,801)
Total governmental activities	<u>1,031,945</u>	<u>-</u>	<u>563,695</u>	<u>(468,250)</u>	<u>-</u>	<u>(468,250)</u>
Business-type activities:						
Other	37,682	25,524	-	-	(12,158)	(12,158)
Total primary government	<u>\$ 1,069,627</u>	<u>\$ 25,524</u>	<u>\$ 563,695</u>	<u>(468,250)</u>	<u>(12,158)</u>	<u>(480,408)</u>
General revenues:						
Local sources				98,104	-	98,104
On-behalf payments - Local				226,985	-	226,985
On-behalf payments - State				360,801	-	360,801
Miscellaneous income				-	5,541	5,541
Interest				575	300	875
Total general revenues				<u>686,465</u>	<u>5,841</u>	<u>692,306</u>
Change in net position				218,215	(6,317)	211,898
Net position - beginning				<u>1,333,605</u>	<u>294,475</u>	<u>1,628,080</u>
Net position - ending				<u>\$ 1,551,820</u>	<u>\$ 288,158</u>	<u>\$ 1,839,978</u>

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2014**

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 1,293,001	\$ 59,601	\$ 142,398	\$ 55,473	\$ 1,550,473
Investments	-	-	50,812	-	50,812
Accounts receivable	920	371	-	658	1,949
Due from other funds	19,448	-	4,630	-	24,078
Due from other governments	2,585	19,132	-	-	21,717
	<u>1,315,954</u>	<u>79,104</u>	<u>197,840</u>	<u>56,131</u>	<u>1,649,029</u>
Total assets	<u>\$ 1,315,954</u>	<u>\$ 79,104</u>	<u>\$ 197,840</u>	<u>\$ 56,131</u>	<u>\$ 1,649,029</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 1,074	\$ 5,552	\$ -	\$ -	\$ 6,626
Accrued salaries and benefits	13,080	-	-	-	13,080
Due to other funds	-	24,078	-	-	24,078
Due to other governments	-	42,602	-	-	42,602
Unearned revenue	37,895	685	-	-	38,580
	<u>52,049</u>	<u>72,917</u>	<u>-</u>	<u>-</u>	<u>124,966</u>
Total liabilities	<u>52,049</u>	<u>72,917</u>	<u>-</u>	<u>-</u>	<u>124,966</u>
FUND BALANCES					
Restricted	-	17,903	197,840	56,131	271,874
Assigned	1,263,905	-	-	-	1,263,905
Unassigned	-	(11,716)	-	-	(11,716)
	<u>1,263,905</u>	<u>6,187</u>	<u>197,840</u>	<u>56,131</u>	<u>1,524,063</u>
Total fund balances	<u>1,263,905</u>	<u>6,187</u>	<u>197,840</u>	<u>56,131</u>	<u>1,524,063</u>
Total liabilities and fund balances	<u>\$ 1,315,954</u>	<u>\$ 79,104</u>	<u>\$ 197,840</u>	<u>\$ 56,131</u>	<u>\$ 1,649,029</u>

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
June 30, 2014**

Total fund balances - governmental funds	\$ 1,524,063
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.	<u>27,757</u>
Net position of governmental activities	<u><u>\$ 1,551,820</u></u>

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended June 30, 2014**

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues:					
Local sources	\$ 47,023	\$ -	\$ 33,341	\$ 17,740	\$ 98,104
State sources	313,133	220,847	-	1,329	535,309
Federal sources	-	28,386	-	-	28,386
Interest	44	-	531	-	575
On-behalf payments	587,786	-	-	-	587,786
Total revenues	947,986	249,233	33,872	19,069	1,250,160
Expenditures:					
Instructional services:					
Salaries and benefits	61,958	101,164	-	-	163,122
Purchased services	90,738	63,224	12,037	4,675	170,674
Supplies and materials	7,808	5,050	-	1,020	13,878
Payments to other governments	2,904	79,845	-	-	82,749
Other objects	1,598	155	-	162	1,915
On-behalf payments	587,786	-	-	-	587,786
Capital outlay	-	913	-	-	913
Total expenditures	752,792	250,351	12,037	5,857	1,021,037
Excess (deficiency) of revenues over (under) expenditures	195,194	(1,118)	21,835	13,212	229,123
Fund balances, beginning of year	1,068,711	7,305	176,005	42,919	1,294,940
Fund balances, end of year	<u>\$ 1,263,905</u>	<u>\$ 6,187</u>	<u>\$ 197,840</u>	<u>\$ 56,131</u>	<u>\$ 1,524,063</u>

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the year ended June 30, 2014**

Net changes in fund balances - governmental funds		\$ 229,123
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	\$ 913	
Depreciation expense	<u>(11,821)</u>	<u>(10,908)</u>
Changes in net position of governmental activities		<u><u>\$ 218,215</u></u>

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2014**

	Business-Type Activities		
	Enterprise Funds		
	Local Fund	Other Nonmajor Fund- Fingerprinting Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 238,363	\$ 48,374	\$ 286,737
Accounts receivable	460	819	1,279
Total current assets	238,823	49,193	288,016
Noncurrent assets:			
Capital assets, net	231	-	231
Total assets	239,054	49,193	288,247
LIABILITIES			
Current liabilities:			
Accounts payable	-	89	89
NET POSITION			
Net investment in capital assets	231	-	231
Unrestricted	238,823	49,104	287,927
Total net position	\$ 239,054	\$ 49,104	\$ 288,158

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the year ended June 30, 2014**

	Business-Type Activities		
	Enterprise Funds		
	Local Fund	Other Nonmajor Fund- Fingerprinting Fund	Total
Operating revenues:			
Charges for services	\$ 4,835	\$ 20,689	\$ 25,524
Miscellaneous income	5,491	50	5,541
Total operating revenues	10,326	20,739	31,065
Operating expenses:			
Salaries and benefits	28,373	-	28,373
Purchased services	116	3,386	3,502
Supplies and materials	91	240	331
Other objects	4,983	392	5,375
Depreciation	101	-	101
Total operating expenses	33,664	4,018	37,682
Operating income (loss)	(23,338)	16,721	(6,617)
Nonoperating revenues:			
Investment income	300	-	300
Change in net position	(23,038)	16,721	(6,317)
Net position, beginning of year	262,092	32,383	294,475
Net position, end of year	\$ 239,054	\$ 49,104	\$ 288,158

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended June 30, 2014**

	Business-Type Activities		
	Enterprise Funds		
	Local Fund	Other Nonmajor Fund- Fingerprinting Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 5,110	\$ 21,318	\$ 26,428
Other operating receipts	5,491	50	5,541
Payments to suppliers and providers of goods and services	(5,317)	(4,259)	(9,576)
Payments to employees	(28,373)	-	(28,373)
Net cash provided by (used for) operating activities	(23,089)	17,109	(5,980)
Cash flows from noncapital financing activities:			
Receipts from interfund borrowings, net	9,465	-	9,465
Cash flows from investing activities:			
Interest received	300	-	300
Net increase (decrease) in cash and cash equivalents	(13,324)	17,109	3,785
Cash and cash equivalents - beginning	251,687	31,265	282,952
Cash and cash equivalents - ending	<u>\$ 238,363</u>	<u>\$ 48,374</u>	<u>\$ 286,737</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (23,338)	\$ 16,721	\$ (6,617)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	101	-	101
Decrease in accounts receivable	275	629	904
Decrease in accounts payable	(127)	(241)	(368)
Net cash provided by (used for) operating activities	<u>\$ (23,089)</u>	<u>\$ 17,109</u>	<u>\$ (5,980)</u>

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2014**

	Private-Purpose Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ -	\$ 3,009
Investments	39,111	-
Due from other governments	-	68,408
Total assets	39,111	\$ 71,417
LIABILITIES		
Due to other governments	-	\$ 71,417
NET POSITION		
Held in trust for other purposes	\$ 39,111	

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the year ended June 30, 2014**

	<u>Private-Purpose Trust Fund</u>
Additions:	
Investment earnings:	
Interest	<u>\$ 1,087</u>
Change in net assets	1,087
Net position - beginning	<u>38,024</u>
Net position - ending	<u><u>\$ 39,111</u></u>

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

NOTES TO FINANCIAL STATEMENTS

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education No. 53's accounting policies conform to generally accepted accounting principles which are appropriate to local governmental units of this type.

A. Reporting Entity

The Tazewell County Regional Office of Education No. 53 was created by Illinois Public Act 76-735, as amended, effective August 8, 1995. The region encompasses Tazewell County.

The Regional Superintendent of Schools is the chief administrative officer of the region and is elected to the position for a four-year term. The Regional Superintendent is responsible for the supervision and control of the school districts.

The Regional Superintendent's responsibilities for administering the school educational service region programs include, but are not limited to, providing direction to teachers and school officials on science, art and teaching methods; implementing the State Board of Education's Policy Programs; encouraging camaraderie among teachers through the teachers' institute; making public notice of unfilled teaching positions within the region; and ensuring of the safety, health and welfare of the students in the region by periodically inspecting the school buildings and ensuring that the bus drivers have valid driving licenses and are properly trained to operate the school buses. The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for the districts in the region, or seeing that no payments are made unless the treasurer has filed or renewed appropriate bond and that the district has certified publication of the annual financial report.

The Regional Office of Education No. 53 derives its oversight power and authority over the school districts from the School Code and is responsible for its own fiscal and budgetary matters.

The Regional Office of Education No. 53 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the Regional Office of Education No. 53's geographic responsibility, including joint agreements which serve pupils from numerous school districts, should be included within its financial entity. The criteria include but are not limited to, whether the Regional Office of Education No. 53 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The Mid-Illini Educational Cooperative, which began operations on August 8, 1995, has been determined to be a component unit of the Regional Office of Education No. 53 for financial reporting purposes after applying the criteria of oversight, scope of public services, and special financing relationships and is therefore blended in the accompanying financial statements. The cooperative was formed by an intergovernmental agreement between Tazewell County Regional Office of Education No. 53, the administrative agent, Logan-Mason-Menard Counties Regional Office of Education No. 38, and the Fulton-Schuyler Counties Regional Office of Education No. 22. The cooperative exists to provide training, staff development and educational programs to school districts and other educational organizations within the counties involved. Separate financial statements are not issued for this component unit.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

No other agencies have met the component unit criteria to be included in the Regional Office of Education No. 53's financial statements. In addition, the Regional Office of Education No. 53 is not aware of any entity that would exercise such oversight as to result in the Regional Office of Education No. 53 being considered a component unit of the entity.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from the business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Position includes all of the Regional Office of Education No. 53's assets, including capital assets, deferred outflows of resources, liabilities, and deferred inflows of resources. 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 that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

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 aggregated and presented in a single column.

Certain eliminations have been made as prescribed by governmental accounting standards in regards to interfund activities, such as, payables, receivables and transfers. Interfund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the governmental fund Balance Sheet and the proprietary fund Statement of Net Position, and as other resources and other uses on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances and on the proprietary fund Statement of Revenues, Expenses and Changes in Fund Net Position. All interfund transactions between governmental funds are eliminated on the government-wide financial statements. All internal balances in the Statement of Net Position have been eliminated.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements (Continued)

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues from exchange transactions are recognized when they are earned, and expenses are recognized 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 met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Regional Office of Education No. 53 considers revenues to be available if they are collectible within 60 days after year-end. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, if measurable, with the exception of expenditures for prepaid expenses and other long-term obligations, which are recognized as liabilities when due, as well as expenditures related to compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Revenues susceptible to accrual are recognized in the current fiscal period. Those revenues include local sources, State sources, federal sources, and interest. Unearned revenue arises when potential revenue does not meet both the measurable and available criteria or when resources are received prior to the government having legal claim to them. The revenues are subsequently recognized when both recognition criteria are met or when the government has legal claim to the resources. Revenues received after the Regional Office's availability period are reported as deferred inflows of resources in the fund statements and is reported as current revenue in the Statement of Activities.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (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 Regional Office of Education No. 53'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.

It is the Regional Office of Education No. 53's policy to first apply restricted resources when an expenditure or expense is incurred for which both restricted and unrestricted resources are available. For unrestricted fund balances, committed fund balances are used first, then assigned fund balances, then unassigned, if any.

1. Governmental Funds

The Regional Office of Education No. 53 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Regional Office of Education No. 53 and is used to account for all financial resources except those required to be accounted for and reported in another fund. This fund is available to pay general and administrative expenditures of the Regional Office of Education No. 53. Included in this fund are:

Media Cooperative Fund - To account for maintenance of the cooperative media materials library for the benefit of the Regional Office of Education No. 53's various school districts.

Regional Safe Schools General State Aid - To provide General State Aid for the students' needs at the Regional Safe Schools.

Alternative School Program General State Aid - To provide General State Aid funding to the Tazewell Alternative Academy.

Western Illinois University Cohort - To account for tuition money sent to the Regional Office of Education for the Superintendent Cohort classes held in the region by WIU.

Vision & Hearing Screening - To coordinate vision/hearing screening for school districts that wish to share the costs of these services.

Teacher Leadership Academy - To account for fees from local school districts to assist Mid-Illini Educational Cooperative with costs of providing training to educators.

TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

C. **Measurement Focus, Basis of Accounting, and Financial Statement Presentation** (Continued)

1. **Governmental Funds** (Continued)

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

ROE/ISC Operations (ROE #53) - To account for funds received from the Illinois State Board of Education transferred to Mid-Illini Educational Cooperative, the administrative agent, to run this program.

ROE/ISC Operations (MIEC) - To account for grant monies received from Regional Offices of Education numbers 53, 38, and 22 that provide funding for general and administrative expenditures.

McKinney Education for Homeless Children - To provide services to all homeless children and youths through a designated Homeless Liaison.

School & Community Assistance Team - A program that trains individuals for crisis management.

Illinois New Principal Mentoring - To provide funds to support mentoring of new principals.

Title II - Teacher Quality - Leadership Grant - To work with schools in improvement status to help them understand the school improvement planning process and to support district improvement planning. This grant is to provide professional development and training for those who will be evaluating principals and teachers.

Gifted Education Seminar Pilot - A pilot program to train teachers in gifted education.

Teacher & Administrators Mentoring Program - To provide training, support and assistance to novice teachers as well as provide training, support and assistance to teacher mentors.

ARRA - Title I - School Improvement and Accountability – American Recovery and Reinvestment Act (ARRA) funds used to work with first and second year Title I schools in improvement status to help them understand the school improvement planning process and to support district improvement planning for Title I districts in improvement status.

Truants Alternative/Optional Education – To account for the salary of the part-time truancy caseworker and to pay for a portion of the Academy’s academic needs.

Regional Safe Schools - To account for professional staff salaries at the Regional Safe School.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

1. Governmental Funds (Continued)

Education Fund (Continued)

Title II Leadership Grant - To account for Title II Teacher Quality Leadership grant from the State, which is for the purpose of implementing the purchase of the principal and/or teacher evaluation training.

Statewide System of Support Foundational Services Grant – To provide guidance and support to districts and schools in the implementation of the new Illinois Learning Standards in English/Language Arts (ELA) and Math, engagement in Continuous Improvement Planning, and utilization of Balanced Assessment/Evaluation.

Various Discontinued Programs - Various programs that have been discontinued by the Illinois State Board of Education (ISBE) in prior years. The Regional Office has remaining cash balances due to ISBE for the following discontinued programs: Title I Reading First Grant, ROE/ISC Technology, Scientific Literacy Programs, and Title II Leadership. The Regional Office has contacted ISBE regarding the remaining cash balances and continues to present the balances as due to ISBE.

Institute Fund – This special revenue fund accounts for the Regional Office of Education No. 53's stewardship of the assets held in trust for the benefit of the Regional Office of Education No. 53's teachers. Fees are collected from registration of teachers' certificates of qualification. Monies are expended to conduct teachers' institutes, conferences, and workshops.

The Regional Office of Education No. 53 reports the following nonmajor governmental funds:

Nonmajor Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are legally restricted or committed for specified purposes other than debt service or capital projects. Included among these funds are:

General Education Development (GED) - To account for the Regional Office of Education No. 53's administration of the GED Testing Program. Monies are received from testing and diploma fees.

Transportation Fund - To account for the Regional Office of Education No. 53's stewardship of the assets held in trust in connection with the Bus Driver Training Program.

Supervisory - To account for monies received from the State of Illinois for expenditures incurred providing supervisory services in the county.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

2. Proprietary Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis should be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes.

The Regional Office of Education No. 53 reports the following major proprietary fund:

Local Fund - To account for revenues earned and expenses incurred in connection with conducting educational workshops.

The Regional Office of Education No. 53 reports the following nonmajor proprietary fund:

Fingerprinting Fund - To account for revenues earned and expenses incurred in connection with the fingerprinting of teachers and others.

3. Fiduciary Funds

Fiduciary funds are used to account for assets held by the Regional Office of Education No. 53 in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Fiduciary funds include a Private-Purpose Trust Fund and two Agency Funds.

The Regional Office of Education No. 53 reports the following fiduciary funds:

Private-Purpose Trust Fund - The Ogle Fund was established to provide periodic interest distributions to designated school districts.

Agency Funds - Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities) and do not involve measurement of results of operations.

Distributive Fund - An agency fund that accounts for pass-through state aid and other monies from the Regional Office of Education No. 53 to various entities within the region.

Interest on Distributions to Other Governmental Units - The schools within the Regional Office of Education No. 53's geographic responsibility have signed formal agreements which allow the Regional Office of Education No. 53 to retain any interest earned during the year.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

The Regional Office of Education No. 53 considers cash on hand, checking accounts, savings accounts, money market accounts, and investments held with an original maturity date of 90 days or less to be cash and cash equivalents. State regulations require that Regional Office of Education No. 53 deposit funds under its control into accounts insured by the federal government, accounts secured by substantial collateral, or pooled investment trusts. All funds not needed for immediate disbursement are maintained in interest bearing accounts.

Statutes authorize the Regional Office of Education No. 53 to make deposits or invest in obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Money Market Fund.

2. Interfund Transactions

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds” in the fund financial statements. Balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

3. Capital Assets

Capital assets are reported in the applicable columns in the government-wide financial statements. Capital assets, such as equipment, are defined by the government as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Equipment	3-7

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

TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

D. **Assets, Liabilities, and Net Position or Equity** (Continued)

4. **Equity Classifications**

Government-wide Statements

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

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

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

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

Fund Statements

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

Nonspendable Fund Balance – The portion of a Governmental Fund’s fund balance that is not available to be spent, either short term or long term, in either form or through legal restrictions. There are no funds presenting a nonspendable fund balance.

Restricted Fund Balance – The portion of a Governmental Fund’s fund balance that is subject to external enforceable legal restrictions. The following accounts’ fund balances are restricted by grant agreements or contracts: McKinney Education for Homeless Children, Illinois New Principal Mentoring, Gifted Education Seminar Pilot, and Teacher & Administrators Mentoring Program. The following funds are restricted by Illinois Statute: Institute Fund, General Education Development, Transportation Fund, and Supervisory.

Committed Fund Balance – The portion of a Governmental Fund’s fund balance with self-imposed constraints or limitations that has been placed at the highest level of decision making. There are no funds presenting a committed fund balance.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

4. Equity Classifications (Continued)

Assigned Fund Balance – The portion of a Governmental Fund’s fund balance 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 following accounts comprise assigned fund balance: Media Cooperative Fund, Regional Safe Schools GSA, Alternative School Program GSA, Western Illinois University Cohort, Vision & Hearing Screening, and Teacher Leadership Academy.

Unassigned Fund Balance – Available expendable financial resources in a Governmental Fund that are not designated for a specific purpose. The unassigned fund balance is made up of the following: ROE/ISC Operations (MIEC), Truants Alternative/Optional Education, and Regional Safe Schools.

5. Compensated Absences

Full-time non-certified and certified employees who work 12 calendar months earn up to 20 vacation days. As a matter of general practice, vacation days do not carry over from one year to the next; therefore, no liability is accrued. Certified employees who work less than 12 calendar months per year do not earn vacation days.

Employees receive up to 12 sick days annually and the unused portion is accumulated up to 240 days. Employee sick leave is recorded when paid. Upon termination, employees do not receive any accumulated sick leave pay; therefore, no liability is accrued.

E. Intergovernmental Agreements

On July 1, 2003, the Regional Office of Education No. 53 entered into an Intergovernmental Agreement executed pursuant to the provisions of the Intergovernmental Cooperation Clause of the Illinois Constitution as well as the provisions of the Intergovernmental Cooperation Act of 1973 and the Illinois Admin. Code 525.110.

The name of the Educational Service delivery system formed is known as the Mid-Illini Educational Cooperative. The Regional Office of Education No. 53 was designated as the Administrative Agent and as Director.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. New Accounting Pronouncements

In 2014, the Regional Office of Education No. 53 implemented Governmental Accounting Standards Board (GASB) Statement No. 66– *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No.62*, GASB Statement No. 67 – *Financial Reporting for Pension Plans -an amendment of GASB Statement No. 25*, and GASB Statement No. 70 – *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. These statements had no impact on the financial statements for the Regional Office of Education No. 53. The Regional Office of Education also implemented GASB Statement No. 65 – *Items Previously Reported as Assets and Liabilities*. This clarified GASB 63’s presentation of deferred inflows and outflows of resources. The Regional Office of Education will now report items previously reported as deferred revenue as unearned revenue.

2. BUDGETS AND BUDGETARY ACCOUNTING

The Regional Office of Education No. 53 was not legally required to adopt annual budgets for all funds under its control, and some annual budgets prepared were not based upon the same operating period. Therefore, budgetary reports comparing budgeted to actual expenditures are not presented.

Budgets relating to programs funded by grants from the Illinois State Board of Education are prepared and submitted to the State Board for approval as part of the grant awards process. The State Board must also approve amendments to these budgets. Grant project budgets are based on the award period. Budgetary Comparison Schedules have been presented for the following grants: ROE/ISC Operations, Truants Alternative/Optional Education, Regional Safe Schools, and Title II-Teacher Quality-Leadership Grant.

3. USE OF ESTIMATES

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

4. INTEREST ON DISTRIBUTIVE FUND ACCOUNTS

Interest on Distributive Fund receipts is retained by the Regional Office of Education No. 53.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

5. DEPOSITS AND INVESTMENTS

A. Deposits

At June 30, 2014, the carrying amounts of the Regional Office of Education No. 53's deposits for the governmental activities, business-type activities, and fiduciary funds were \$1,601,285, \$286,737, and \$42,120, respectively. The bank balances for the governmental and business-type activities and the fiduciary funds totaled \$1,870,529. All bank balances were secured by federal depository insurance or collateralized with securities held by the pledging financial institution's trust department in the Regional Office of Education No. 53's name, and were, therefore, not exposed to custodial credit risk.

B. Investments

The Regional Office of Education No. 53's investments consisted of certificates of deposit with original maturity dates of more than three months. Certificates of deposit comprised the \$50,812 shown as investments for governmental activities. Fiduciary funds had certificates of deposit of \$39,111 at June 30, 2014. Certificates of deposit are considered deposits and, as such, are included in the deposits note (5A) above.

At June 30, 2014 the carrying amount of the Regional Office of Education No. 53's deposits in the Illinois Funds Money Market Fund for the governmental activities was \$71,475. The bank balance invested in the Illinois Funds Money Market Fund was \$70,790. These deposits are included in cash and cash equivalents in the Regional Office of Education No. 53's governmental activities.

Credit Risk

At June 30, 2014, the Illinois Funds Money Market Fund had a Standard and Poor's AAAM rating. The pool is audited annually by an outside, independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provisions of the Illinois Public Funds 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 the 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 the portfolio, with the exception of cash equivalents and U.S. Treasury securities. Further, certificates of deposit cannot exceed 10% of any single financial institution's total deposits.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>June 30,</u> <u>2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30,</u> <u>2014</u>
Governmental activities:				
Capital assets being depreciated:				
Equipment	\$159,059	\$ 913	\$ -	\$ 159,972
Less accumulated depreciation for:				
Equipment	<u>(120,394)</u>	<u>(11,821)</u>	<u>-</u>	<u>(132,215)</u>
Governmental activities capital assets, net	<u>\$ 38,665</u>	<u>\$(10,908)</u>	<u>\$ -</u>	<u>\$ 27,757</u>
Business-type activities:				
Capital assets being depreciated:				
Equipment	\$ 1,079	\$ -	\$ -	\$ 1,079
Less accumulated depreciation for:				
Equipment	<u>(747)</u>	<u>(101)</u>	<u>-</u>	<u>(848)</u>
Business-type activities capital assets, net	<u>\$ 332</u>	<u>\$ (101)</u>	<u>\$ -</u>	<u>\$ 231</u>

Depreciation expense was charged to functions/programs of Regional Office of Education No. 53 as follows:

Governmental activities:	
Instructional services	<u>\$ 11,821</u>
Business-type activities:	
Operating expenses	<u>\$ 101</u>

7. RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

The Regional Office of Education No. 53 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.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

7. RETIREMENT FUND COMMITMENTS (Continued)

A. Teachers' Retirement System of the State of Illinois (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 licensure is required. The active member contribution rate for the year ended June 30, 2014 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, 2013 and 2012.

The State of Illinois makes contributions directly to TRS on behalf of the Regional Office of Education No. 53's TRS-covered employees.

On-Behalf Contributions to TRS – The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education No. 53. For the year ended June 30, 2014, State of Illinois contributions were based on 35.41 percent of creditable earnings not paid from federal funds, and the Regional Office of Education No. 53 recognized revenue and expenditures of \$125,987 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2013, and June 30, 2012, the State of Illinois contribution rates were 28.05 percent (\$117,848) and 24.91 percent (\$58,614), respectively.

The Regional Office of Education No. 53 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, 2014 were \$857. Contributions for the years ending June 30, 2013, and June 30, 2012, were \$1,251 and \$378, respectively.

Federal and Special Trust Fund Contributions – When TRS members are paid from federal and special trust funds administered by the Regional Office of Education No. 53, there is a statutory requirement for the Regional Office of Education No. 53 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that has been in effect since the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS. Public Act 98-0674 now requires the two rates to be the same.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

7. RETIREMENT FUND COMMITMENTS (Continued)

A. Teachers' Retirement System of the State of Illinois (Continued)

For the year ended June 30, 2014, the Regional Office of Education No. 53 pension contribution was 35.41 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2013 and 2012, the employer contribution was 28.05 and 24.91 percent, respectively. For the year ended June 30, 2014, there were no salaries paid from federal and special trust funds that required employer contributions. For the years ended June 30, 2013, and June 30, 2012, required Regional Office of Education No. 53 contributions were \$-0- and \$6,154, respectively.

Early Retirement Option – The Regional Office of Education No. 53 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 146.5 percent and applies when the member is age 55 at retirement.

For the years ended June 30, 2014, June 30, 2013, and June 30, 2012, the Regional Office of Education No. 53 made no payments to TRS for employer contributions under the Early Retirement Option.

Salary Increases Over 6 Percent and Excess Sick Leave – If the Regional Office of Education No. 53 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, 2014, June 30, 2013, and June 30, 2012, the Regional Office of Education No. 53 made no payments to TRS for employer contributions due on salary increases in excess of 6 percent.

If the Regional Office of Education No. 53 grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the Regional Office of Education No. 53 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 (17.29 percent of salary during the year ended June 30, 2014).

For the years ended June 30, 2014, June 30, 2013, and June 30, 2012, the Regional Office of Education No. 53 made no payments to TRS for sick leave days granted in excess of the normal annual allotment.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

7. RETIREMENT FUND COMMITMENTS (Continued)

A. Teachers' Retirement System of the State of Illinois (Continued)

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, 2013. The report for the year ended June 30, 2014, is expected to be available in late 2014.

These 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>.

B. Illinois Municipal Retirement Fund

Plan Description – The Regional Office of Education No. 53’s defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Regional Office of Education No. 53’s plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy – As set by statute, the Regional Office of Education No. 53’s 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 2013 was 8.82 percent. The Regional Office of Education No. 53 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 2013 was \$12,709.

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>
12/31/2013	\$ 194	6551%	\$ -
12/31/2012	898	352%	-
12/31/2011	4,691	59%	-

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

7. RETIREMENT FUND COMMITMENTS (Continued)

B. Illinois Municipal Retirement Fund (Continued)

The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10.0 percent per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3.0 percent annually. The actuarial value of Regional Office of Education No. 53's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20.0 percent corridor between the actuarial and market value of assets. The Regional Office of Education No. 53's Regular plan's unfunded actuarial accrued liability at December 31, 2011 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, 2013, the most recent actuarial valuation date, the Regular plan was 7.81 percent funded. The actuarial accrued liability for benefits was \$22,748 and the actuarial value of assets was \$1,777, resulting in an underfunded actuarial accrued liability (UAAL) of \$20,971. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$2,199 and the ratio of the UAAL to the covered payroll was 954 percent.

The schedule of funding progress, presented as required supplementary information (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.

C. Social Security

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees." These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security.

8. OTHER POSTEMPLOYMENT BENEFITS

A. Teacher Health Insurance Security

The Regional Office of Education No. 53 participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Beginning February 1, 2014, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

A. Teacher Health Insurance Security (Continued)

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the 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 the 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 the Regional Office of Education No. 53. State contributions are intended to match contributions to the THIS Fund from active members which were 0.97 percent of pay during the year ended June 30, 2014. State of Illinois contributions were \$1,433, and the Regional Office of Education No. 53 recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2013 and June 30, 2012 were 0.92 and 0.88 percent of pay, respectively. State contributions on behalf of the Regional Office of Education No. 53 employees were \$1,984 and \$573, respectively.

Employer contributions to the THIS Fund - The Regional Office of Education No. 53 also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.72 percent during the year ended June 30, 2014, and 0.69 and 0.66 percent during the years ended June 30, 2013 and June 30, 2012, respectively. For the year ended June 30, 2014, the Regional Office of Education No. 53 paid \$1,064 to the THIS Fund. For the years ended June 30, 2013 and June 30, 2012, the Regional Office of Education No. 53 paid \$1,488 and \$430 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 current reports are listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

B. Other Postemployment Benefits

The Regional Office of Education No. 53 allows employees, who retire through the Regional Office of Education No. 53's plan disclosed in Note 7B, the option to continue in the Regional Office of Education No. 53's health insurance plan as required by the Illinois Compiled Statutes, but the retiree pays the full premium for the health insurance. This has not created an implicit subsidy as defined by GASB Statement No. 45 (GASB S-45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* as the Regional Office of Education No. 53's health insurance plan is considered a community rated plan. In addition, the Regional Office of Education No. 53 has no explicit subsidy as defined in GASB S-45.

9. INTERFUND RECEIVABLES AND PAYABLES

At June 30, 2014, interfund receivables and payables were as follows:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 19,448	\$ -
Education Fund	-	24,078
Institute Fund	4,630	-
	\$ 24,078	\$ 24,078

All of the interfund balances due to the Institute Fund and General Fund from the Education Fund consisted of loans between individual funds. The loans were used to cover cash shortages in these individual funds.

10. BOND

The Illinois School Code (105 ILCS 5/3-2) directs the Regional Office of Education No. 53 to execute a bond of not less than \$100,000 on the Regional Superintendent. The Regional Office of Education No. 53 has secured and maintained such a bond with coverage of \$100,000 on the Regional Superintendent.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

11. DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education No. 53's General Fund, Education Fund and Fiduciary Fund had funds due to and due from various other governmental units which consisted of the following:

Due From Other Governments:

General Fund:

Various Local School Districts	\$ 2,095
Regional Office of Education No. 45	490
	2,585

Education Fund:

Illinois State Board of Education	8,997
Regional Office of Education No. 51	3,130
Regional Office of Education No. 26	7,005
	19,132

Fiduciary Fund:

Illinois State Board of Education	68,408
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Total	\$ 90,125
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Due To Other Governments:

Education Fund:

Illinois State Board of Education	\$ 15,300
Various Local School Districts	4,635
Regional Office of Education No. 52	372
Regional Office of Education No. 22	11,446
Regional Office of Education No. 38	10,849
	42,602

Fiduciary Funds:

Local Governments	71,417
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Total	\$ 114,019
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12. DEFICIT FUND BALANCES

The following individual funds carried the following deficit balances as of June 30, 2014:

ROE/ISC Operations (MIEC)	\$ 660
Truants Alternative/Optional Education	\$ 7,474
Regional Safe Schools	\$ 3,582

The Regional Office of Education No. 53 intends to reduce these deficits by reducing expenditures in future periods.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

13. ON-BEHALF PAYMENTS

The Regional Office of Education No. 53 received on-behalf payments for employee salaries and benefits from the following entities for the following items:

Tazewell County:	
Office staff salaries and benefits	<u>\$ 226,985</u>
State of Illinois:	
TRS pension contributions	125,987
THIS contributions	1,433
Regional Superintendent - salary	109,464
Regional Superintendent - benefits (includes State paid insurance)	23,944
Assistant Regional Superintendent - salary	98,544
Assistant Regional Superintendent - benefits (includes State paid insurance)	<u>1,429</u>
	<u>360,801</u>
	<u><u>\$ 587,786</u></u>

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

The on-behalf payments are reflected as revenues and expenditures of the General Fund.

14. RISK MANAGEMENT - CLAIMS AND JUDGMENTS

The Regional Office of Education No. 53 is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers' compensation; and natural disasters. The Regional Office of Education No. 53 is covered by commercial insurance to cover these risks of loss. No settlements have exceeded insurance coverage in the current or three previous years.

15. CONTINGENCIES

The Regional Office of Education No. 53 has received funding from federal and State grants in the current and prior years which are subject to audits by granting agencies. The Regional Office of Education No. 53 believes any adjustments that may arise will be insignificant to the Regional Office of Education No. 53's operations.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

16. OPERATING LEASE

The Tazewell County Regional Office of Education No. 53 has entered into an operating lease through July 31, 2015 for the purpose of conducting the Tazewell County Regional Safe School Program and Tazewell Academy alternative school programs. Rent expense under the terms of the lease is \$30,000 per year. In the event that the State of Illinois does not provide adequate funding to maintain these educational programs, this lease may be terminated at any time during the fiscal year, without penalty, by the Tazewell County Regional Office of Education No. 53 giving the landlord thirty days' notice. For the year ended June 30, 2014 rent expense totaled \$30,000.

The following is a schedule, by year, of minimum future rentals on operating leases as of June 30, 2014:

For the Year Ending:

June 30, 2015	\$ 30,000
June 30, 2016	\$ 2,500

17. REGIONAL OFFICE OF EDUCATION CONSOLIDATION

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, Mason and Woodford Counties will be included in the Regional Office of Education No. 53.

18. PROSPECTIVE ACCOUNTING CHANGE

The Governmental Accounting Standards Board has issued Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27*. This statement will be implemented for the fiscal year ending June 30, 2015. The revised requirements establish new financial reporting requirements, including additional note disclosures and required supplementary information, for state and local governments that provide their employees with pension benefits. At this time, the effect of the statement on the financial statements is indeterminable; however, the Statement of Net Position may be adjusted to include a significant liability for the government's proportionate share of the employee pension plans' unfunded liabilities.

REQUIRED SUPPLEMENTARY INFORMATION

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF FUNDING PROGRESS
UNAUDITED
June 30, 2014**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b - a) / c]
12/31/2013	\$ 1,777	\$ 22,748	\$ 20,971	7.81 %	\$ 2,199	953.66 %
12/31/2012	(117,150)	16,428	133,578	-- %	4,756	2,808.62 %
12/31/2011	(119,892)	--	119,892	-- %	26,806	447.26 %

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$53,443. On a market basis, the funded ratio would be 234.93 percent.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Mid-Illini Educational Cooperative. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

On May 23, 2014, the Regional Office of Education No. 53 contributed \$20,971 to IMRF which is not reflected above.

SUPPLEMENTAL INFORMATION

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND**

June 30, 2014

	Media Cooperative Fund	Regional Safe Schools GSA	Alternative School Program GSA
ASSETS			
Cash and cash equivalents	\$ 29,370	\$ 689,370	\$ 531,665
Accounts receivable	-	-	-
Due from other funds	-	4,477	14,971
Due from other governments	-	2,095	490
	<u>\$ 29,370</u>	<u>\$ 695,942</u>	<u>\$ 547,126</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ 1,074	\$ -
Accrued salaries and benefits	-	13,080	-
Unearned revenue	-	-	-
	<u>-</u>	<u>14,154</u>	<u>-</u>
FUND BALANCES			
Assigned	<u>29,370</u>	<u>681,788</u>	<u>547,126</u>
Total fund balances	<u>29,370</u>	<u>681,788</u>	<u>547,126</u>
Total liabilities and fund balances	<u>\$ 29,370</u>	<u>\$ 695,942</u>	<u>\$ 547,126</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS (Concluded)
GENERAL FUND
June 30, 2014**

	Western Illinois University Cohort	Vision & Hearing Screening	Teacher Leadership Academy	Total
ASSETS				
Cash and cash equivalents	\$ 2,513	\$ 134	\$ 39,949	\$ 1,293,001
Accounts receivable	920	-	-	920
Due from other funds	-	-	-	19,448
Due from other governments	-	-	-	2,585
	<u>3,433</u>	<u>134</u>	<u>39,949</u>	<u>1,315,954</u>
Total assets	<u>\$ 3,433</u>	<u>\$ 134</u>	<u>\$ 39,949</u>	<u>\$ 1,315,954</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 1,074
Accrued salaries and benefits	-	-	-	13,080
Unearned revenue	-	-	37,895	37,895
	<u>-</u>	<u>-</u>	<u>37,895</u>	<u>52,049</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>37,895</u>	<u>52,049</u>
FUND BALANCES				
Assigned	<u>3,433</u>	<u>134</u>	<u>2,054</u>	<u>1,263,905</u>
Total fund balances	<u>3,433</u>	<u>134</u>	<u>2,054</u>	<u>1,263,905</u>
Total liabilities and fund balances	<u>\$ 3,433</u>	<u>\$ 134</u>	<u>\$ 39,949</u>	<u>\$ 1,315,954</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS
For the year ended June 30, 2014**

	Media Cooperative Fund	Regional Safe Schools GSA	Alternative School Program GSA
Revenues:			
Local sources	\$ -	\$ 26,105	\$ 7,650
State sources	-	149,483	163,650
On-behalf payments	-	587,786	-
Interest	44	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	44	763,374	171,300
	<hr/>	<hr/>	<hr/>
Expenditures:			
Salaries and benefits	-	58,172	3,786
Purchased services	-	76,083	14,505
Supplies and materials	-	5,270	2,538
Payments to other governments	-	2,904	-
Other objects	-	-	1,598
On-behalf payments	-	587,786	-
	<hr/>	<hr/>	<hr/>
Total expenditures	-	730,215	22,427
	<hr/>	<hr/>	<hr/>
Excess of revenues over expenditures	44	33,159	148,873
Fund balances (deficits), beginning of year	29,326	648,629	398,253
	<hr/>	<hr/>	<hr/>
Fund balances, end of year	\$ 29,370	\$ 681,788	\$ 547,126
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (Concluded)
GENERAL FUND ACCOUNTS
For the year ended June 30, 2014**

	Western Illinois University Cohort	Vision & Hearing Screening	Teacher Leadership Academy	Total
Revenues:				
Local sources	\$ 12,092	\$ 1,176	\$ -	\$ 47,023
State sources	-	-	-	313,133
On-behalf payments	-	-	-	587,786
Interest	-	-	-	44
Total revenues	12,092	1,176	-	947,986
Expenditures:				
Salaries and benefits	-	-	-	61,958
Purchased services	-	150	-	90,738
Supplies and materials	-	-	-	7,808
Payments to other governments	-	-	-	2,904
Other objects	-	-	-	1,598
On-behalf payments	-	-	-	587,786
Total expenditures	-	150	-	752,792
Excess of revenues over expenditures	12,092	1,026	-	195,194
Fund balances (deficits), beginning of year	(8,659)	(892)	2,054	1,068,711
Fund balances, end of year	<u>\$ 3,433</u>	<u>\$ 134</u>	<u>\$ 2,054</u>	<u>\$ 1,263,905</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND**

June 30, 2014

	ROE/ISC Operations (ROE #53)	ROE/ISC Operations (MIEC)	McKinney Education for Homeless Children
ASSETS			
Cash and cash equivalents	\$ -	\$ 42,036	\$ -
Accounts receivable	-	371	-
Due from other funds	15,220	-	-
Due from other governments	-	-	7,005
	-	-	7,005
Total assets	\$ 15,220	\$ 42,407	\$ 7,005
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ 5,552	\$ -
Due to other funds	-	15,220	895
Due to other governments	15,220	22,295	5,007
Unearned revenue	-	-	-
	-	-	-
Total liabilities	15,220	43,067	5,902
FUND BALANCES (DEFICITS)			
Restricted	-	-	1,103
Unassigned	-	(660)	-
	-	(660)	-
Total fund balances (deficits)	-	(660)	1,103
Total liabilities and fund balances	\$ 15,220	\$ 42,407	\$ 7,005

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS (Continued)
EDUCATION FUND
June 30, 2014**

	School & Community Assistance Team	Illinois New Principal Mentoring	Title II - Teacher Quality - Leadership Grant
ASSETS			
Cash and cash equivalents	\$ 685	\$ 8,615	\$ -
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	-
	<u>685</u>	<u>8,615</u>	<u>-</u>
Total assets	<u>\$ 685</u>	<u>\$ 8,615</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Due to other governments	-	-	-
Unearned revenue	685	-	-
	<u>685</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>685</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)			
Restricted	-	8,615	-
Unassigned	-	-	-
	<u>-</u>	<u>8,615</u>	<u>-</u>
Total fund balances (deficits)	<u>-</u>	<u>8,615</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 685</u>	<u>\$ 8,615</u>	<u>\$ -</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS (Continued)
EDUCATION FUND
June 30, 2014**

	<u>Gifted Education Seminar Pilot</u>	<u>Teacher & Administrators Mentoring Program</u>	<u>ARRA - Title I - School Improvement and Accountability</u>
ASSETS			
Cash and cash equivalents	\$ 5,800	\$ 2,385	\$ -
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 5,800</u>	<u>\$ 2,385</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Due to other governments	-	-	-
Unearned revenue	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<hr/> -	<hr/> -	<hr/> -
FUND BALANCES (DEFICITS)			
Restricted	5,800	2,385	-
Unassigned	-	-	-
	<hr/>	<hr/>	<hr/>
Total fund balances (deficits)	<hr/> 5,800	<hr/> 2,385	<hr/> -
Total liabilities and fund balances	<u>\$ 5,800</u>	<u>\$ 2,385</u>	<u>\$ -</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS (Continued)
EDUCATION FUND
June 30, 2014**

	Truants Alternative/ Optional Education	Regional Safe Schools	Title II Leadership Grant
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	7,497	-	1,500
	<u>7,497</u>	<u>-</u>	<u>1,500</u>
Total assets	<u>\$ 7,497</u>	<u>\$ -</u>	<u>\$ 1,500</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	14,971	3,582	1,500
Due to other governments	-	-	-
Unearned revenue	-	-	-
	<u>14,971</u>	<u>3,582</u>	<u>1,500</u>
Total liabilities	<u>14,971</u>	<u>3,582</u>	<u>1,500</u>
FUND BALANCES (DEFICITS)			
Restricted	-	-	-
Unassigned	(7,474)	(3,582)	-
	<u>(7,474)</u>	<u>(3,582)</u>	<u>-</u>
Total fund balances (deficits)	<u>(7,474)</u>	<u>(3,582)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 7,497</u>	<u>\$ -</u>	<u>\$ 1,500</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS (Concluded)
EDUCATION FUND
June 30, 2014**

	SSOS Foundational Services Grant	Various Discontinued Programs	Eliminations	Total
ASSETS				
Cash and cash equivalents	\$ -	\$ 80	\$ -	\$ 59,601
Accounts receivable	-	-	-	371
Due from other funds	-	-	(15,220)	-
Due from other governments	3,130	-	-	19,132
Total assets	\$ 3,130	\$ 80	\$ (15,220)	\$ 79,104
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 5,552
Due to other funds	3,130	-	(15,220)	24,078
Due to other governments	-	80	-	42,602
Unearned revenue	-	-	-	685
Total liabilities	3,130	80	(15,220)	72,917
FUND BALANCES (DEFICITS)				
Restricted	-	-	-	17,903
Unassigned	-	-	-	(11,716)
Total fund balances (deficits)	-	-	-	6,187
Total liabilities and fund balances	\$ 3,130	\$ 80	\$ (15,220)	\$ 79,104

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2014**

	ROE/ISC Operations (ROE #53)	ROE/ISC Operations (MIEC)	McKinney Education for Homeless Children
Revenues:			
State sources	\$ 16,451	\$ 43,187	\$ -
Federal sources	-	-	19,056
Total revenues	16,451	43,187	19,056
Expenditures:			
Salaries and benefits	-	3,097	-
Purchased services	-	35,370	5,997
Supplies and materials	-	3,653	1,031
Capital outlay	-	913	-
Payments to other governments	16,451	-	12,028
Other objects	-	155	-
Total expenditures	16,451	43,188	19,056
Excess (deficiency) of revenues over (under) expenditures	-	(1)	-
Fund balances (deficits), beginning of year	-	(659)	1,103
Fund balances (deficits), end of year	\$ -	\$ (660)	\$ 1,103

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2014**

	School & Community Assistance Team	Illinois New Principal Mentoring	Title II - Teacher Quality - Leadership Grant
Revenues:			
State sources	\$ -	\$ -	\$ -
Federal sources	-	-	-
Total revenues	-	-	-
Expenditures:			
Salaries and benefits	-	-	-
Purchased services	-	-	-
Supplies and materials	-	-	-
Capital outlay	-	-	-
Payments to other governments	-	-	468
Other objects	-	-	-
Total expenditures	-	-	468
Excess (deficiency) of revenues over (under) expenditures	-	-	(468)
Fund balances (deficits), beginning of year	-	8,615	468
Fund balances (deficits), end of year	\$ -	\$ 8,615	\$ -

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2014**

	Gifted Education Seminar Pilot	Teacher & Administrators Mentoring Program	ARRA - Title I - School Improvement and Accountability
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
State sources	\$ -	\$ -	\$ -
Federal sources	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Salaries and benefits	-	-	-
Purchased services	-	-	-
Supplies and materials	-	-	-
Capital outlay	-	-	-
Payments to other governments	-	-	569
Other objects	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>-</u>	<u>-</u>	<u>569</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(569)
Fund balances (deficits), beginning of year	<u>5,800</u>	<u>2,385</u>	<u>569</u>
Fund balances (deficits), end of year	<u>\$ 5,800</u>	<u>\$ 2,385</u>	<u>\$ -</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2014**

	Truants Alternative/ Optional Education	Regional Safe Schools	Title II Leadership Grant
Revenues:			
State sources	\$ 100,237	\$ 77,423	\$ -
Federal sources	-	-	6,200
	<u>100,237</u>	<u>77,423</u>	<u>6,200</u>
Expenditures:			
Salaries and benefits	20,644	77,423	-
Purchased services	12,527	-	6,200
Supplies and materials	366	-	-
Capital outlay	-	-	-
Payments to other governments	66,700	-	-
Other objects	-	-	-
	<u>100,237</u>	<u>77,423</u>	<u>6,200</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Fund balances (deficits), beginning of year	<u>(7,474)</u>	<u>(3,582)</u>	<u>-</u>
Fund balances (deficits), end of year	<u>\$ (7,474)</u>	<u>\$ (3,582)</u>	<u>\$ -</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (Concluded)
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2014**

	SSOS Foundational Services Grant	Various Discontinued Programs	Eliminations	Total
Revenues:				
State sources	\$ -	\$ -	\$ (16,451)	\$ 220,847
Federal sources	3,130	-	-	28,386
Total revenues	<u>3,130</u>	<u>-</u>	<u>(16,451)</u>	<u>249,233</u>
Expenditures:				
Salaries and benefits	-	-	-	101,164
Purchased services	3,130	-	-	63,224
Supplies and materials	-	-	-	5,050
Capital outlay	-	-	-	913
Payments to other governments	-	80	(16,451)	79,845
Other objects	-	-	-	155
Total expenditures	<u>3,130</u>	<u>80</u>	<u>(16,451)</u>	<u>250,351</u>
Excess (deficiency) of revenues over (under) expenditures	-	(80)	-	(1,118)
Fund balances (deficits), beginning of year	<u>-</u>	<u>80</u>	<u>-</u>	<u>7,305</u>
Fund balances (deficits), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,187</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ROE/ISC OPERATIONS - PROJECT #14-3730-00
For the year ended June 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
State sources	<u>\$ 31,671</u>	<u>\$ 31,671</u>	<u>\$ 16,451</u>
Expenditures:			
Payments to other governments	<u>31,671</u>	<u>31,671</u>	<u>16,451</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance, beginning of year			<u>-</u>
Fund balance, end of year			<u>\$ -</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TRUANTS ALTERNATIVE/OPTIONAL EDUCATION - PROJECT #14-3695-12
For the year ended June 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
State sources	<u>\$ 100,237</u>	<u>\$ 100,237</u>	<u>\$ 100,237</u>
Expenditures:			
Salaries and benefits	24,025	20,644	20,644
Purchased services	10,874	12,527	12,527
Supplies and materials	166	366	366
Payments to other governments	<u>65,172</u>	<u>66,700</u>	<u>66,700</u>
Total expenditures	<u>100,237</u>	<u>100,237</u>	<u>100,237</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance (deficit), beginning of year			<u>(7,474)</u>
Fund balance (deficit), end of year			<u>\$ (7,474)</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS - PROJECT #14-3696-00
For the year ended June 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
State sources	<u>\$ 77,423</u>	<u>\$ 77,423</u>	<u>\$ 77,423</u>
Expenditures:			
Salaries and benefits	<u>77,423</u>	<u>77,423</u>	<u>77,423</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance (deficit), beginning of year			<u>(3,582)</u>
Fund balance (deficit), end of year			<u>\$ (3,582)</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TITLE II – TEACHER QUALITY LEADERSHIP GRANT - PROJECT #13-4935-02
For the year ended June 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
Federal sources	<u>\$ 4,095</u>	<u>\$ 5,095</u>	<u>\$ 1,000</u>
Expenditures:			
Purchased services	<u>4,095</u>	<u>5,095</u>	<u>1,000</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance, beginning of year			<u>-</u>
Fund balance, September 30, 2013			<u>\$ -</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TITLE II – TEACHER QUALITY LEADERSHIP GRANT - PROJECT #14-4935-02
For the year ended June 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
Federal sources	<u>\$ 5,200</u>	<u>\$ 5,200</u>	<u>\$ 5,200</u>
Expenditures:			
Purchased services	<u>5,200</u>	<u>5,200</u>	<u>5,200</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance, September 30, 2013			<u>-</u>
Fund balance, end of year			<u>\$ -</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2014**

	<u>General Education Development</u>	<u>Transportation Fund</u>	<u>Supervisory</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 41,274	\$ 13,185	\$ 1,014	\$ 55,473
Accounts receivable	658	-	-	658
	<u>\$ 41,932</u>	<u>\$ 13,185</u>	<u>\$ 1,014</u>	<u>\$ 56,131</u>
Total assets				
	<u>\$ 41,932</u>	<u>\$ 13,185</u>	<u>\$ 1,014</u>	<u>\$ 56,131</u>
FUND BALANCES				
Restricted	<u>\$ 41,932</u>	<u>\$ 13,185</u>	<u>\$ 1,014</u>	<u>\$ 56,131</u>
Total fund balances	<u>\$ 41,932</u>	<u>\$ 13,185</u>	<u>\$ 1,014</u>	<u>\$ 56,131</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the year ended June 30, 2014**

	General Education Development	Transportation Fund	Supervisory Fund	Total
Revenues:				
Local sources	\$ 14,483	\$ 3,257	\$ -	\$ 17,740
State sources	-	1,329	-	1,329
Total revenues	<u>14,483</u>	<u>4,586</u>	<u>-</u>	<u>19,069</u>
Expenditures:				
Purchased services	3,051	1,450	174	4,675
Supplies and materials	911	-	109	1,020
Other objects	111	51	-	162
Total expenditures	<u>4,073</u>	<u>1,501</u>	<u>283</u>	<u>5,857</u>
Excess (deficiency) of revenues over (under) expenditures	10,410	3,085	(283)	13,212
Fund balances, beginning of year	<u>31,522</u>	<u>10,100</u>	<u>1,297</u>	<u>42,919</u>
Fund balances, end of year	<u>\$ 41,932</u>	<u>\$ 13,185</u>	<u>\$ 1,014</u>	<u>\$ 56,131</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
June 30, 2014**

	Distributive	Interest on Distributions to Other Governmental Units	Total
ASSETS			
Cash and cash equivalents	\$ -	\$ 3,009	\$ 3,009
Due from other governments	68,408	-	68,408
Total assets	\$ 68,408	\$ 3,009	\$ 71,417
LIABILITIES			
Due to other governments	\$ 68,408	\$ 3,009	\$ 71,417

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS**

For the year ended June 30, 2014

	<u>Balance</u> <u>June 30, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2014</u>
<u>DISTRIBUTIVE</u>				
ASSETS				
Cash and cash equivalents	\$ -	\$ 1,304,231	\$ 1,304,231	\$ -
Due from other governments	41,015	68,408	41,015	68,408
Total assets	<u>\$ 41,015</u>	<u>\$ 1,372,639</u>	<u>\$ 1,345,246</u>	<u>\$ 68,408</u>
LIABILITIES				
Due to other governments	<u>\$ 41,015</u>	<u>\$ 1,372,639</u>	<u>\$ 1,345,246</u>	<u>\$ 68,408</u>
<u>INTEREST ON DISTRIBUTIONS TO OTHER GOVERNMENTAL UNITS</u>				
ASSETS				
Cash and cash equivalents	<u>\$ 3,008</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 3,009</u>
LIABILITIES				
Due to other governments	<u>\$ 3,008</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 3,009</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and cash equivalents	\$ 3,008	\$ 1,304,232	\$ 1,304,231	\$ 3,009
Due from other governments	41,015	68,408	41,015	68,408
Total assets	<u>\$ 44,023</u>	<u>\$ 1,372,640</u>	<u>\$ 1,345,246</u>	<u>\$ 71,417</u>
LIABILITIES				
Due to other governments	<u>\$ 44,023</u>	<u>\$ 1,372,640</u>	<u>\$ 1,345,246</u>	<u>\$ 71,417</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS
AND OTHER ENTITIES
DISTRIBUTIVE FUND
For the year ended June 30, 2014**

	<u>Education for Employment</u>	<u>Mid-Illini Educational Cooperative</u>	<u>Regional Office of Education #53</u>	<u>Total</u>
General State Aid	\$ -	\$ -	\$ 313,133	\$ 313,133
Career and Technical Ed. Improvement	554,415	-	-	554,415
ROE School Bus Driver Training	-	-	1,329	1,329
Truants Alternative/Optional Education	-	-	100,237	100,237
Regional Safe Schools	-	-	77,423	77,423
ROE/ISC Operations	-	31,671	-	31,671
CTE - Perkins - Secondary	217,228	-	-	217,228
Title II - Teacher Quality - Leadership	-	-	8,795	8,795
TOTAL	<u>\$ 771,643</u>	<u>\$ 31,671</u>	<u>\$ 500,917</u>	<u>\$ 1,304,231</u>