

**STATE OF ILLINOIS  
VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**FINANCIAL AUDIT  
For the Year Ended June 30, 2015**

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

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**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**OFFICIALS**

Regional Superintendent  
(current and during the audit period)..... Ms. Cheryl S. Reifsteck

Assistant Regional Superintendent  
(current and during the audit period)..... Mr. Mark Janesky

Office is located at:

200 South College Street, Suite B  
Danville, IL 61832

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**FINANCIAL REPORT SUMMARY**

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

**AUDITORS' REPORTS**

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

**SUMMARY OF AUDIT FINDINGS**

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	1	2
Repeated audit findings	1	2
Prior recommendations implemented or not repeated	1	0

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

**SUMMARY OF FINDINGS AND RESPONSES**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS ( <i>GOVERNMENT AUDITING STANDARDS</i> )			
2015-001	11-12	Controls Over Financial Statement Preparation	Material weakness
PRIOR FINDINGS NOT REPEATED ( <i>GOVERNMENT AUDITING STANDARDS</i> )			
2014-001	14	Inadequate Internal Control Procedures	Material weakness

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**FINANCIAL REPORT SUMMARY (Continued)**

**EXIT CONFERENCE**

The Vermilion County Regional Office of Education No. 54 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2015. Throughout the audit, numerous meetings were held between auditors and Regional Office officials to discuss matters contained in this audit report. Response to the recommendation was provided by the Regional Office of Education on November 12, 2015.

**VERMILION COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 54**  
**FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of the Vermilion County Regional Office of Education No. 54 was performed by West & Company, LLC.

Based on their audit, the auditors expressed an unmodified opinion on the Vermilion County Regional Office of Education No 54'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  
JOHN H. VOGT  
JOSHUA D. LOWE

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## OFFICES

EDWARDSVILLE  
EFFINGHAM  
GREENVILLE  
MATTOON  
SULLIVAN

## INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

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

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Vermilion County Regional Office of Education No. 54, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Vermilion County Regional Office of Education No. 54's basic financial statements as listed in the table of contents.

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

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

### ***Auditors' Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Vermilion County Regional Office of Education No. 54, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

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 the missing information.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Vermilion County Regional Office of Education No. 54'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 - Distributive Fund are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated May 11, 2016, on our consideration of the Vermilion County Regional Office of Education No. 54'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 Vermilion County Regional Office of Education No. 54's internal control over financial reporting and compliance.

*West & Company, LLC*

Mattoon, Illinois

May 11, 2016

**WEST & COMPANY, LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
&  
CONSULTANTS

MEMBERS

RICHARD C. WEST  
BRIAN E. DANIELL  
JANICE K. ROMACK  
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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 Frank J. Mautino  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Vermilion County Regional Office of Education No. 54, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Vermilion County Regional Office of Education No. 54's basic financial statements, and have issued our report thereon dated May 11, 2016.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Vermilion County Regional Office of Education No. 54'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 Vermilion County Regional Office of Education No. 54's internal control. Accordingly, we do not express an opinion on the effectiveness of the Vermilion County Regional Office of Education No. 54's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2015-001, that we consider to be a material weakness

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Vermilion County Regional Office of Education No. 54's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Regional Office of Education No. 54's Response to the Finding**

Vermilion County Regional Office of Education No. 54's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. Vermilion County Regional Office of Education No. 54's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Vermilion County Regional Office of Education No. 54'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 Vermilion County Regional Office of Education No. 54's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*West & Company, LLC*

Mattoon, Illinois  
May 11, 2016

## **SCHEDULE OF FINDINGS AND RESPONSES**

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**SCHEDULE OF FINDINGS AND RESPONSES  
SECTION I – SUMMARY OF AUDITORS' RESULTS  
For the year ended June 30, 2015**

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

**Financial Statements**

Type of auditors' report issued UNMODIFIED

Internal Control over financial reporting:

Material weakness(es) identified?   X   yes        no

Significant deficiency(ies) identified?        yes   X   none reported

Noncompliance material to financial statements noted?        yes   X   no

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**SCHEDULE OF FINDINGS AND REPOSSES  
SECTION II – FINANCIAL STATEMENT FINDINGS  
For the year ended June 30, 2015**

**Section II – Financial Statement Findings**

**Finding No. 2015-001 – Controls Over Financial Statement Preparation (Repeat from Finding 14-002, 13-002, 12-02, 11-02, and 10-02)**

**Criteria/Specific Requirement:**

The Regional Office of Education No. 54 is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). The Regional Office's internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge, skills and experience to prepare GAAP based financial statements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

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

**Condition:**

The Regional Office of Education No. 54 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains its accounting records on the cash basis of accounting during the fiscal year and posts year-end accrual entries for financial statement purposes. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

During review of the Regional Office of Education No. 54's financial information prepared by the Regional Office of Education No. 54, the auditors noted the following:

- Cash was understated by \$479,257. This was due to monies that were transferred from one bank account to another being recorded as an outstanding check on the bank reconciliation of the account transferring the cash, but not as a deposit in transit on the bank reconciliation of the account receiving the cash.
- Revenue and due from other governments were understated by \$6,500 due to an unrecorded receivable in the General Fund.
- Expenses and due to other governments were understated by \$6,500 due to an unrecorded payable in the General Fund.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**SCHEDULE OF FINDINGS AND REPOSSES  
SECTION II – FINANCIAL STATEMENT FINDINGS  
For the year ended June 30, 2015**

**Section II – Financial Statement Findings** (Continued)

**Finding No. 2015-001 – Controls Over Financial Statement Preparation (Repeat from Finding 14-002, 13-002, 12-02, 11-02, and 10-02)** (Continued)

**Effect:**

Management or employees in the normal course of performing their assigned functions may not prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

**Cause:**

According to Regional Office management, they did not have adequate funding to hire and/or train their accounting personnel in order to comply with these requirements.

**Auditor’s Recommendation:**

As part of internal control over the preparation of financial statements, the Regional Office of Education No. 54 should implement comprehensive preparation procedures to ensure that the financial statements are complete and accurate. These procedures should be performed by a properly trained individual(s) possessing a thorough understanding of applicable GAAP, GASB pronouncements, and knowledge of the Regional Office of Education No. 54’s activities and operations.

**Management’s Response:**

The Regional Office of Education No. 54 accepts the degree of risk associated with this condition because the additional expense to seek outside accounting expertise to prepare and/or review financial statements would take away from funds available to provide educational services for the schools in the region.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
For the year ended June 30, 2015**

**Corrective Action Plan**

**Finding No. 2015-001 – Controls Over Financial Statement Preparation (Repeat from Finding 14-002, 13-002, 12-02, 11-02, and 10-02)**

**Condition:**

The Regional Office of Education No. 54 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains its accounting records on the cash basis of accounting during the fiscal year and posts year-end accrual entries for financial statement purposes. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

During review of the Regional Office of Education No. 54's financial information prepared by the Regional Office of Education No. 54, the auditors noted the following:

- Cash was understated by \$479,257. This was due to monies that were transferred from one bank account to another being recorded as an outstanding check on the bank reconciliation of the account transferring the cash, but not as a deposit in transit on the bank reconciliation of the account receiving the cash.
- Revenue and due from other governments were understated by \$6,500 due to an unrecorded receivable in the General Fund.
- Expenses and due to other governments were understated by \$6,500 due to an unrecorded payable in the General Fund.

**Plan:**

The Regional Office of Education No. 54 will continue to work with the other Regional Offices of Education to determine the most effective method of ensuring that our employees possess the knowledge required to compile the necessary GAAP based financial statements.

**Anticipated Date of Completion:**

Ongoing

**Name of Contact Person:**

Ms. Cheryl Reifsteck, Regional Superintendent

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the year ended June 30, 2015**

<b><u>Finding Number</u></b>	<b><u>Condition</u></b>	<b><u>Current Status</u></b>
2014-001	Inadequate Internal Control Procedures	Not repeated
2014-002	Controls Over Financial Statement Preparation	Repeated

## **BASIC FINANCIAL STATEMENTS**

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**STATEMENT OF NET POSITION  
June 30, 2015**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 196,679	\$ 19,151	\$ 215,830
Due from other governments	26,635	-	26,635
Total current assets	<u>223,314</u>	<u>19,151</u>	<u>242,465</u>
Noncurrent assets:			
Capital assets, net	1,188	265	1,453
Total noncurrent assets	<u>1,188</u>	<u>265</u>	<u>1,453</u>
Total assets	<u>224,502</u>	<u>19,416</u>	<u>243,918</u>
<b>LIABILITIES</b>			
Current liabilities:			
Due to other governments	<u>48,562</u>	-	<u>48,562</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,188	265	1,453
Restricted - other	163,301	-	163,301
Unrestricted	<u>11,451</u>	<u>19,151</u>	<u>30,602</u>
Total net position	<u>\$ 175,940</u>	<u>\$ 19,416</u>	<u>\$ 195,356</u>

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**STATEMENT OF ACTIVITIES  
For the year ended June 30, 2015**

FUNCTIONS/PROGRAMS	Program Revenues		Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants	Primary Government		
				Governmental Activities	Business-Type Activities	Total
Governmental activities:						
Instructional services:						
Salaries and benefits	\$ 41,649	\$ -	\$ 51,255	\$ 9,606	\$ -	\$ 9,606
Purchased services	34,008	-	23,846	(10,162)	-	(10,162)
Supplies and materials	15,698	-	9,713	(5,985)	-	(5,985)
Payments to other governments	320,412	-	312,690	(7,722)	-	(7,722)
Depreciation	1,192	-	-	(1,192)	-	(1,192)
Administrative:						
On-behalf payments - local	83,885	-	-	(83,885)	-	(83,885)
On-behalf payments - state	259,760	-	-	(259,760)	-	(259,760)
Total governmental activities	<u>756,604</u>	<u>-</u>	<u>397,504</u>	<u>(359,100)</u>	<u>-</u>	<u>(359,100)</u>
Business-Type Activities:						
Service fees	<u>7,603</u>	<u>2,220</u>	<u>-</u>	<u>-</u>	<u>(5,383)</u>	<u>(5,383)</u>
Total Business-Type Activities	<u>7,603</u>	<u>2,220</u>	<u>-</u>	<u>-</u>	<u>(5,383)</u>	<u>(5,383)</u>
Total primary government	<u>\$ 764,207</u>	<u>\$ 2,220</u>	<u>\$ 397,504</u>	<u>(359,100)</u>	<u>(5,383)</u>	<u>(364,483)</u>
General revenues:						
Local sources				29,652	-	29,652
On-behalf payments - local				83,885	-	83,885
On-behalf payments - state				259,760	-	259,760
Interest				486	12	498
Total general revenues				<u>373,783</u>	<u>12</u>	<u>373,795</u>
Change in net position				14,683	(5,371)	9,312
Net position, beginning of year				<u>161,257</u>	<u>24,787</u>	<u>186,044</u>
Net position, end of year				<u>\$ 175,940</u>	<u>\$ 19,416</u>	<u>\$ 195,356</u>

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2015**

	General Fund	Institute Fund	General Education Development Fund
<b>ASSETS</b>			
Cash and cash equivalents	\$ 5,376	\$ 123,860	\$ 26,672
Due from other funds	6,075	-	-
Due from other governments	6,500	-	-
Total assets	\$ 17,951	\$ 123,860	\$ 26,672
<b>LIABILITIES</b>			
Due to other funds	\$ -	\$ -	\$ -
Due to other governments	6,500	-	-
Total liabilities	6,500	-	-
<b>FUND BALANCES</b>			
Restricted	-	123,860	26,672
Unassigned	11,451	-	-
Total fund balances	11,451	123,860	26,672
Total liabilities and fund balances	\$ 17,951	\$ 123,860	\$ 26,672

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**BALANCE SHEET  
GOVERNMENTAL FUNDS (Concluded)  
June 30, 2015**

	<u>Education Fund</u>	<u>Other Nonmajor Funds</u>	<u>Eliminations</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 28,036	\$ 12,735	\$ -	\$ 196,679
Due from other funds	-	-	(6,075)	-
Due from other governments	20,135	-	-	26,635
Total assets	<u>\$ 48,171</u>	<u>\$ 12,735</u>	<u>\$ (6,075)</u>	<u>\$ 223,314</u>
<b>LIABILITIES</b>				
Due to other funds	\$ 6,075	\$ -	\$ (6,075)	\$ -
Due to other governments	42,062	-	-	48,562
Total liabilities	<u>48,137</u>	<u>-</u>	<u>(6,075)</u>	<u>48,562</u>
<b>FUND BALANCES</b>				
Restricted	34	12,735	-	163,301
Unassigned	-	-	-	11,451
Total fund balances	<u>34</u>	<u>12,735</u>	<u>-</u>	<u>174,752</u>
Total liabilities and fund balances	<u>\$ 48,171</u>	<u>\$ 12,735</u>	<u>\$ (6,075)</u>	<u>\$ 223,314</u>

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
GOVERNMENTAL FUNDS  
June 30, 2015**

Total fund balances - governmental funds \$ 174,752

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. 1,188

Net position of governmental activities \$ 175,940

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the year ended June 30, 2015**

	General Fund	Institute Fund	General Education Development Fund
	<u>          </u>	<u>          </u>	<u>          </u>
Revenues:			
Local sources	\$ 6,674	\$ 19,903	\$ 1,229
State sources	94,138	-	-
Federal sources	-	-	-
On-behalf payments - local	83,885	-	-
On-behalf payments - state	259,760	-	-
Interest	415	65	3
Total revenues	<u>444,872</u>	<u>19,968</u>	<u>1,232</u>
Expenditures:			
Instructional services:			
Salaries and benefits	-	-	-
Purchased services	10,871	3,031	7
Supplies and materials	4,413	160	1,172
Payments to other governments	87,638	-	-
On-behalf payments - local	83,885	-	-
On-behalf payments - state	259,760	-	-
Total expenditures	<u>446,567</u>	<u>3,191</u>	<u>1,179</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,695)</u>	<u>16,777</u>	<u>53</u>
Other financing sources (uses):			
Transfers in	142	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>142</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,553)	16,777	53
Fund balance, beginning of year	<u>13,004</u>	<u>107,083</u>	<u>26,619</u>
Fund balance, end of year	<u>\$ 11,451</u>	<u>\$ 123,860</u>	<u>\$ 26,672</u>

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Concluded)  
GOVERNMENTAL FUNDS  
For the year ended June 30, 2015**

	Education Fund	Other Nonmajor Funds	Eliminations	Total Governmental Funds
Revenues:				
Local sources	\$ 242	\$ 1,604	\$ -	\$ 29,652
State sources	167,922	840	-	262,900
Federal sources	134,604	-	-	134,604
On-behalf payments - local	-	-	-	83,885
On-behalf payments - state	-	-	-	259,760
Interest	-	3	-	486
Total revenues	<u>302,768</u>	<u>2,447</u>	<u>-</u>	<u>771,287</u>
Expenditures:				
Instructional services:				
Salaries and benefits	41,649	-	-	41,649
Purchased services	18,216	1,883	-	34,008
Supplies and materials	9,953	-	-	15,698
Payments to other governments	232,774	-	-	320,412
On-behalf payments - local	-	-	-	83,885
On-behalf payments - state	-	-	-	259,760
Total expenditures	<u>302,592</u>	<u>1,883</u>	<u>-</u>	<u>755,412</u>
Excess (deficiency) of revenues over (under) expenditures	<u>176</u>	<u>564</u>	<u>-</u>	<u>15,875</u>
Other financing sources (uses):				
Transfers in	-	-	(142)	-
Transfers out	(142)	-	142	-
Total other financing sources (uses)	<u>(142)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	34	564	-	15,875
Fund balance, beginning of year	-	12,171	-	158,877
Fund balance, end of year	<u>\$ 34</u>	<u>\$ 12,735</u>	<u>\$ -</u>	<u>\$ 174,752</u>

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUNDS**

**For the year ended June 30, 2015**

Net changes in fund balances - governmental funds	\$ 15,875
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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.

Depreciation expense	<u>(1,192)</u>
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Change in net position of governmental activities	<u><u>\$ 14,683</u></u>
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The notes to the financial statements are an integral part of this statement.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**STATEMENT OF NET POSITION  
PROPRIETARY FUND  
June 30, 2015**

	<u>Business-Type Activities Fingerprinting Fund</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 19,151
Noncurrent assets:	
Capital assets, net	<u>265</u>
Total assets	<u><u>\$ 19,416</u></u>
<b>NET POSITION</b>	
Net investment in capital assets	265
Unrestricted	<u>19,151</u>
Total net position	<u><u>\$ 19,416</u></u>

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUND  
For the year ended June 30, 2015**

	<u>Business-Type Activities</u> <u>Fingerprinting Fund</u>
Operating revenue:	
Charges for services	<u>\$ 2,220</u>
Operating expenses:	
Purchased services	2,004
Supplies and materials	5,281
Depreciation expense	<u>318</u>
Total operating expenses	<u>7,603</u>
Operating loss	(5,383)
Nonoperating revenue:	
Interest	<u>12</u>
Change in net position	(5,371)
Net position, beginning of year	<u>24,787</u>
Net position, end of year	<u><u>\$ 19,416</u></u>

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
For the year ended June 30, 2015**

	Business-Type Activities
	Fingerprinting Fund
Cash flows from operating activities:	
Receipts from customers	\$ 2,220
Payments to suppliers and providers of goods and services	(7,285)
Net cash used for operating activities	(5,065)
 Cash flows from investing activities:	
Interest	12
Net cash provided by investing activities	12
 Net decrease in cash and cash equivalents	(5,053)
 Cash and cash equivalents, beginning of year	24,204
 Cash and cash equivalents, end of year	\$ 19,151
 Reconciliation of operating loss to net cash used for operating activities:	
Operating loss	\$ (5,383)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation expense	318
Net cash used for operating activities	\$ (5,065)

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
June 30, 2015**

	Private-Purpose Trust Fund <u>DAAPP</u>	<u>Agency Funds</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 3,381	\$ 504,551
Due from other governments	<u>-</u>	<u>1,851,067</u>
Total assets	<u>3,381</u>	<u>\$ 2,355,618</u>
<b>LIABILITIES</b>		
Due to other governments	<u>1,135</u>	<u>\$ 2,355,618</u>
<b>NET POSITION</b>		
Held in trust	<u>\$ 2,246</u>	

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
For the year ended June 30, 2015**

	Private-Purpose Trust Fund
	DAAPP
Additions:	
Local sources	\$ 29,483
Interest	1
Total additions	29,484
Deductions:	
Salaries	17,500
Purchased services	11,511
Supplies and materials	2,563
Total deductions	31,574
Change in net position	(2,090)
Net position, beginning of year	4,336
Net position, end of year	\$ 2,246

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Regional Office of Education No. 54's accounting policies conform to generally accepted accounting principles which are appropriate to local governmental units of this type.

**A. Reporting Entity**

The Regional Office of Education No. 54 was created by Illinois Public Act 76-735, as amended, effective August 8, 1995. The region encompasses Vermilion 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 directions to teachers and school officials on science, art and teaching methods; implementing the State Board of Education's Policy Programs; encouraging camaraderie among teachers through the teachers' institute; making public notice of unfilled teaching positions within the region; and ensuring 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. 54 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. 54 exercises no oversight responsibility on financial interdependency, selection of governing authority, designation of management or the ability to significantly influence the operations of any other outside agencies. Control or dependency is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing order. Therefore, no other agency has been included as a component unit in the Regional Office of Education No. 54's financial statements. In addition, the Regional Office of Education No. 54 is not aware of any entity that would exercise oversight as to result in the Regional Office of Education No. 54 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.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE FINANCIAL STATEMENTS**

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

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

The Statement of Net Position includes all of the Regional Office of Education No. 54's assets and liabilities, including capital assets. 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.

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.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE FINANCIAL STATEMENTS**

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they 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. 54 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 revenues arise 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 is reported as deferred inflows of resources in the fund statements and are reported as current revenue in the Statement of Activities.

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. 54'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. 54'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. 54 reports the following major governmental funds:

**General Fund** - The General Fund is the general operating fund of the Regional Office of Education No. 54 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. 54. Included in this fund are:

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE FINANCIAL STATEMENTS**

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

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

**1. Governmental Funds** (Continued)

**General Fund** (Continued)

**Direct Services** - The Direct Services accounts are used for various programs that benefit the school districts or the regional office, such as the computer consortium and technology hub. Interest from the Distributive Fund is transferred to this program.

**Regional Safe School - General State Aid** - This program accounts for the general operations of the Regional Safe School.

**Institute Fund** – This special revenue fund accounts for the Regional Office of Education No. 54’s stewardship of the assets held in trust for the benefit of the Regional Office of Education No. 54’s teachers. Fees are collected from registration of teachers’ licenses. Monies are expended to conduct teachers’ institutes, conferences, and workshops.

**General Education Development Fund** - This special revenue fund accounts for the receipts and expenses pertaining to the GED/High School Equivalency program for high school dropouts.

**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:

**IDEA - Improvement Grants - Part D (RTI)** - This program accounts for the IDEA Improvement Grants Part D (RTI) grant monies. The program provides professional development to education personnel to improve intervention results for children with disabilities.

**McKinney-Vento Homeless Children and Youth Program** - This program accounts for the proceeds of the McKinney-Vento Homeless Children and Youth Program grant. This program is designed to assist in implementing homeless services. The program collaborates with all schools within the region concerning the identification of homeless youth and works with the districts to provide local and State resources to those students.

**Regional Safe Schools Program** - The program accounts for the Regional Safe Schools grant monies. The program concentrates on the education of students who have been expelled from the school districts served by the Vermilion County Regional Office of Education No. 54. In addition, this program includes State and federal lunch and breakfast programs.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE 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)

**ROE/ISC Operations** - This program accounts for grant monies received for and in payment of expenditures for assisting schools in all areas of school improvement.

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

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

**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 are:

**Bus Driver Training** - This fund accounts for State and local receipts and expenses related to initial and refresher courses of instruction for school bus drivers.

**Supervisory Fund** - This fund accounts for State receipts provided to the Regional Office of Education to pay day-to-day expenses as approved by the Regional Superintendent.

**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. 54 reports the following proprietary fund:

**Fingerprinting Fund** - The Vermilion County Regional Office of Education No. 54 provides fingerprinting services for background checks to schools in Vermilion County for new hires. The fee for the fingerprinting service is paid by each school district.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE FINANCIAL STATEMENTS**

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

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

**3. Fiduciary Funds**

Fiduciary funds are used to account for assets held by the Vermilion County Regional Office of Education No. 54 in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

**Agency Funds** - Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency funds include the following:

**Distributive Fund** - This fund distributes monies received from the State to the school districts and other entities.

**EIU Courses Fund** - This fund accounts for tuition payments received from teachers for coursework offered by Eastern Illinois University (EIU) and remitted to EIU.

**Board of School Trustees** - The fund accounts for the Regional Board of School Trustees' operating accounts.

**Private-Purpose Trust Fund** - This fund is used to account for the resources held by the Vermilion County Regional Office of Education No. 54 as a trustee for Vermilion County's Drug and Alcohol Abuse Prevention Program (DAAPP).

**D. Assets, Liabilities, and Net Position or Equity**

**1. Deposits and Investments**

The Regional Office of Education No. 54 considers cash on hand, checking accounts, savings accounts, and investments held with an original maturity date of 90 days or less to be cash and cash equivalents. State regulations require that the Regional Office of Education No. 54 deposit funds under its control into accounts insured by the federal governments, accounts secured by substantial collateral, or pooled investment trusts. All funds not needed for immediate disbursement are maintained in interest bearing accounts.

The Regional Office of Education No. 54 does not have a formal investment policy. Statutes authorize the Regional Office of Education No. 54 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.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE FINANCIAL STATEMENTS**

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

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

**2. Interfund Transactions**

Activity 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 are defined by the government as assets with an initial, individual cost of more than \$1,000 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>
Office equipment	5-7
Computer equipment	3

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

**4. Compensated Absences**

These financial statements relate information pertaining to the funds administered by the Regional Superintendent. All personnel of the Vermilion County Regional Office of Education No. 54 receive their salaries from other sources. The Superintendent and Assistant Superintendent receive their salaries directly from the Illinois State Board of Education. The other personnel are employees of Vermilion County. There are no compensated absence, pension, or retirement obligations to disclose. Obligations arising from the employment of the Regional Superintendent and Assistant Regional Superintendent are disclosed in the financial statements of the Illinois State Board of Education. Obligations arising from the employment of all other personnel are presented in the Vermilion County annual financial report.

VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54

NOTES TO THE FINANCIAL STATEMENTS

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

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

5. **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 improvement of those assets.

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

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

**Fund Statements**

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

**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 accounts 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 account’s fund balance is restricted by grant agreements or contracts: Truants Alternative Optional Education. The following funds are restricted by Illinois Statute: Institute Fund, General Education Development Fund, Bus Driver Training, and Supervisory Fund.

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

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE FINANCIAL STATEMENTS**

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

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

**5. Equity Classifications** (Continued)

**Fund Statements** (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. There are no accounts presenting an assigned fund balance.

**Unassigned Fund Balance** – available expendable financial resources in a governmental fund that are not designated for a specific purpose. The following account’s fund balance makes up the unassigned fund balance: Direct Services.

**E. New Accounting Pronouncements**

In 2015, the Regional Office of Education No. 54 implemented Governmental Accounting Standards Board (GASB) Statement No. 68 – *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, GASB Statement No. 69 – *Government Combinations and Disposals of Government Operations*, and GASB Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. These Statements had no impact on the financial statements of the Regional Office of Education No. 54.

**2. BUDGETS AND BUDGETARY ACCOUNTING**

The Regional Office of Education No. 54 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 granting agency as part of the grant awards process. The granting agency 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 received from the Illinois State Board of Education: IDEA – Improvement Grants – Part D (RTI), McKinney-Vento Homeless Children and Youth Program, Regional Safe Schools Program, ROE/ISC Operations, Truants Alternative Optional Education, and Title II – Teacher Quality.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE FINANCIAL STATEMENTS**

**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**

The Vermilion County Regional Office of Education No. 54 has agreements with all districts in the region whereby the Vermilion County Regional Office of Education No. 54 is allowed to keep the interest on the Distributive Fund for expenditures benefiting all districts.

**5. DEPOSITS AND INVESTMENTS**

**A. Deposits**

At June 30, 2015 the carrying amount of the Regional Office of Education No. 54's deposits for the governmental activities, business-type activities, and fiduciary funds were \$191,876, \$19,151, and \$28,675, respectively. The bank balances for the governmental funds, business-type activities, and fiduciary funds totaled \$383,145, all of which was 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. 54's name, and were, therefore, not exposed to custodial credit risk.

**B. Investments**

At June 30, 2015, the carrying amount of the Regional Office of Education No. 54's deposits in the Illinois Funds Money Market Fund for the governmental activities and fiduciary funds were \$4,803 and \$479,257, respectively. The bank balance invested in the Illinois Funds Money Market Fund was \$484,067. This fund enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. These deposits are included in cash and cash equivalents in the Regional Office of Education No. 54's governmental activities and fiduciary funds.

**Credit Risk**

At June 30, 2015, the Illinois Funds Money Market Fund had a Standard and Poor's AAAM rating. The pool is audited annually by an outside, independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provisions of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE FINANCIAL STATEMENTS**

**5. DEPOSITS AND INVESTMENTS (Continued)**

**B. Investments (Continued)**

**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.

**6. RISK MANAGEMENT - CLAIMS AND JUDGEMENTS**

The Regional Office of Education No. 54 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. 54 is covered by commercial insurance to cover these risks of loss. No settlements have exceeded insurance coverage in the current or three previous years.

**7. CONTINGENCIES**

The Regional Office of Education No. 54 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. 54 believes any adjustments that may arise will be insignificant to the Regional Office of Education No. 54's operations.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE FINANCIAL STATEMENTS**

**8. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2015 was as follows:

	June 30, 2014	Increases	Decreases	June 30, 2015
<b>Governmental activities:</b>				
Capital assets being depreciated:				
Office equipment	\$ 12,512	\$ -	\$ -	\$ 12,512
Less accumulated depreciation for:				
Office equipment	(10,132)	(1,192)	-	(11,324)
Governmental activities capital assets, net	\$ 2,380	\$ (1,192)	\$ -	\$ 1,188
<b>Business-type activities:</b>				
Capital assets being depreciated:				
Office equipment	\$ 954	\$ -	\$ -	\$ 954
Less accumulated depreciation for:				
Office equipment	(371)	(318)	-	(689)
Business-type activities capital assets, net	\$ 583	\$ (318)	\$ -	\$ 265

Depreciation expense was charged to functions/programs of the Regional Office of Education No. 54 as follows:

Governmental activities:	
Instructional services	\$ 1,192
Business-type activities:	
Operating expenses	\$ 318

**9. BOND**

The Illinois School Code (105 ILCS 5/3-2) directs the Regional Office of Education No. 54 to execute a bond of not less than \$100,000 on the Regional Superintendent. The Regional Office of Education No. 54 has secured and maintained such a bond with coverage of \$100,000 on the Regional Superintendent.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE FINANCIAL STATEMENTS**

**10. INTERFUND RECEIVABLES AND PAYABLES**

At June 30, 2015, interfund receivables and payables were as follows:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 6,075	\$ -
Education Fund	-	6,075
	\$ 6,075	\$ 6,075

At June 30, 2015, all of the interfund balances consist of loans between individual funds within the same pooled cash account. The loans were used to cover cash shortages in these individual funds.

**11. DUE TO/FROM OTHER GOVERNMENTS**

The Regional Office of Education No. 54's General Fund, Education Fund, and Fiduciary Funds had funds due to and due from various other governmental units which consisted of the following:

Due From Other Governments:

Governmental Funds:

Illinois State Board of Education	\$ 8,300
Regional Office of Education No. 47	14,060
Regional Office of Education No. 32	4,275
	26,635

Agency Funds:

Illinois State Board of Education	1,851,067
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Total	\$ 1,877,702
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Due To Other Governments:

Governmental Funds:

Local School Districts	\$ 17,560
Local Agencies	31,002
	48,562

Private Purpose Trust Fund:

Local Agencies	1,135
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Agency Funds:

Local School Districts	2,345,835
Local Agencies	9,783
	2,355,618

Total	\$ 2,405,315
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**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**NOTES TO THE FINANCIAL STATEMENTS**

**12. ON-BEHALF PAYMENTS**

The Regional Office of Education No. 54 received on-behalf payments for various expenditures from the following entities for the following items:

Vermilion County:

Salaries and benefits	\$ 67,801
Travel	8,678
Supplies	2,952
Maintenance	761
Other Expenses	3,693
	<u>83,885</u>

State of Illinois:

Regional Superintendent-salary	106,356
Regional Superintendent-benefits (includes State paid insurance)	26,488
Assistant Regional Superintendent-salary	95,736
Assistant Regional Superintendent-benefits (includes State paid insurance)	31,180
	<u>259,760</u>
	<u>\$ 343,645</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.

**13. SCHEDULE OF TRANSFERS**

During the year ended June 30, 2015, the Regional Office of Education No. 54 reported the following transfers:

Fund	Transfers In	Transfers Out
General Fund	\$ 142	\$ -
Education Fund	-	142
	<u>\$ 142</u>	<u>\$ 142</u>

This transfer was made to recover funds transferred out in a prior year.

## **SUPPLEMENTARY INFORMATION**

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**COMBINING SCHEDULE OF ACCOUNTS  
GENERAL FUND  
June 30, 2015**

	Direct Services	Regional Safe School - General State Aid	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 5,376	\$ -	\$ 5,376
Due from other funds	6,075	-	6,075
Due from other governments	6,500	-	6,500
	<u>\$ 17,951</u>	<u>\$ -</u>	<u>\$ 17,951</u>
<b>LIABILITIES</b>			
Due to other governments	\$ 6,500	\$ -	\$ 6,500
<b>FUND BALANCES</b>			
Unassigned	11,451	-	11,451
	<u>\$ 17,951</u>	<u>\$ -</u>	<u>\$ 17,951</u>
Total liabilities and fund balances	<u>\$ 17,951</u>	<u>\$ -</u>	<u>\$ 17,951</u>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GENERAL FUND ACCOUNTS  
For the year ended June 30, 2015**

	Direct Services	Regional Safe School - General State Aid	Total
Revenues:			
Local sources	\$ 6,674	\$ -	\$ 6,674
State sources	6,500	87,638	94,138
On-behalf payments - local	83,885	-	83,885
On-behalf payments - state	259,760	-	259,760
Interest	415	-	415
Total revenues	<u>357,234</u>	<u>87,638</u>	<u>444,872</u>
Expenditures:			
Purchased services	10,871	-	10,871
Supplies and materials	4,413	-	4,413
Payments to other governments	-	87,638	87,638
On-behalf payments - local	83,885	-	83,885
On-behalf payments - state	259,760	-	259,760
Total expenditures	<u>358,929</u>	<u>87,638</u>	<u>446,567</u>
Deficiency of revenues under expenditures	(1,695)	-	(1,695)
Other financing sources:			
Transfer in	142	-	142
Net change in fund balance	(1,553)	-	(1,553)
Fund balances, beginning of year	<u>13,004</u>	<u>-</u>	<u>13,004</u>
Fund balances, end of year	<u>\$ 11,451</u>	<u>\$ -</u>	<u>\$ 11,451</u>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND  
June 30, 2015**

	IDEA - Improvement Grants - Part D (RTI)	McKinney-Vento Homeless Children & Youth Program	Regional Safe Schools Program
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Due from other governments	14,060	4,275	-
Total assets	\$ 14,060	\$ 4,275	\$ -
<b>LIABILITIES</b>			
Due to other funds	\$ -	\$ 4,275	\$ -
Due to other governments	14,060	-	-
Total liabilities	14,060	4,275	-
<b>FUND BALANCES</b>			
Restricted	-	-	-
Total fund balances	-	-	-
Total liabilities and fund balances	\$ 14,060	\$ 4,275	\$ -

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**COMBINING SCHEDULE OF ACCOUNTS (Concluded)  
EDUCATION FUND  
June 30, 2015**

	ROE/ISC Operations	Truants Alternative Optional Education	Title II - Teacher Quality	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 16,942	\$ 11,094	\$ -	\$ 28,036
Due from other governments	-	-	1,800	20,135
<b>Total assets</b>	<b>\$ 16,942</b>	<b>\$ 11,094</b>	<b>\$ 1,800</b>	<b>\$ 48,171</b>
<b>LIABILITIES</b>				
Due to other funds	\$ -	\$ -	\$ 1,800	\$ 6,075
Due to other governments	16,942	11,060	-	42,062
<b>Total liabilities</b>	<b>16,942</b>	<b>11,060</b>	<b>1,800</b>	<b>48,137</b>
<b>FUND BALANCES</b>				
Restricted	-	34	-	34
<b>Total fund balances</b>	<b>-</b>	<b>34</b>	<b>-</b>	<b>34</b>
<b>Total liabilities and fund balances</b>	<b>\$ 16,942</b>	<b>\$ 11,094</b>	<b>\$ 1,800</b>	<b>\$ 48,171</b>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
For the year ended June 30, 2015**

	IDEA - Improvement Grants - Part D (RTI)	McKinney-Vento Homeless Children & Youth Program	Regional Safe Schools Program
Revenues:			
Local sources	\$ -	\$ -	\$ -
State sources	-	-	59,957
Federal sources	87,837	20,572	23,395
Total revenues	<u>87,837</u>	<u>20,572</u>	<u>83,352</u>
Expenditures:			
Salaries and benefits	-	-	-
Purchased services	-	12,337	-
Supplies and materials	-	8,235	-
Payments to other governments	87,837	-	83,352
Total expenditures	<u>87,837</u>	<u>20,572</u>	<u>83,352</u>
Excess of revenues over expenditures	-	-	-
Other financing uses:			
Transfer out	-	-	-
Net change in fund balances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES (Concluded)  
EDUCATION FUND ACCOUNTS  
For the year ended June 30, 2015**

	ROE/ISC Operations	Truants Alternative Optional Education	Title II - Teacher Quality	Total
Revenues:				
Local sources	\$ -	\$ -	\$ 242	\$ 242
State sources	61,585	46,380	-	167,922
Federal sources	-	-	2,800	134,604
Total revenues	<u>61,585</u>	<u>46,380</u>	<u>3,042</u>	<u>302,768</u>
Expenditures:				
Salaries and benefits	-	41,649	-	41,649
Purchased services	-	2,979	2,900	18,216
Supplies and materials	-	1,718	-	9,953
Payments to other governments	61,585	-	-	232,774
Total expenditures	<u>61,585</u>	<u>46,346</u>	<u>2,900</u>	<u>302,592</u>
Excess of revenues over expenditures	-	34	142	176
Other financing uses:				
Transfer out	-	-	(142)	(142)
Net change in fund balances	-	34	-	34
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 34</u>	<u>\$ -</u>	<u>\$ 34</u>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
IDEA – IMPROVEMENT GRANTS – PART D (RTI), FY2014  
For the year ended June 30, 2015**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 142,968	\$ 142,968	\$ 13,660
Expenditures:			
Payments to other governments	142,968	142,968	13,660
Net change in fund balance	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, September 30, 2014			\$ -

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
IDEA – IMPROVEMENT GRANTS – PART D (RTI), FY2015  
For the year ended June 30, 2015**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 159,197	\$ 113,170	\$ 74,177
Expenditures:			
Payments to other governments	159,197	113,170	74,177
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance, October 1, 2014			<u>-</u>
Fund balance, end of year			<u><u>\$ -</u></u>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
MCKINNEY-VENTO HOMELESS CHILDREN AND YOUTH PROGRAM  
For the year ended June 30, 2015**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 19,690	\$ 20,605	\$ 20,572
Expenditures:			
Purchased services	11,942	12,913	12,337
Supplies and materials	7,748	7,692	8,235
Total expenditures	19,690	20,605	20,572
Net change in fund balance	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
REGIONAL SAFE SCHOOLS PROGRAM  
For the year ended June 30, 2015**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
State sources	\$ 61,074	\$ 59,700	\$ 59,957
Federal sources	-	-	23,395
Total revenues	<u>61,074</u>	<u>59,700</u>	<u>83,352</u>
Expenditures:			
Payments to other governments	<u>61,074</u>	<u>59,700</u>	<u>83,352</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance, beginning of year			<u>-</u>
Fund balance, end of year			<u>\$ -</u>

Note: The budget amount for Regional Safe Schools reflects only the amounts pertaining to the Regional Safe Schools Grant. The actual amounts reflect grant funds as well as other State and federal funds which are not subject to grant budget requirements.

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
ROE/ISC OPERATIONS  
For the year ended June 30, 2015**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
State sources	\$ 61,585	\$ 61,585	\$ 61,585
Expenditures:			
Salaries and benefits	2	2	-
Purchased services	8	8	-
Supplies and materials	2	2	-
Capital outlay	1	1	-
Payments to other governments	61,571	61,571	61,585
Indirect costs	1	1	-
Total expenditures	61,585	61,585	61,585
Net change in fund balance	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
TRUANTS ALTERNATIVE OPTIONAL EDUCATION  
For the year ended June 30, 2015**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
State Sources	\$ 47,447	\$ 46,379	\$ 46,380
Expenditures:			
Salaries and benefits	41,989	41,989	41,649
Purchased services	4,652	3,584	2,979
Supplies and materials	806	806	1,718
Total expenditures	47,447	46,379	46,346
Net change in fund balance	\$ -	\$ -	34
Fund balance, beginning of year			-
Fund balance, end of year			\$ 34

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
TITLE II – TEACHER QUALITY  
For the year ended June 30, 2015**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Local sources	\$ -	\$ -	\$ 242
Federal sources	2,800	2,800	2,800
Total revenues	<u>2,800</u>	<u>2,800</u>	<u>3,042</u>
Expenditures:			
Purchased services	<u>2,800</u>	<u>2,800</u>	<u>2,900</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>142</u>
Other financing uses:			
Transfer out			<u>(142)</u>
Net change in fund balance			-
Fund balance, beginning of year			<u>-</u>
Fund balance, end of year			<u>\$ -</u>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
June 30, 2015**

	<u>Bus Driver Training</u>	<u>Supervisory Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 8,587	\$ 4,148	\$ 12,735
	<u>8,587</u>	<u>4,148</u>	<u>12,735</u>
FUND BALANCES			
Restricted	\$ 8,587	\$ 4,148	\$ 12,735
Total fund balances	\$ 8,587	\$ 4,148	\$ 12,735
	<u>8,587</u>	<u>4,148</u>	<u>12,735</u>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
For the year ended June 30, 2015**

	Bus Driver Training	Supervisory Fund	Total
Revenues:			
Local sources	\$ 1,604	\$ -	\$ 1,604
State sources	840	-	840
Interest income	1	2	3
Total revenues	<u>2,445</u>	<u>2</u>	<u>2,447</u>
Expenditures:			
Purchased services	<u>1,806</u>	<u>77</u>	<u>1,883</u>
Net change in fund balances	639	(75)	564
Fund balances, beginning of year	<u>7,948</u>	<u>4,223</u>	<u>12,171</u>
Fund balances, end of year	<u>\$ 8,587</u>	<u>\$ 4,148</u>	<u>\$ 12,735</u>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS  
June 30, 2015**

	Distributive Fund	EIU Courses Fund	Board of School Trustees	Totals
<b>ASSETS</b>				
Cash and cash equivalents	\$ 479,257	\$ 15,511	\$ 9,783	\$ 504,551
Due from other governments	1,851,067	-	-	1,851,067
<b>Total assets</b>	<b>\$ 2,330,324</b>	<b>\$ 15,511</b>	<b>\$ 9,783</b>	<b>\$ 2,355,618</b>
<b>LIABILITIES</b>				
Due to other governments	\$ 2,330,324	\$ 15,511	\$ 9,783	\$ 2,355,618
<b>Total liabilities</b>	<b>\$ 2,330,324</b>	<b>\$ 15,511</b>	<b>\$ 9,783</b>	<b>\$ 2,355,618</b>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
For the year ended June 30, 2015**

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<u>DISTRIBUTIVE FUND</u>				
ASSETS				
Cash and cash equivalents	\$ 28,774	\$ 77,207,097	\$ 76,756,614	\$ 479,257
Due from other governments	1,811,474	1,851,067	1,811,474	1,851,067
Total assets	<u>\$ 1,840,248</u>	<u>\$ 79,058,164</u>	<u>\$ 78,568,088</u>	<u>\$ 2,330,324</u>
LIABILITIES				
Due to other governments	<u>\$ 1,840,248</u>	<u>\$ 79,058,164</u>	<u>\$ 78,568,088</u>	<u>\$ 2,330,324</u>
<u>EIU COURSES FUND</u>				
ASSETS				
Cash and cash equivalents	<u>\$ 15,610</u>	<u>\$ 9</u>	<u>\$ 108</u>	<u>\$ 15,511</u>
LIABILITIES				
Due to other governments	<u>\$ 15,610</u>	<u>\$ 9</u>	<u>\$ 108</u>	<u>\$ 15,511</u>
<u>BOARD OF SCHOOL TRUSTEES FUND</u>				
ASSETS				
Cash and cash equivalents	<u>\$ 9,948</u>	<u>\$ -</u>	<u>\$ 165</u>	<u>\$ 9,783</u>
LIABILITIES				
Due to other governments	<u>\$ 9,948</u>	<u>\$ -</u>	<u>\$ 165</u>	<u>\$ 9,783</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and cash equivalents	\$ 54,332	\$ 77,207,106	\$ 76,756,887	\$ 504,551
Due from other governments	1,811,474	1,851,067	1,811,474	1,851,067
Total assets	<u>\$ 1,865,806</u>	<u>\$ 79,058,173</u>	<u>\$ 78,568,361</u>	<u>\$ 2,355,618</u>
LIABILITIES				
Due to other governments	<u>\$ 1,865,806</u>	<u>\$ 79,058,173</u>	<u>\$ 78,568,361</u>	<u>\$ 2,355,618</u>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS  
AND OTHER ENTITIES  
DISTRIBUTIVE FUND  
For the year ended June 30, 2015**

	Community Unit School District #1 Bismarck Illinois	Community Unit School District #2 Westville Illinois	Community Unit School District #4 Georgetown- Ridge Farm Illinois	Community Unit School District #5 Catlin Illinois
General State Aid	\$ 2,287,133	\$ 5,370,414	\$ 4,550,947	\$ 1,501,772
Reorganization Incentive Feasibility Study	-	-	-	-
Special Education:				
Private Facility Tuition	-	34,138	28,206	-
Extraordinary	97,714	159,590	141,886	62,112
Personnel	113,542	260,587	205,176	98,063
Orphanage - Individual	56,810	9,105	51,170	-
Orphanage - Summer School	-	-	-	-
Summer School	-	1,647	2,237	-
Career & Technical Education	-	-	-	-
Agriculture Education	-	-	1,882	511
Bilingual Education - TPI	-	-	-	-
State Free Lunch & Breakfast	1,102	4,041	3,479	-
Driver Education	11,760	22,918	16,817	6,443
Transportation:				
Regular	138,431	286,101	141,709	59,312
Special Education	86,395	89,015	95,801	20,294
ROE School Bus Driver Training	-	-	-	-
Truants Alternative/Optional Ed.	-	-	-	-
Regional Safe Schools	-	-	-	-
Early Childhood - Block Grant	-	-	-	-
ROE/ISC Operations	-	-	-	-
Orphanage Tuition	-	-	-	-
Other State Programs	43,888	99,240	83,502	28,163
National School Lunch Program	133,566	318,267	258,363	-
Special Milk Program	-	-	-	-
School Breakfast Program	-	80,282	68,198	-
Title I - Low Income	80,463	459,419	351,048	63,916
Title I - Low Income Delinquent	-	-	-	-
Title I - School Improvement	-	-	-	-
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	-
Fed. - Sp. Ed. - I.D.E.A. Flow Through	-	-	-	-
I.D.E.A. Room and Board	-	-	-	-
Title III Limited English	-	-	-	-
Title II - Teacher Quality	16,157	61,091	57,544	9,982
Title II - Teacher Quality-Leadership	-	-	-	-
Other Federal Programs	-	-	-	-
	<u>\$ 3,066,961</u>	<u>\$ 7,255,855</u>	<u>\$ 6,057,965</u>	<u>\$ 1,850,568</u>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS  
AND OTHER ENTITIES (Continued)  
DISTRIBUTIVE FUND  
For the year ended June 30, 2015**

	Community Unit School District #7 Rossville Illinois	Community Unit School District #10 Potomac Illinois	Community Unit School District #11 Hoopeston Illinois	Community Unit School District #12 Jamaica Illinois	Community Unit School District #61 Armstrong- Ellis Illinois
General State Aid	\$ 1,260,572	\$ 713,386	\$ 5,350,930	\$ 758,030	\$ 86,555
Reorganization Incentive Feasibility Study	-	-	-	-	-
Special Education:					
Private Facility Tuition	-	-	6,413	-	-
Extraordinary	50,408	26,958	173,808	50,056	10,424
Personnel	39,981	15,282	257,444	60,820	16,731
Orphanage - Individual	-	-	39,778	672	-
Orphanage - Summer School	-	-	-	-	-
Summer School	-	-	-	232	-
Career & Technical Education	-	-	-	-	-
Agriculture Education	-	-	1,586	726	-
Bilingual Education - TPI	-	-	-	-	-
State Free Lunch & Breakfast	755	519	5,047	729	281
Driver Education	-	-	11,660	4,782	-
Transportation:					
Regular	68,420	28,565	213,894	139,508	19,048
Special Education	10,566	34,879	81,260	44,494	16,322
ROE School Bus Driver Training	-	-	-	-	-
Truants Alternative/Optional Ed.	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-
Early Childhood - Block Grant	-	-	-	-	-
ROE/ISC Operations	-	-	-	-	-
Orphanage Tuition	-	-	-	-	-
Other State Programs	22,997	13,259	97,934	16,518	2,414
National School Lunch Program	54,403	33,883	381,977	93,793	19,441
Special Milk Program	-	-	1,244	-	-
School Breakfast Program	17,181	15,877	99,178	-	8,354
Title I - Low Income	127,267	49,680	527,132	57,844	46,828
Title I - Low Income Delinquent	-	-	-	-	-
Title I - School Improvement	-	-	-	-	-
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	-	-
Fed. - Sp. Ed. - I.D.E.A. Flow Through	-	-	-	-	-
I.D.E.A. Room and Board	-	-	-	-	-
Title III Limited English	-	-	-	-	-
Title II - Teacher Quality	22,594	11,962	65,026	10,953	2,085
Title II - Teacher Quality-Leadership	-	-	-	-	-
Other Federal Programs	-	-	-	-	-
	<u>\$ 1,675,144</u>	<u>\$ 944,250</u>	<u>\$ 7,314,311</u>	<u>\$ 1,239,157</u>	<u>\$ 228,483</u>

**VERMILION COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 54**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS  
AND OTHER ENTITIES (Concluded)  
DISTRIBUTIVE FUND  
For the year ended June 30, 2015**

	Community Unit School District #76 Oakwood Illinois	Community Unit School District #118 Danville Illinois	Armstrong Twp. High School District #225 Armstrong Illinois	Vermilion County ROE #54	Total
General State Aid	\$ 3,319,553	\$ 26,868,638	\$ 31,692	\$ 87,638	\$ 52,187,260
Reorganization Incentive Feasibility Study	-	-	-	6,500	6,500
Special Education:					
Private Facility Tuition	-	115,474	-	-	184,231
Extraordinary	129,276	841,018	7,902	-	1,751,152
Personnel	149,472	1,049,424	17,622	-	2,284,144
Orphanage - Individual	20,656	54,105	-	-	232,296
Orphanage - Summer School	-	808	-	-	808
Summer School	-	16,389	-	-	20,505
Career & Technical Education	-	161,882	-	-	161,882
Agriculture Education	2,232	-	2,151	-	9,088
Bilingual Education - TPI	-	34,529	-	-	34,529
State Free Lunch & Breakfast	1,877	27,681	136	257	45,904
Driver Education	13,502	50,343	4,393	-	142,618
Transportation:					
Regular	229,179	1,013,905	27,393	-	2,365,465
Special Education	96,490	405,252	-	-	980,768
ROE School Bus Driver Training	-	-	-	840	840
Truants Alternative/Optional Ed.	-	-	-	46,379	46,379
Regional Safe Schools	-	-	-	59,700	59,700
Early Childhood - Block Grant	-	1,938,185	-	-	1,938,185
ROE/ISC Operations	-	-	-	61,585	61,585
Orphanage Tuition	-	331,820	-	-	331,820
Other State Programs	63,141	515,758	-	-	986,814
National School Lunch Program	159,405	1,918,403	19,417	16,424	3,407,342
Special Milk Program	-	9,985	-	-	11,229
School Breakfast Program	30,578	584,847	-	6,971	911,466
Title I - Low Income	115,496	3,213,099	14,090	-	5,106,282
Title I - Low Income Delinquent	-	5,127	-	-	5,127
Title I - School Improvement	-	1,292,049	-	-	1,292,049
Fed. - Sp. Ed. - Pre-School Flow Through	-	57,441	-	-	57,441
Fed. - Sp. Ed. - I.D.E.A. Flow Through	-	1,432,299	-	-	1,432,299
I.D.E.A. Room and Board	-	113,250	-	-	113,250
Title III Limited English	-	9,302	-	-	9,302
Title II - Teacher Quality	25,670	289,755	1,092	-	573,911
Title II - Teacher Quality-Leadership	-	-	-	1,000	1,000
Other Federal Programs	-	3,443	-	-	3,443
	<u>\$ 4,356,527</u>	<u>\$ 42,354,211</u>	<u>\$ 125,888</u>	<u>\$ 287,294</u>	<u>\$ 76,756,614</u>