

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

**FINANCIAL AUDIT
For the Year Ended June 30, 2016**

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

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

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REGIONAL OFFICE OF EDUCATION NO. 54**

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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	1
Repeated audit findings	1	1
Prior recommendations implemented or not repeated	-	1

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>)			
2016-001	10-11	Controls Over Financial Statement Preparation	Material weakness

PRIOR FINDINGS NOT REPEATED (*GOVERNMENT AUDITING STANDARDS*)

There were no prior year findings not repeated.

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, 2016. 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 September 9, 2016.

**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

MEMBERS

RICHARD C. WEST
BRIAN E. DANIELL
JANICE K. ROMACK
DIANA R. SMITH
D. RAIF PERRY
JOHN H. VOGT
JOSHUA D. LOWE
DAVID W. FALLER

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

613 BROADWAY AVENUE
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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, 2016, 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, 2016, 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 January 25, 2017, 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.

SIGNED ORIGINAL ON FILE

Mattoon, Illinois
January 25, 2017

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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**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, 2016, 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 January 25, 2017.

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 2016-001, 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 it.

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.

SIGNED ORIGINAL ON FILE

Mattoon, Illinois
January 25, 2017

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, 2016**

Section I – Summary of Auditors’ Results

Financial Statements in accordance with GAAP

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 RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2016**

Section II – Financial Statement Findings

Finding No. 2016-001 – Controls Over Financial Statement Preparation (Repeat from Finding 15-001, 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, auditors noted the Regional Office's financial information required material adjusting entries to cash, due to other governments, revenue, and expenses in order to present its financial statements in accordance with generally accepted accounting principles.

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

**SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2016**

Section II – Financial Statement Findings (Continued)

Finding No. 2016-001 – Controls Over Financial Statement Preparation (Repeat from Finding 15-001, 14-002, 13-002, 12-02, 11-02, and 10-02)

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 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 #54 accepts the degree of risk associated with this condition because the additional expense to seek accounting expertise to prepare and/or review financial statements would take away from funds available to provide educational services for the schools in this region.

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

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the year ended June 30, 2016**

Corrective Action Plan

Finding No. 2016-001 – Controls Over Financial Statement Preparation (Repeat from Finding 15-001, 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 Regional Office's financial information required material adjusting entries to cash, due to other governments, revenue and expenses in order to present its financial statements in accordance with generally accepted accounting principles.

Plan:

The Regional Office of Education #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 to compile the necessary GAAP based financial statements. Staff will attend available trainings offered to ROE's regarding financial statement preparation.

Anticipated Date of Completion:

Ongoing. If additional funds are provided by the State for sufficiently trained staff, the office will immediately comply.

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, 2016**

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u>
2015-001	Controls Over Financial Statement Preparation	Repeated

BASIC FINANCIAL STATEMENTS

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

**STATEMENT OF NET POSITION
June 30, 2016**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 204,091	\$ 15,295	\$ 219,386
Due from other governments	89,961	-	89,961
Total current assets	<u>294,052</u>	<u>15,295</u>	<u>309,347</u>
Noncurrent assets:			
Capital assets, net	42	-	42
Total noncurrent assets	<u>42</u>	<u>-</u>	<u>42</u>
Total assets	<u>294,094</u>	<u>15,295</u>	<u>309,389</u>
LIABILITIES			
Current liabilities:			
Due to other governments	<u>92,659</u>	<u>-</u>	<u>92,659</u>
NET POSITION			
Net investment in capital assets	42	-	42
Restricted - other	190,290	-	190,290
Unrestricted	<u>11,103</u>	<u>15,295</u>	<u>26,398</u>
Total net position	<u>\$ 201,435</u>	<u>\$ 15,295</u>	<u>\$ 216,730</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, 2016**

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	\$ 41,042	\$ -	\$ 40,974	\$ (68)	\$ -	\$ (68)
Purchased services	37,745	-	28,114	(9,631)	-	(9,631)
Supplies and materials	17,157	-	10,881	(6,276)	-	(6,276)
Payments to other governments	337,985	-	337,430	(555)	-	(555)
Depreciation	1,146	-	-	(1,146)	-	(1,146)
Administrative:						
On-behalf payments - local	82,118	-	-	(82,118)	-	(82,118)
On-behalf payments - state	267,854	-	-	(267,854)	-	(267,854)
Total governmental activities	<u>785,047</u>	<u>-</u>	<u>417,399</u>	<u>(367,648)</u>	<u>-</u>	<u>(367,648)</u>
Business-type activities:						
Service fees	<u>7,251</u>	<u>3,120</u>	<u>-</u>	<u>-</u>	<u>(4,131)</u>	<u>(4,131)</u>
Total business-type activities	<u>7,251</u>	<u>3,120</u>	<u>-</u>	<u>-</u>	<u>(4,131)</u>	<u>(4,131)</u>
Total primary government	<u>\$ 792,298</u>	<u>\$ 3,120</u>	<u>\$ 417,399</u>	<u>(367,648)</u>	<u>(4,131)</u>	<u>(371,779)</u>
General revenues:						
Local sources				42,565	-	42,565
On-behalf payments - local				82,118	-	82,118
On-behalf payments - state				267,854	-	267,854
Interest				606	10	616
Total general revenues				<u>393,143</u>	<u>10</u>	<u>393,153</u>
Change in net position				25,495	(4,121)	21,374
Net position, beginning of year				<u>175,940</u>	<u>19,416</u>	<u>195,356</u>
Net position, end of year				<u>\$ 201,435</u>	<u>\$ 15,295</u>	<u>\$ 216,730</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, 2016**

	<u>General Fund</u>	<u>Institute Fund</u>	<u>General Education Development Fund</u>
ASSETS			
Cash and cash equivalents	\$ 9,108	\$ 147,735	\$ 27,595
Due from other funds	1,995	-	-
Due from other governments	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u><u>\$ 11,103</u></u>	<u><u>\$ 147,735</u></u>	<u><u>\$ 27,595</u></u>
LIABILITIES			
Due to other funds	\$ -	\$ -	\$ -
Due to other governments	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)			
Restricted	-	147,735	27,595
Unassigned	<u>11,103</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>11,103</u>	<u>147,735</u>	<u>27,595</u>
Total liabilities and fund balances	<u><u>\$ 11,103</u></u>	<u><u>\$ 147,735</u></u>	<u><u>\$ 27,595</u></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 (Concluded)
June 30, 2016**

	Education Fund	Other Nonmajor Funds	Eliminations	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 5,872	\$ 13,781	\$ -	\$ 204,091
Due from other funds	-	-	(1,995)	-
Due from other governments	88,745	1,216	-	89,961
Total assets	<u>\$ 94,617</u>	<u>\$ 14,997</u>	<u>\$ (1,995)</u>	<u>\$ 294,052</u>
LIABILITIES				
Due to other funds	\$ 1,995	\$ -	\$ (1,995)	\$ -
Due to other governments	92,659	-	-	92,659
Total liabilities	<u>94,654</u>	<u>-</u>	<u>(1,995)</u>	<u>92,659</u>
FUND BALANCES (DEFICITS)				
Restricted	58	14,997	-	190,385
Unassigned	(95)	-	-	11,008
Total fund balances (deficits)	<u>(37)</u>	<u>14,997</u>	<u>-</u>	<u>201,393</u>
Total liabilities and fund balances	<u>\$ 94,617</u>	<u>\$ 14,997</u>	<u>\$ (1,995)</u>	<u>\$ 294,052</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, 2016**

Total fund balances - governmental funds	\$ 201,393
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>42</u>
Net position of governmental activities	<u><u>\$ 201,435</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, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended June 30, 2016**

	General Fund	Institute Fund	General Education Development Fund
Revenues:			
Local sources	\$ 9,081	\$ 29,281	\$ 1,253
State sources	101,083	-	-
Federal sources	-	-	-
On-behalf payments - local	82,118	-	-
On-behalf payments - state	267,854	-	-
Interest	518	82	3
Total revenues	460,654	29,363	1,256
Expenditures:			
Instructional services:			
Salaries and benefits	-	-	-
Purchased services	4,065	5,443	2
Supplies and materials	5,882	45	331
Payments to other governments	101,083	-	-
On-behalf payments - local	82,118	-	-
On-behalf payments - state	267,854	-	-
Total expenditures	461,002	5,488	333
Net change in fund balances	(348)	23,875	923
Fund balance, beginning of year	11,451	123,860	26,672
Fund balance (deficit), end of year	\$ 11,103	\$ 147,735	\$ 27,595

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, 2016**

	Education Fund	Other Nonmajor Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Local sources	\$ 496	\$ 2,454	\$ 42,565
State sources	208,671	1,216	310,970
Federal sources	106,429	-	106,429
On-behalf payments - local	-	-	82,118
On-behalf payments - state	-	-	267,854
Interest	-	3	606
	<u>315,596</u>	<u>3,673</u>	<u>810,542</u>
Expenditures:			
Instructional services:			
Salaries and benefits	41,042	-	41,042
Purchased services	26,824	1,411	37,745
Supplies and materials	10,899	-	17,157
Payments to other governments	236,902	-	337,985
On-behalf payments - local	-	-	82,118
On-behalf payments - state	-	-	267,854
	<u>315,667</u>	<u>1,411</u>	<u>783,901</u>
Net change in fund balances	(71)	2,262	26,641
Fund balance, beginning of year	<u>34</u>	<u>12,735</u>	<u>174,752</u>
Fund balance (deficit), end of year	<u>\$ (37)</u>	<u>\$ 14,997</u>	<u>\$ 201,393</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, 2016

Net changes in fund balances - governmental funds	\$ 26,641
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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>(1,146)</u>
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Change in net position of governmental activities	<u><u>\$ 25,495</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, 2016**

	<u>Business-Type Activities Fingerprinting Fund</u>
ASSETS	
Current assets:	
Cash and cash equivalents	<u>\$ 15,295</u>
Total assets	<u>15,295</u>
NET POSITION	
Unrestricted	<u>15,295</u>
Total net position	<u><u>\$ 15,295</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, 2016**

	Business-Type Activities
	Fingerprinting Fund
Operating revenue:	
Charges for services	\$ 3,120
Operating expenses:	
Purchased services	4,214
Supplies and materials	2,772
Depreciation expense	265
Total operating expenses	7,251
Operating loss	(4,131)
Nonoperating revenue:	
Interest	10
Change in net position	(4,121)
Net position, beginning of year	19,416
Net position, end of year	\$ 15,295

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, 2016**

	Business-Type Activities
	Fingerprinting Fund
Cash flows from operating activities:	
Receipts from customers	\$ 3,120
Payments to suppliers and providers of goods and services	(6,986)
Net cash used for operating activities	(3,866)
 Cash flows from investing activities:	
Interest	10
Net cash provided by investing activities	10
 Net decrease in cash and cash equivalents	(3,856)
 Cash and cash equivalents, beginning of year	19,151
 Cash and cash equivalents, end of year	\$ 15,295
 Reconciliation of operating loss to net cash used for operating activities:	
Operating loss	\$ (4,131)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation expense	265
Net cash used for operating activities	\$ (3,866)

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, 2016**

	Private-Purpose Trust Fund <u>DAAPP</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	\$ 7,479	\$ 89,303
Due from other governments	<u>-</u>	<u>2,066,331</u>
Total assets	<u>7,479</u>	<u>\$ 2,155,634</u>
LIABILITIES		
Due to other governments	<u>-</u>	<u>\$ 2,155,634</u>
NET POSITION		
Held in trust	<u>\$ 7,479</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, 2016**

	Private-Purpose Trust Fund
	DAAPP
Additions:	
Local sources	\$ 35,272
Interest	2
Total additions	35,274
Deductions:	
Salaries	17,500
Purchased services	8,891
Supplies and materials	3,650
Total deductions	30,041
Change in net position	5,233
Net position, beginning of year	2,246
Net position, end of year	\$ 7,479

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.

Other State Programs (RSSCEP) – This program accounts for the Career Ed program from the Illinois State Board of Education and is administered through the Vermilion Association of Special Education.

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, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance

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, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (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 acquisition 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, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance** (Continued)

5. **Equity Classifications**

Government-wide and Proprietary Fund 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.

Governmental Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in a governmental fund. The following types of fund balances may be presented on the Governmental Funds Balance Sheet, the General Fund and Education Fund Combining Schedules of Accounts, and the Nonmajor Special Revenue Funds Combining Balance Sheet:

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, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (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 accounts’ fund balances make up the unassigned fund balance: Direct Services and ROE/ISC Operations.

E. New Accounting Pronouncements

In 2016, the Regional Office of Education No. 54 implemented Governmental Accounting Standards Board (GASB) Statement No. 72 – *Fair Value Measurement and Application*, GASB Statement No. 73 – *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statement 67 and 68*, and GASB Statement No. 76 – *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. 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, Title II – Teacher Quality, and Other State Programs (RSSCEP).

**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, 2016 the carrying amount of the Regional Office of Education No. 54's deposits for the governmental activities, business-type activities, and fiduciary funds were \$198,591, \$15,295, and \$96,782, respectively. The bank balances for the governmental funds, business-type activities, and fiduciary funds totaled \$434,193, 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, 2016, the carrying amount of the Regional Office of Education No. 54's deposits in the Illinois Funds Money Market Fund for the governmental activities was \$5,500. The bank balance invested in the Illinois Funds Money Market Fund was \$5,500. 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, 2016, 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 JUDGMENTS

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, 2016 was as follows:

	<u>June 30, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2016</u>
Governmental activities:				
Capital assets being depreciated:				
Office equipment	\$ 12,512	\$ -	\$ -	\$ 12,512
Less accumulated depreciation for:				
Office equipment	(11,324)	(1,146)	-	(12,470)
Governmental activities capital assets, net	\$ 1,188	\$ (1,146)	\$ -	\$ 42
Business-type activities:				
Capital assets being depreciated:				
Office equipment	\$ 954	\$ -	\$ -	\$ 954
Less accumulated depreciation for:				
Office equipment	(689)	(265)	-	(954)
Business-type activities capital assets, net	\$ 265	\$ (265)	\$ -	\$ -

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

Governmental activities:	
Instructional services	\$ 1,146
Business-type activities:	
Operating expenses	\$ 265

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, 2016, interfund receivables and payables were as follows:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 1,995	\$ -
Education Fund	-	1,995
	\$ 1,995	\$ 1,995

At June 30, 2016, 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	\$ 80,880
Regional Office of Education No. 47	9,081
	89,961

Agency Funds:

Illinois State Board of Education	2,066,331
	2,066,331

Total	\$ 2,156,292
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Due To Other Governments:

Governmental Funds:

Local School Districts	\$ 21,993
Local Agencies	70,666
	92,659

Agency Funds:

Local School Districts	2,145,956
Local Agencies	9,678
	2,155,634

Total	\$ 2,248,293
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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	\$ 65,252
Travel	7,108
Supplies	2,090
Maintenance	1,834
Other Expenses	5,834
	<u>82,118</u>
State of Illinois:	
Regional Superintendent-salary	107,208
Regional Superintendent-benefits (includes State paid insurance)	29,504
Assistant Regional Superintendent-salary	96,492
Assistant Regional Superintendent-benefits (includes State paid insurance)	34,650
	<u>267,854</u>
	<u>\$349,972</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. DEFICIT FUND BALANCE

The following individual funds had negative fund balances as of June 30, 2016:

ROE/ISC Operations	\$95
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The Regional Office of Education No. 54 intends to reduce expenses and possibly transfer funds to reduce these deficit fund balances in future periods.

SUPPLEMENTARY INFORMATION

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

**COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND
June 30, 2016**

	Direct Services	Regional Safe School - General State Aid	Total
ASSETS			
Cash and cash equivalents	\$ 9,108	\$ -	\$ 9,108
Due from other funds	1,995	-	1,995
Total assets	\$ 11,103	\$ -	\$ 11,103
FUND BALANCES			
Unassigned	\$ 11,103	\$ -	\$ 11,103
Total fund balances	\$ 11,103	\$ -	\$ 11,103

**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, 2016**

	Direct Services	Regional Safe School - General State Aid	Total
Revenues:			
Local sources	\$ 9,081	\$ -	\$ 9,081
State sources	-	101,083	101,083
On-behalf payments - local	82,118	-	82,118
On-behalf payments - state	267,854	-	267,854
Interest	518	-	518
Total revenues	359,571	101,083	460,654
Expenditures:			
Purchased services	4,065	-	4,065
Supplies and materials	5,882	-	5,882
Payments to other governments	-	101,083	101,083
On-behalf payments - local	82,118	-	82,118
On-behalf payments - state	267,854	-	267,854
Total expenditures	359,919	101,083	461,002
Net change in fund balance	(348)	-	(348)
Fund balances, beginning of year	11,451	-	11,451
Fund balances, end of year	\$ 11,103	\$ -	\$ 11,103

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

**COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
June 30, 2016**

	IDEA - Improvement Grants - Part D (RTI)	McKinney-Vento Homeless Children & Youth Program	Regional Safe Schools Program	ROE/ISC Operations
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Due from other governments	9,081	-	6,591	61,585
Total assets	<u>9,081</u>	<u>-</u>	<u>6,591</u>	<u>61,585</u>
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ -	\$ 95
Due to other governments	9,081	-	6,591	61,585
Total liabilities	<u>9,081</u>	<u>-</u>	<u>6,591</u>	<u>61,680</u>
FUND BALANCES (DEFICITS)				
Restricted	-	-	-	-
Unassigned	-	-	-	(95)
Total fund balances (deficits)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(95)</u>
Total liabilities and fund balances (deficits)	<u>\$ 9,081</u>	<u>\$ -</u>	<u>\$ 6,591</u>	<u>\$ 61,585</u>

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

**COMBINING SCHEDULE OF ACCOUNTS (Concluded)
EDUCATION FUND
June 30, 2016**

	Truants Alternative Optional Education	Title II - Teacher Quality	Other State Programs (RSSCEP)	Total
ASSETS				
Cash and cash equivalents	\$ 5,872	\$ -	\$ -	\$ 5,872
Due from other governments	5,246	1,900	4,342	88,745
Total assets	\$ 11,118	\$ 1,900	\$ 4,342	\$ 94,617
LIABILITIES				
Due to other funds	\$ -	\$ 1,900	\$ -	\$ 1,995
Due to other governments	11,060	-	4,342	92,659
Total liabilities	11,060	1,900	4,342	94,654
FUND BALANCES (DEFICITS)				
Restricted	58	-	-	58
Unassigned	-	-	-	(95)
Total fund balances (deficits)	58	-	-	(37)
Total liabilities and fund balances (deficits)	\$ 11,118	\$ 1,900	\$ 4,342	\$ 94,617

**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, 2016**

	IDEA - Improvement Grants - Part D (RTI)	McKinney-Vento Homeless Children & Youth Program	Regional Safe Schools Program	ROE/ISC Operations
Revenues:				
Local sources	\$ -	\$ -	\$ -	\$ 496
State sources	-	-	62,786	61,585
Federal sources	51,822	29,731	22,976	-
Total revenues	<u>51,822</u>	<u>29,731</u>	<u>85,762</u>	<u>62,081</u>
Expenditures:				
Salaries and benefits	-	-	-	-
Purchased services	-	22,203	-	-
Supplies and materials	-	7,528	-	-
Payments to other governments	51,822	-	85,762	62,176
Total expenditures	<u>51,822</u>	<u>29,731</u>	<u>85,762</u>	<u>62,176</u>
Net change in fund balances	-	-	-	(95)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (95)</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, 2016**

	Truants Alternative Optional Education	Title II - Teacher Quality	Other State Programs (RSSCEP)	Total
Revenues:				
Local sources	\$ -	\$ -	\$ -	\$ 496
State sources	47,158	-	37,142	208,671
Federal sources	-	1,900	-	106,429
Total revenues	<u>47,158</u>	<u>1,900</u>	<u>37,142</u>	<u>315,596</u>
Expenditures:				
Salaries and benefits	41,042	-	-	41,042
Purchased services	2,721	1,900	-	26,824
Supplies and materials	3,371	-	-	10,899
Payments to other governments	-	-	37,142	236,902
Total expenditures	<u>47,134</u>	<u>1,900</u>	<u>37,142</u>	<u>315,667</u>
Net change in fund balances	24	-	-	(71)
Fund balances, beginning of year	<u>34</u>	<u>-</u>	<u>-</u>	<u>34</u>
Fund balances (deficits), end of year	<u>\$ 58</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (37)</u>

**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, 2016**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 159,197	\$ 113,170	\$ 12,610
Expenditures:			
Payments to other governments	159,197	113,170	12,610
Net change in fund balance	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, September 30, 2015			\$ -

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

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNT
IDEA – IMPROVEMENT GRANTS – PART D (RTI), FY2016
For the year ended June 30, 2016**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 37,803	\$ 74,232	\$ 39,212
Expenditures:			
Payments to other governments	37,803	74,232	39,212
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance, October 1, 2015			<u>-</u>
Fund balance, end of year			<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, 2016**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 25,534	\$ 29,770	\$ 29,731
Expenditures:			
Purchased services	17,320	22,242	22,203
Supplies and materials	8,214	7,528	7,528
Total expenditures	25,534	29,770	29,731
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, 2016**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
State sources	\$ 62,549	\$ 62,549	\$ 62,786
Federal sources	-	-	22,976
Total revenues	<u>62,549</u>	<u>62,549</u>	<u>85,762</u>
Expenditures:			
Payments to other governments	<u>62,549</u>	<u>62,549</u>	<u>85,762</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, 2016**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Local sources	\$ -	\$ -	\$ 496
State sources	72,124	72,196	61,585
Total revenues	<u>72,124</u>	<u>72,196</u>	<u>62,081</u>
Expenditures:			
Payments to other governments	<u>72,124</u>	<u>72,196</u>	<u>62,176</u>
Total expenditures	<u>72,124</u>	<u>72,196</u>	<u>62,176</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(95)</u>
Fund balance, beginning of year			<u>-</u>
Fund balance (deficit), end of year			<u>\$ (95)</u>

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

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNT
TRUANTS ALTERNATIVE OPTIONAL EDUCATION
For the year ended June 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues:			
State Sources	<u>\$ 47,158</u>	<u>\$ 47,158</u>	<u>\$ 47,158</u>
Expenditures:			
Salaries and benefits	41,056	41,056	41,042
Purchased services	3,408	3,408	2,721
Supplies and materials	<u>2,694</u>	<u>2,694</u>	<u>3,371</u>
Total expenditures	<u>47,158</u>	<u>47,158</u>	<u>47,134</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	24
Fund balance, beginning of year			<u>34</u>
Fund balance, end of year			<u>\$ 58</u>

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

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNT
TITLE II – TEACHER QUALITY
For the year ended June 30, 2016**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 2,240	\$ 2,240	\$ 1,900
Expenditures:			
Purchased services	2,240	2,240	1,900
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Fund balance, beginning of year			<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
OTHER STATE PROGRAMS (RSSCEP)
For the year ended June 30, 2016**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
State Sources	\$ 37,142	\$ 37,142	\$ 37,142
Expenditures:			
Payments to other governments	37,142	37,142	37,142
Total expenditures	37,142	37,142	37,142
Net change in fund balance	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

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

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2016**

	Bus Driver Training	Supervisory Fund	Total
ASSETS			
Cash and cash equivalents	\$ 9,706	\$ 4,075	\$ 13,781
Due from other government	1,216	-	1,216
Total assets	<u>\$ 10,922</u>	<u>\$ 4,075</u>	<u>\$ 14,997</u>
FUND BALANCES			
Restricted	<u>\$ 10,922</u>	<u>\$ 4,075</u>	<u>\$ 14,997</u>
Total fund balances	<u><u>\$ 10,922</u></u>	<u><u>\$ 4,075</u></u>	<u><u>\$ 14,997</u></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, 2016**

	Bus Driver Training	Supervisory Fund	Total
Revenues:			
Local sources	\$ 2,454	\$ -	\$ 2,454
State sources	1,216	-	1,216
Interest income	1	2	3
Total revenues	<u>3,671</u>	<u>2</u>	<u>3,673</u>
Expenditures:			
Purchased services	<u>1,336</u>	<u>75</u>	<u>1,411</u>
Net change in fund balances	2,335	(73)	2,262
Fund balances, beginning of year	<u>8,587</u>	<u>4,148</u>	<u>12,735</u>
Fund balances, end of year	<u>\$ 10,922</u>	<u>\$ 4,075</u>	<u>\$ 14,997</u>

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

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
June 30, 2016**

	Distributive Fund	EIU Courses Fund	Board of School Trustees	Totals
ASSETS				
Cash and cash equivalents	\$ -	\$ 79,625	\$ 9,678	\$ 89,303
Due from other governments	2,066,331	-	-	2,066,331
Total assets	\$ 2,066,331	\$ 79,625	\$ 9,678	\$ 2,155,634
LIABILITIES				
Due to other governments	\$ 2,066,331	\$ 79,625	\$ 9,678	\$ 2,155,634
Total liabilities	\$ 2,066,331	\$ 79,625	\$ 9,678	\$ 2,155,634

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

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the year ended June 30, 2016**

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
<u>DISTRIBUTIVE FUND</u>				
ASSETS				
Cash and cash equivalents	\$ 479,257	\$ 76,331,084	\$ 76,810,341	\$ -
Due from other governments	1,851,067	2,066,331	1,851,067	2,066,331
Total assets	<u>\$ 2,330,324</u>	<u>\$ 78,397,415</u>	<u>\$ 78,661,408</u>	<u>\$ 2,066,331</u>
LIABILITIES				
Due to other governments	<u>\$ 2,330,324</u>	<u>\$ 78,397,415</u>	<u>\$ 78,661,408</u>	<u>\$ 2,066,331</u>
<u>EIU COURSES FUND</u>				
ASSETS				
Cash and cash equivalents	<u>\$ 15,511</u>	<u>99,197</u>	<u>\$ 35,083</u>	<u>\$ 79,625</u>
LIABILITIES				
Due to other governments	<u>\$ 15,511</u>	<u>\$ 99,197</u>	<u>\$ 35,083</u>	<u>\$ 79,625</u>
<u>BOARD OF SCHOOL TRUSTEES FUND</u>				
ASSETS				
Cash and cash equivalents	<u>\$ 9,783</u>	<u>\$ -</u>	<u>\$ 105</u>	<u>\$ 9,678</u>
LIABILITIES				
Due to other governments	<u>\$ 9,783</u>	<u>\$ -</u>	<u>\$ 105</u>	<u>\$ 9,678</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and cash equivalents	\$ 504,551	\$ 76,430,281	\$ 76,845,529	\$ 89,303
Due from other governments	1,851,067	2,066,331	1,851,067	2,066,331
Total assets	<u>\$ 2,355,618</u>	<u>\$ 78,496,612</u>	<u>\$ 78,696,596</u>	<u>\$ 2,155,634</u>
LIABILITIES				
Due to other governments	<u>\$ 2,355,618</u>	<u>\$ 78,496,612</u>	<u>\$ 78,696,596</u>	<u>\$ 2,155,634</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, 2016**

	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 #7 Rossville Illinois
General State Aid	\$ 2,275,263	\$ 3,755,819	\$ 4,664,121	\$ 1,427,290
General State Aid Hold Harmless	23,144	136,829	177,188	32,197
Special Education:				
Private Facility Tuition	-	-	38,108	37,798
Extraordinary	102,458	85,780	144,350	54,908
Personnel	105,761	132,516	186,397	49,839
Orphanage - Individual	1	61,792	52,880	-
Summer School	-	2,019	1,151	-
Agriculture Education	-	-	1,614	-
Bilingual Education - TPI	-	-	-	-
State Free Lunch & Breakfast	784	3,048	4,893	801
Driver Education	14,194	6,331	8,241	-
Transportation:				
Regular	111,303	138,856	153,482	51,108
Special Education	62,992	48,100	98,462	29,059
Truants Alternative/Optional Ed.	-	-	-	-
Regional Safe Schools	-	-	-	-
Early Childhood - Block Grant	-	-	-	-
Other State Programs (RSSCEP)	-	-	-	-
Orphanage Tuition	-	-	-	-
National School Lunch Program	105,649	221,125	358,541	71,007
Special Milk Program	-	-	-	-
School Breakfast Program	-	54,246	119,057	20,633
Title I - Low Income	68,025	180,175	530,673	56,285
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	20,786	34,113	28,740	2,852
Title II - Teacher Quality-Leadership	-	-	-	-
	<u>\$ 2,890,360</u>	<u>\$ 4,860,749</u>	<u>\$ 6,567,898</u>	<u>\$ 1,833,777</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, 2016**

	Community Unit School District #10 Potomac Illinois	Community Unit School District #11 Hoopston Illinois	Community Unit School District #61 Armstrong- Ellis Illinois	Community Unit School District #76 Oakwood Illinois
General State Aid	\$ 732,036	\$ 5,610,451	\$ 56,817	\$ 3,285,038
General State Aid Hold Harmless	16,741	213,130	-	66,163
Special Education:				
Private Facility Tuition	-	298,487	-	21,839
Extraordinary	28,765	179,507	10,767	131,693
Personnel	17,050	251,173	13,014	144,798
Orphanage - Individual	-	40,494	-	8,754
Summer School	-	-	-	219
Agriculture Education	-	1,778	-	1,997
Bilingual Education - TPI	-	-	-	-
State Free Lunch & Breakfast	484	4,691	255	1,670
Driver Education	-	11,625	-	13,085
Transportation:				
Regular	10,724	223,863	4,441	217,815
Special Education	9,748	42,402	26,858	109,518
Truants Alternative/Optional Ed.	-	-	-	-
Regional Safe Schools	-	-	-	-
Early Childhood - Block Grant	-	-	-	-
Other State Programs (RSSCEP)	-	-	-	-
Orphanage Tuition	-	-	-	-
National School Lunch Program	35,807	380,677	19,284	154,072
Special Milk Program	-	1,641	-	-
School Breakfast Program	16,101	94,906	8,758	29,093
Title I - Low Income	61,294	515,403	45,865	108,359
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	-	3,519	250	29,600
Title II - Teacher Quality-Leadership	-	-	-	-
	<u>\$ 928,750</u>	<u>\$ 7,873,747</u>	<u>\$ 186,309</u>	<u>\$ 4,323,713</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, 2016**

	Community Unit School District #118 Danville Illinois	Armstrong Twp. High School District #225 Armstrong Illinois	Vermilion County ROE #54	Total
General State Aid	\$ 28,846,092	\$ 21,207	\$ 96,669	\$ 50,770,803
General State Aid Hold Harmless	1,246,564	-	4,414	1,916,370
Special Education:				
Private Facility Tuition	166,630	-	-	562,862
Extraordinary	847,044	6,671	-	1,591,943
Personnel	1,026,168	18,000	-	1,944,716
Orphanage - Individual	60,427	-	-	224,348
Summer School	6,024	-	-	9,413
Agriculture Education	-	2,161	-	7,550
Bilingual Education - TPI	35,529	-	-	35,529
State Free Lunch & Breakfast	32,959	167	237	49,989
Driver Education	55,419	6,059	-	114,954
Transportation:				
Regular	1,188,452	-	-	2,100,044
Special Education	433,157	-	-	860,296
Truants Alternative/Optional Ed.	-	-	47,158	47,158
Regional Safe Schools	-	-	62,549	62,549
Early Childhood - Block Grant	2,031,727	-	-	2,031,727
Other State Programs (RSSCEP)	-	-	37,142	37,142
Orphanage Tuition	251,291	-	-	251,291
National School Lunch Program	2,378,540	26,292	16,420	3,767,414
Special Milk Program	1,587	-	-	3,228
School Breakfast Program	757,541	-	6,556	1,106,891
Title I - Low Income	3,491,585	39,781	-	5,097,445
Title I - Low Income Delinquent	12,190	-	-	12,190
Title I - School Improvement	1,822,518	-	-	1,822,518
Fed. - Sp. Ed. - Pre-School Flow Through	94,974	-	-	94,974
Fed. - Sp. Ed. - I.D.E.A. Flow Through	1,606,332	-	-	1,606,332
I.D.E.A. Room and Board	148,161	-	-	148,161
Title III Limited English	36,127	-	-	36,127
Title II - Teacher Quality	371,318	3,399	-	494,577
Title II - Teacher Quality-Leadership	-	-	1,800	1,800
	<u>\$ 46,948,356</u>	<u>\$ 123,737</u>	<u>\$ 272,945</u>	<u>\$ 76,810,341</u>