

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

**FINANCIAL AUDIT
For the Year Ended June 30, 2019**

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



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

TABLE OF CONTENTS

| | <u>Page(s)</u> |
|---|----------------|
| OFFICIALS | 1 |
| FINANCIAL REPORT SUMMARY | 2 |
| FINANCIAL STATEMENT REPORT SUMMARY | 3 |
| FINANCIAL SECTION: | |
| Independent Auditors' Report..... | 4 - 6 |
| Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 7 - 8 |
| Schedule of Findings and Responses: | |
| Section I - Summary of Auditors' Results..... | 9 |
| Section II - Financial Statement Findings..... | 10 - 11 |
| Corrective Action Plan for Current Year Audit Findings | 12 |
| Summary Schedule of Prior Audit Findings Not Repeated | 13 |
| BASIC FINANCIAL STATEMENTS: | |
| Government-wide Financial Statements: | |
| Statement of Net Position | 14 |
| Statement of Activities | 15 |
| Fund Financial Statements: | |
| Balance Sheet - Governmental Funds..... | 16 |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position – Governmental Funds | 17 |

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

TABLE OF CONTENTS (Continued)

| | <u>Page(s)</u> |
|---|----------------|
| BASIC FINANCIAL STATEMENTS: (Continued) | |
| Fund Financial Statements: (Continued) | |
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds | 18 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities - Governmental Funds | 19 |
| Statement of Net Position - Proprietary Fund..... | 20 |
| Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Fund..... | 21 |
| Statement of Cash Flows - Proprietary Fund..... | 22 |
| Statement of Fiduciary Net Position - Fiduciary Funds | 23 |
| Statement of Changes in Fiduciary Net Position - Fiduciary Funds | 24 |
| Notes to the Financial Statements | 25 - 39 |
| SUPPLEMENTARY INFORMATION: | |
| General Fund: | |
| Combining Schedules: | |
| Combining Schedule of Accounts - General Fund..... | 40 |
| Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - General Fund Accounts | 41 |
| Education Fund: | |
| Combining Schedules: | |
| Combining Schedule of Accounts - Education Fund..... | 42 |
| Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Education Fund Accounts..... | 43 |

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

TABLE OF CONTENTS (Continued)

| | <u>Page(s)</u> |
|--|----------------|
| SUPPLEMENTARY INFORMATION: (Continued) | |
| Education Fund: (Continued) | |
| Budgetary Comparison Schedules: | |
| Budgetary Comparison Schedule- Education Fund Account IDEA - Improvement Grants – Part D | 44 |
| Budgetary Comparison Schedule- Education Fund Account McKinney-Vento Homeless Children and Youth Program..... | 45 |
| Budgetary Comparison Schedule- Education Fund Account Regional Safe Schools Program | 46 |
| Budgetary Comparison Schedule- Education Fund Account ROE/ISC Operations, FY 2019 | 47 |
| Budgetary Comparison Schedule- Education Fund Account ROE/ISC Operations, FY 2018 | 48 |
| Budgetary Comparison Schedule- Education Fund Account Truants Alternative Optional Education..... | 49 |
| Budgetary Comparison Schedule- Education Fund Account Title II - Teacher Quality..... | 50 |
| Budgetary Comparison Schedule- Education Fund Account Other State Programs..... | 51 |
| Nonmajor Special Revenue Funds: | |
| Combining Statements: | |
| Combining Balance Sheet - Nonmajor Special Revenue Funds | 52 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds..... | 53 |

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

TABLE OF CONTENTS (Continued)

Page(s)

SUPPLEMENTARY INFORMATION: (Continued)

Fiduciary Funds:

Combining Statements:

| | |
|---|----|
| Combining Statement of Fiduciary Net Position - Agency Funds | 54 |
| Combining Statement of Changes in Assets and Liabilities - Agency Funds | 55 |
| Schedule of Disbursements to School District Treasurers and Other Entities - Distributive Fund | 56 |

**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. Aaron Hird

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 | - | - |

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>) | | | |
| 2019-001 | 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, 2019. 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 6, 2019.

**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.



613 Broadway Avenue
P.O. Box 945
Mattoon, Illinois 61938

(217) 235-4747
www.westcpa.com

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, 2019, 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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Vermilion County Regional Office of Education No. 54, as of June 30, 2019, 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 our report dated January 3, 2020 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 solely 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 effectiveness of the Vermilion County Regional Office of Education No. 54's 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 3, 2020



613 Broadway Avenue
P.O. Box 945
Mattoon, Illinois 61938

(217) 235-4747
www.westcpa.com

**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, 2019, 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 3, 2020.

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 have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2019-001 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 result 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 3, 2020

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, 2019**

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, 2019**

Section II – Financial Statement Findings

Finding No. 2019-001 – Controls Over Financial Statement Preparation (Repeat from Finding 18-001, 17-001, 16-001, 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 a material adjusting entry in order to present its financial statements in accordance with generally accepted accounting principles.

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.

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

**SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2019**

Section II – Financial Statement Findings (Continued)

Finding No. 2019-001 – Controls Over Financial Statement Preparation (Repeat from Finding 18-001, 17-001, 16-001, 15-001, 14-002, 13-002, 12-02, 11-02, and 10-02) (Continued)

Cause:

Management indicated a simple oversight in a non-routine transaction caused the material error.

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 acknowledges the one error in coding a non-routine transaction which caused the material finding. The bookkeeper has been informed of the incorrect coding and recognizes the error.

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

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the year ended June 30, 2019**

Corrective Action Plan

Finding No. 2019-001 – Controls Over Financial Statement Preparation (Repeat from Finding 18-001, 17-001, 16-001, 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, auditors noted the Regional Office's financial information required a material adjusting entry in order to present its financial statements in accordance with generally accepted accounting principles.

Plan:

The Regional Office of Education No. 54 administration and bookkeeper will code this type of transaction appropriately in the future should the office have this type of transaction.

Anticipated Date of Completion:

FY20 audit.

Name of Contact Person:

Ms. Cheryl Reifsteck, Regional Superintendent

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

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED
For the year ended June 30, 2019**

Not applicable in the current year.

BASIC FINANCIAL STATEMENTS

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
STATEMENT OF NET POSITION
JUNE 30, 2019

| | Primary Government | | |
|-------------------------------------|----------------------------|-----------------------------|-------------------|
| | Governmental Activities | Business-Type Activities | Total |
| ASSETS | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 365,992 | \$ 10,333 | \$ 376,325 |
| Accounts receivable | 290 | - | 290 |
| Due from other governments | 38,389 | - | 38,389 |
| Prepaid expenses | 8,250 | - | 8,250 |
| Total current assets | <u>412,921</u> | <u>10,333</u> | <u>423,254</u> |
| Noncurrent assets: | | | |
| Capital assets, net | <u>8,002</u> | - | <u>8,002</u> |
| Total noncurrent assets | <u>8,002</u> | - | <u>8,002</u> |
| Total assets | <u>420,923</u> | <u>10,333</u> | <u>431,256</u> |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Due to other governments | 57,474 | - | 57,474 |
| Unearned revenue | <u>46,833</u> | - | <u>46,833</u> |
| Total liabilities | <u>104,307</u> | - | <u>104,307</u> |
| NET POSITION | | | |
| Net investment in capital assets | 8,002 | - | 8,002 |
| Restricted for educational purposes | 257,880 | - | 257,880 |
| Unrestricted | <u>50,734</u> | <u>10,333</u> | <u>61,067</u> |
| Total net position | <u>\$ 316,616</u> | <u>\$ 10,333</u> | <u>\$ 326,949</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, 2019

| FUNCTIONS/PROGRAMS | Net (Expense) Revenue and Changes in Net Position | | | | | |
|---------------------------------|---|----------------------|------------------|-------------------------|--------------------------|-------------|
| | Program Revenues | | | Primary Government | | |
| | Expenses | Charges for Services | Operating Grants | Governmental Activities | Business-Type Activities | Total |
| Governmental activities: | | | | | | |
| Instructional services: | | | | | | |
| Purchased services | \$ 47,967 | \$ - | \$ 32,594 | \$ (15,373) | \$ - | \$ (15,373) |
| Supplies and materials | 35,085 | - | 30,977 | (4,108) | - | (4,108) |
| Other objects | 2,840 | - | 2,417 | (423) | - | (423) |
| Depreciation | 620 | - | - | (620) | - | (620) |
| Intergovernmental: | | | | | | |
| Payments to other governments | 519,062 | - | 535,081 | 16,019 | - | 16,019 |
| Administrative: | | | | | | |
| On-behalf payments - local | 112,157 | - | - | (112,157) | - | (112,157) |
| On-behalf payments - state | 276,828 | - | - | (276,828) | - | (276,828) |
| Total governmental activities | 994,559 | - | 601,069 | (393,490) | - | (393,490) |
| Business-type activities: | | | | | | |
| Service fees | 6,521 | 5,640 | - | - | (881) | (881) |
| Total business-type activities | 6,521 | 5,640 | - | - | (881) | (881) |
| Total primary government | \$ 1,001,080 | \$ 5,640 | \$ 601,069 | (393,490) | (881) | (394,371) |
| General revenues: | | | | | | |
| Local sources | | | | 45,606 | - | 45,606 |
| On-behalf payments - local | | | | 113,306 | - | 113,306 |
| On-behalf payments - state | | | | 276,828 | - | 276,828 |
| Interest | | | | 486 | 7 | 493 |
| Total general revenues | | | | 436,226 | 7 | 436,233 |
| Change in net position | | | | 42,736 | (874) | 41,862 |
| Net position, beginning of year | | | | 273,880 | 11,207 | 285,087 |
| Net position, end of year | | | | \$ 316,616 | \$ 10,333 | \$ 326,949 |

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, 2019

| | General Fund | Institute Fund | Education Fund | Other Nonmajor Funds | Eliminations | Total Governmental Funds |
|--|------------------|-------------------|-------------------|----------------------------|--------------------|--------------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 38,895 | \$ 197,462 | \$ 77,757 | \$ 51,878 | \$ - | \$ 365,992 |
| Accounts receivable | - | - | - | 290 | - | 290 |
| Due from other funds | 11,839 | - | - | - | (11,839) | - |
| Due from other governments | - | - | 38,389 | - | - | 38,389 |
| Prepaid expenses | - | 8,250 | - | - | - | 8,250 |
| Total assets | \$ 50,734 | \$ 205,712 | \$ 116,146 | \$ 52,168 | \$ (11,839) | \$ 412,921 |
| LIABILITIES | | | | | | |
| Due to other funds | \$ - | \$ - | \$ 11,839 | \$ - | \$ (11,839) | \$ - |
| Due to other governments | - | - | 57,474 | - | - | 57,474 |
| Unearned revenue | - | - | 46,833 | - | - | 46,833 |
| Total liabilities | - | - | 116,146 | - | (11,839) | 104,307 |
| FUND BALANCES | | | | | | |
| Nonspendable | - | 8,250 | - | - | - | 8,250 |
| Restricted | - | 197,462 | - | 52,168 | - | 249,630 |
| Assigned | 37,664 | - | - | - | - | 37,664 |
| Unassigned | 13,070 | - | - | - | - | 13,070 |
| Total fund balances | 50,734 | 205,712 | - | 52,168 | - | 308,614 |
| Total liabilities and fund balances | \$ 50,734 | \$ 205,712 | \$ 116,146 | \$ 52,168 | \$ (11,839) | \$ 412,921 |

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, 2019

| | |
|--|--------------------------|
| Total fund balances - governmental funds | \$ 308,614 |
| 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>8,002</u> |
| Net position of governmental activities | <u><u>\$ 316,616</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, 2019

| | General Fund | Institute Fund | Education Fund | Other Nonmajor Funds | Eliminations | Total Governmental Funds |
|--|------------------|-------------------|-------------------|----------------------------|--------------|--------------------------------|
| Revenues: | | | | | | |
| Local sources | \$ 13,020 | \$ 23,232 | \$ 4,060 | \$ 5,294 | \$ - | \$ 45,606 |
| State sources | 101,083 | - | 270,372 | 1,248 | - | 372,703 |
| Federal sources | - | - | 228,366 | - | - | 228,366 |
| On-behalf payments - local | 113,306 | - | - | - | - | 113,306 |
| On-behalf payments - state | 276,828 | - | - | - | - | 276,828 |
| Interest | 314 | 165 | - | 7 | - | 486 |
| Total revenues | <u>504,551</u> | <u>23,397</u> | <u>502,798</u> | <u>6,549</u> | <u>-</u> | <u>1,037,295</u> |
| Expenditures: | | | | | | |
| Instructional services: | | | | | | |
| Purchased services | 3,712 | 12,213 | 30,217 | 1,825 | - | 47,967 |
| Supplies and materials | 4,722 | - | 30,050 | 313 | - | 35,085 |
| Other objects | 495 | - | 2,345 | - | - | 2,840 |
| On-behalf payments - local | 113,306 | - | - | - | - | 113,306 |
| On-behalf payments - state | 276,828 | - | - | - | - | 276,828 |
| Intergovernmental: | | | | | | |
| Payments to other governments | 86,231 | - | 432,831 | - | - | 519,062 |
| Capital outlay | - | - | 7,473 | - | - | 7,473 |
| Total expenditures | <u>485,294</u> | <u>12,213</u> | <u>502,916</u> | <u>2,138</u> | <u>-</u> | <u>1,002,561</u> |
| Excess or (deficiency) of revenue over expenditures | <u>19,257</u> | <u>11,184</u> | <u>(118)</u> | <u>4,411</u> | <u>-</u> | <u>34,734</u> |
| Other financing sources (uses): | | | | | | |
| Transfers in | - | - | 1,821 | - | (1,821) | - |
| Transfers out | (1,821) | - | - | - | 1,821 | - |
| Total other financing sources (uses) | <u>(1,821)</u> | <u>-</u> | <u>1,821</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | 17,436 | 11,184 | 1,703 | 4,411 | - | 34,734 |
| Fund balances (deficits), beginning of year | 33,298 | 194,528 | (1,703) | 47,757 | - | 273,880 |
| Fund balances, end of year | <u>\$ 50,734</u> | <u>\$ 205,712</u> | <u>\$ -</u> | <u>\$ 52,168</u> | <u>\$ -</u> | <u>\$ 308,614</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, 2019

| | | |
|--|----|--------|
| Net changes in fund balances - governmental funds | \$ | 34,734 |
| <p>Amounts reported for governmental activities in the Statement of Activities are different because:</p> <p>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.</p> | | |
| Capital outlay | \$ | 8,622 |
| Depreciation | | (620) |
| | | 8,002 |
| Change in net position of governmental activities | \$ | 42,736 |

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, 2019

| | Business-Type Activities |
|---------------------------|-----------------------------|
| | Fingerprinting Fund |
| ASSETS | |
| Current assets: | |
| Cash and cash equivalents | \$ 10,333 |
| Total assets | 10,333 |
| NET POSITION | |
| Unrestricted | 10,333 |
| Total net position | \$ 10,333 |

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, 2019

| | Business-Type Activities |
|---------------------------------|-----------------------------|
| | Enterprise Fund |
| | Fingerprinting Fund |
| Operating revenue: | |
| Charges for services | \$ 5,640 |
| Total Operating Revenues | 5,640 |
| Operating expenses: | |
| Purchased services | 4,122 |
| Supplies and materials | 2,399 |
| Total operating expenses | 6,521 |
| Operating loss | (881) |
| Nonoperating revenue: | |
| Interest | 7 |
| Total Nonoperating Revenue | 7 |
| Change in net position | (874) |
| Net position, beginning of year | 11,207 |
| Net position, end of year | \$ 10,333 |

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, 2019

| | Business-Type Activities |
|--|-----------------------------|
| | Fingerprinting Fund |
| Cash flows from operating activities: | |
| Receipts from customers | \$ 5,640 |
| Payments to suppliers and providers of goods and services | (6,521) |
| Net cash used for operating activities | (881) |
| Cash flows from investing activities: | |
| Interest | 7 |
| Net cash provided by investing activities | 7 |
| Net decrease in cash and cash equivalents | (874) |
| Cash and cash equivalents, beginning of year | 11,207 |
| Cash and cash equivalents, end of year | \$ 10,333 |
| Reconciliation of operating loss to net cash used for operating activities: | |
| Operating loss | \$ (881) |
| Net cash used for operating activities | \$ (881) |

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, 2019

| | Private-Purpose Trust Fund | |
|----------------------------|-------------------------------|--------------|
| | DAAPP | Agency Funds |
| ASSETS | | |
| Cash and cash equivalents | \$ 907 | \$ 56,484 |
| Accounts receivable | - | 1,088 |
| Due from other governments | - | 2,298,740 |
| | 907 | 2,298,740 |
| Total assets | 907 | \$ 2,356,312 |
| LIABILITIES | | |
| Due to other governments | - | \$ 2,356,312 |
| | - | \$ 2,356,312 |
| NET POSITION | | |
| Held in trust | \$ 907 | |

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, 2019

| | Private-Purpose Trust Fund |
|---------------------------------|-------------------------------|
| | DAAPP |
| Additions: | |
| Local sources | \$ 29,719 |
| Interest | 2 |
| Total additions | 29,721 |
| Deductions: | |
| Salaries | 17,500 |
| Purchased services | 11,855 |
| Supplies and materials | 3,467 |
| Total deductions | 32,822 |
| Change in net position | (3,101) |
| Net position, beginning of year | 4,008 |
| Net position, end of year | \$ 907 |

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

NOTES TO FINANCIAL STATEMENTS

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 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.

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.

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
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Concluded)

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.

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
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 are 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.

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:

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.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental Funds (Continued)

General Fund (Concluded)

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.

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 - This program accounts for the IDEA Improvement Grants Part D 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.

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 (Regional Safe School Cooperative Education Program) – This program accounts for the Career Education program from the Illinois State Board of Education and is administered through the Vermilion Association of Special Education.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental Funds (Concluded)

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:

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

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.

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.

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.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Concluded)

Agency Funds (Concluded)

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 Fund - 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).

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

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.

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."

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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. The Institute Fund has nonspendable fund balance related to prepaid items, as these are not available to be spent.

Restricted Fund Balance – the portion of a governmental fund’s fund balance that is subject to external enforceable legal restrictions. 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.

Assigned Fund Balance – the portion of a Governmental Fund’s fund balance to denote an intended use of resources. The Regional Safe School - General State Aid account is specified for a particular purpose by the Regional Superintendent.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Concluded)

Equity Classifications (Concluded)

Governmental Fund Statements (Concluded)

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.

New Accounting Pronouncements

In 2019, the Regional Office of Education No. 54 implemented Governmental Accounting Standards Board (GASB) Statement No. 83 – *Certain Asset Retirement Obligations*, and GASB Statement No. 88 – *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The implementation of GASB Statement No. 83, and GASB Statement No. 88 had no significant impact on the financial statements of the Regional Office of Education No. 54.

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 or other granting agencies 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, 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).

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.

Interest on Distributive Fund Account

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.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2: DEPOSITS AND INVESTMENTS

Deposits

At June 30, 2019, the carrying amount of the Regional Office of Education No. 54's deposits for the governmental activities, business-type activities, and fiduciary funds were \$365,735, \$10,333, and \$57,391, respectively. The bank balances for the governmental funds, business-type activities, and fiduciary funds totaled \$957,974, 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.

Investments

At June 30, 2019, 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 \$257. The bank balance invested in the Illinois Funds Money Market Fund was \$2,390. 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, 2019, the Illinois Funds Money Market Fund had a Standard and Poor's AAAM rating. The pool is audited annually by an outside, independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provisions of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

Interest Rate Risk

The Illinois Funds Money Market Fund, created by the Illinois General Assembly, enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. The investment policy of the Illinois Funds Money Market Fund states that, unless authorized specifically by the Treasurer, a minimum of 75% of its investments shall have less than one-year maturity and no investment shall exceed two years maturity.

Concentration of Credit Risk

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

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 3 - INTERFUND ACTIVITY

Due to/from Other Funds

The Regional Office of Education No. 54's General and Education Funds have funds due from/to various other funds at June 30, 2019 which consist of the following:

| | Due To Other Funds | Due From Other Funds |
|----------------|-----------------------|-------------------------|
| General Fund | \$ - | \$ 11,839 |
| Education Fund | 11,839 | - |
| Totals | \$ 11,839 | \$ 11,839 |

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

Transfers

Interfund transfers in/out to other fund balances at June 30, 2019, consist of the following individual transfers in/out to other funds in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances.

| | Transfer Out | Transfer In |
|----------------|--------------|-------------|
| General Fund | \$ 1,821 | \$ - |
| Education Fund | - | 1,821 |
| Totals | \$ 1,821 | \$ 1,821 |

Transfers between funds are to clear out negative fund balances from prior years.

VERMILION COUNTY
 REGIONAL OFFICE OF EDUCATION NO. 54
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2019

NOTE 4 - DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education No. 54's Education and Agency Funds have funds due from/to various other governmental units which consist of the following:

Due from other governments:

| | |
|-----------------------------------|---------------------|
| Agency Funds | |
| Illinois State Board of Education | \$ 2,298,740 |
| Governmental Funds | |
| Local agencies | 31,406 |
| Illinois State Board of Education | 6,983 |
| Total | <u>\$ 2,337,129</u> |

Due to other governments:

| | |
|-----------------------------------|---------------------|
| Agency Funds | |
| Local school districts | \$ 2,307,485 |
| Local agencies | 48,827 |
| Governmental Funds | |
| ROE Schoolworks | 19,967 |
| Illinois State Board of Education | 75 |
| Local school districts | 37,432 |
| Total | <u>\$ 2,413,786</u> |

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 5 - CAPITAL ASSETS

In accordance with GASB Statement No. 34, the Regional Office of Education No. 54 has reported capital assets in the government-wide Statement of Net Position. Purchases are reported as capital outlay in the governmental fund statements or on-behalf payments – local if paid by the County. The following table provides a summary of changes in total assets, accumulated depreciation, and investment in capital assets for the year ended June 30, 2019:

| | Balance 7/1/2018 | Additions | Disposals | Balance 6/30/2019 |
|-----------------------------------|---------------------|-----------|-----------|----------------------|
| Governmental Activities | | | | |
| Capital assets being depreciated: | | | | |
| Office Equipment | \$ 12,512 | \$ 8,622 | \$ - | \$ 21,134 |
| Total Capital Assets | 12,512 | 8,622 | - | 21,134 |
| Less: Accumulated Depreciation | (12,512) | (620) | - | (13,132) |
| Governmental Activities | | | | |
| Investment in Capital Assets, Net | \$ - | \$ 8,002 | \$ - | \$ 8,002 |
| Business-Type Activities | | | | |
| Capital assets being depreciated: | | | | |
| Office Equipment | \$ 954 | \$ - | \$ - | \$ 954 |
| Total Capital Assets | 954 | - | - | 954 |
| Less: Accumulated Depreciation | (954) | - | - | (954) |
| Business-Type Activities | | | | |
| Investment in Capital Assets, Net | \$ - | \$ - | \$ - | \$ - |

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended June 30, 2019, of \$620 and \$-0- was charged to governmental activities and business-type activities, respectively, on the government-wide Statement of Activities. Depreciation was charged to the Instructional Services activity. Investment in capital assets is the component of net position that reports capital assets net of accumulated depreciation.

NOTE 6 - RISK MANAGEMENT

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; injuries to employees; and natural disasters. The Regional Office of Education No. 54 is covered by commercial insurance purchased by Vermilion County to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past three years.

VERMILION COUNTY
 REGIONAL OFFICE OF EDUCATION NO. 54
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2019

NOTE 7 - ON-BEHALF PAYMENTS

Vermilion County provides the Regional Office of Education No. 54 with staff and pays certain expenditures on behalf of the Regional Office of Education No. 54. The expenditures paid by Vermilion County for the year ended June 30, 2019, were as follows:

| | |
|----------------------------|-------------------|
| Office Salaries & Benefits | \$ 80,808 |
| Contractual | 20,630 |
| Travel | 5,961 |
| Supplies | 2,741 |
| Maintenance | 981 |
| Capital outlay | 1,149 |
| Other expenses | 1,036 |
| | <u>\$ 113,306</u> |

These amounts have been recorded in the accompanying financial statements as local revenue and expenditures.

The State of Illinois paid the following salaries on behalf of the Regional Office of Education No. 54:

| | |
|--|-------------------|
| Regional Superintendent | |
| Salary | \$ 112,512 |
| Benefits (includes state-paid insurance) | 28,534 |
| Assistant Regional Superintendent | |
| Salary | 101,256 |
| Benefits (includes state-paid insurance) | 34,526 |
| | <u>\$ 276,828</u> |

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

These amounts have been recorded in the accompanying financial statements as State revenue and expenditures.

NOTE 8: 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
JUNE 30, 2019

NOTE 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.

NOTE 10: DATE OF MANAGEMENT'S REVIEW

Management has evaluated subsequent events through January 3, 2020, the date when the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND
JUNE 30, 2019

| | Direct Services | Regional Safe School - General State Aid | Total |
|---------------------------|-----------------|--|-----------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 1,231 | \$ 37,664 | \$ 38,895 |
| Due from other funds | 11,839 | - | 11,839 |
| Total assets | \$ 13,070 | \$ 37,664 | \$ 50,734 |
| FUND BALANCES | | | |
| Assigned | \$ - | \$ 37,664 | \$ 37,664 |
| Unassigned | 13,070 | - | 13,070 |
| Total fund balance | 13,070 | 37,664 | 50,734 |
| Total fund balances | \$ 13,070 | \$ 37,664 | \$ 50,734 |

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, 2019

| | Direct Services | Regional Safe School - General State Aid | Total |
|--|------------------|--|------------------|
| Revenues: | | | |
| Local sources | \$ 13,020 | \$ - | \$ 13,020 |
| State sources | - | 101,083 | 101,083 |
| On-behalf payments - local | 113,306 | - | 113,306 |
| On-behalf payments - state | 276,828 | - | 276,828 |
| Interest | 314 | - | 314 |
| Total revenues | 403,468 | 101,083 | 504,551 |
| Expenditures: | | | |
| Instructional services: | | | |
| Purchased services | 3,712 | - | 3,712 |
| Supplies and materials | 4,722 | - | 4,722 |
| Other objects | 495 | - | 495 |
| On-behalf payments - local | 113,306 | - | 113,306 |
| On-behalf payments - state | 276,828 | - | 276,828 |
| Intergovernmental: | | | |
| Payments to other governments | - | 86,231 | 86,231 |
| Total expenditures | 399,063 | 86,231 | 485,294 |
| Excess or (deficiency) of revenue over expenditures | 4,405 | 14,852 | 19,257 |
| Other financing uses: | | | |
| Transfer out | (1,821) | - | (1,821) |
| Total other financing uses | (1,821) | - | (1,821) |
| Net changes in fund balances | 2,584 | 14,852 | 17,436 |
| Fund balances, beginning of year | 10,486 | 22,812 | 33,298 |
| Fund balances, end of year | <u>\$ 13,070</u> | <u>\$ 37,664</u> | <u>\$ 50,734</u> |

VERMILION COUNTY
 REGIONAL OFFICE OF EDUCATION NO. 54
 COMBINING SCHEDULE OF ACCOUNTS
 EDUCATION FUND
 JUNE 30, 2019

| | IDEA - Improvement Grants - Part D | McKinney-Vento Homeless Children & Youth Program | Regional Safe Schools Program | ROE/ISC Operations | Truants Alternative Optional Education | Title II - Teacher Quality | Other State Programs (RSSCEP) | Total |
|----------------------------|---|---|----------------------------------|-----------------------|---|----------------------------------|--|------------|
| ASSETS | | | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ 5 | \$ 38,731 | \$ 17,451 | \$ - | \$ 21,570 | \$ 77,757 |
| Due from other governments | 19,967 | 11,439 | 32 | - | 6,551 | 400 | - | 38,389 |
| Total assets | \$ 19,967 | \$ 11,439 | \$ 37 | \$ 38,731 | \$ 24,002 | \$ 400 | \$ 21,570 | \$ 116,146 |
| LIABILITIES | | | | | | | | |
| Due to other funds | \$ - | \$ 11,439 | \$ - | \$ - | \$ - | \$ 400 | \$ - | \$ 11,839 |
| Due to other governments | 19,967 | - | 37 | 9,459 | 24,002 | - | 4,009 | 57,474 |
| Unearned revenue | - | - | - | 29,272 | - | - | 17,561 | 46,833 |
| Total liabilities | \$ 19,967 | \$ 11,439 | \$ 37 | \$ 38,731 | \$ 24,002 | \$ 400 | \$ 21,570 | \$ 116,146 |

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, 2019

| | IDEA - Improvement Grants - Part D | McKinney-Vento Homeless Children & Youth Program | Regional Safe Schools Program | ROE/ISC Operations | Truants Alternative Optional Education | Title II - Teacher Quality | Other State Programs (RSSCEP) | Total |
|--|---|---|----------------------------------|-----------------------|---|----------------------------------|--|----------|
| Revenues: | | | | | | | | |
| Local sources | \$ - | \$ - | \$ - | \$ - | \$ - | - | 4,060 | \$ 4,060 |
| State sources | - | - | 62,886 | 121,814 | 65,442 | - | 20,230 | 270,372 |
| Federal sources | 170,826 | 33,339 | 23,301 | - | - | 900 | - | 228,366 |
| Total revenues | 170,826 | 33,339 | 86,187 | 121,814 | 65,442 | 900 | 24,290 | 502,798 |
| Expenditures: | | | | | | | | |
| Instructional services: | | | | | | | | |
| Purchased services | - | 22,458 | - | 6,859 | - | 900 | - | 30,217 |
| Supplies and materials | - | 10,881 | - | 6,670 | 12,499 | - | - | 30,050 |
| Other objects | - | - | - | 2,345 | - | - | - | 2,345 |
| Intergovernmental: | | | | | | | | |
| Payments to other governments | 170,826 | - | 86,242 | 103,473 | 48,000 | - | 24,290 | 432,831 |
| Capital outlay | - | - | - | 2,474 | 4,999 | - | - | 7,473 |
| Total expenditures | 170,826 | 33,339 | 86,242 | 121,821 | 65,498 | 900 | 24,290 | 502,916 |
| Excess or (deficiency) of revenue over expenditures | - | - | (55) | (7) | (56) | - | - | (118) |
| Other financing sources: | | | | | | | | |
| Transfer in | - | - | - | 102 | - | - | 1,719 | 1,821 |
| Total other financing sources | - | - | - | 102 | - | - | 1,719 | 1,821 |
| Net change in fund balances | - | - | (55) | 95 | (56) | - | 1,719 | 1,703 |
| Fund balances (deficits), beginning of year | - | - | 55 | (95) | 56 | - | (1,719) | (1,703) |
| Fund balances, end of year | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNT
IDEA - IMPROVEMENT GRANTS - PART D (RTI)
FOR THE YEAR ENDED JUNE 30, 2019

| | Budgeted Amounts | | Actual |
|---------------------------------|------------------|------------|------------|
| | Original | Final | Amounts |
| Revenues: | | | |
| Federal sources | \$ 169,499 | \$ 169,499 | \$ 170,826 |
| Expenditures: | | | |
| Payments to other governments | 169,499 | 169,499 | 170,826 |
| Net change in fund balance | \$ - | \$ - | - |
| Fund balance, beginning of year | | | - |
| Fund balance, end of year | | | \$ - |

Revenues and expenditures differ from budgeted amounts because the grant runs from October 1 to September 30; only part of the grant was received and expended in the current fiscal year.

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, 2019

| | Budgeted Amounts | | Actual Amounts |
|---------------------------------|------------------|-----------|-------------------|
| | Original | Final | |
| Revenues: | | | |
| Federal sources | \$ 34,427 | \$ 34,427 | \$ 33,339 |
| Expenditures: | | | |
| Purchased services | 21,836 | 21,836 | 22,458 |
| Supplies and materials | 12,591 | 12,591 | 10,881 |
| Total expenditures | 34,427 | 34,427 | 33,339 |
| 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, 2019

| | Budgeted Amounts | | Actual Amounts |
|---------------------------------|------------------|---------------|-------------------|
| | Original | Final | |
| Revenues: | | | |
| State sources | \$ 62,457 | \$ 62,457 | \$ 62,886 |
| Federal sources | - | - | 23,301 |
| Total revenues | <u>62,457</u> | <u>62,457</u> | <u>86,187</u> |
| Expenditures: | | | |
| Payments to other governments | <u>62,457</u> | <u>62,457</u> | <u>86,242</u> |
| Total expenditures | <u>62,457</u> | <u>62,457</u> | <u>86,242</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | (55) |
| Fund balance, beginning of year | | | <u>55</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 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, FY 2019
FOR THE YEAR ENDED JUNE 30, 2019

| | Budgeted Amounts | | Actual Amounts |
|---|------------------|----------------|-------------------|
| | Original | Final | |
| Revenues: | | | |
| State sources | \$ 111,381 | \$ 111,381 | \$ 82,100 |
| Total revenues | <u>111,381</u> | <u>111,381</u> | <u>82,100</u> |
| Expenditures: | | | |
| Purchased services | 2,795 | 1,000 | - |
| Supplies and materials | 3,759 | 3,759 | - |
| Capital outlay | 5,514 | 5,514 | 1,863 |
| Payments to other governments | 96,983 | 98,778 | 80,244 |
| Other objects | <u>2,330</u> | <u>2,330</u> | <u>-</u> |
| Total expenditures | <u>111,381</u> | <u>111,381</u> | <u>82,107</u> |
| Excess (deficit) of revenues over expenditures | - | - | (7) |
| Other financing sources (uses) | | | |
| Transfer in | <u>-</u> | <u>-</u> | <u>7</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>7</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | - |
| Fund balance, September 1, 2018 | | | <u>-</u> |
| Fund balance, end of year | | | <u>\$ -</u> |

Note: FY 2019 & FY 2018 budgets together reflect the activity reported in aggregate on the Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances on page 43.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNT
ROE/ISC OPERATIONS, FY 2018
FOR THE YEAR ENDED JUNE 30, 2019

| | Budgeted Amounts | | Actual Amounts |
|---|------------------|----------------|-------------------|
| | Original | Final | |
| Revenues: | | | |
| State sources | \$ 101,796 | \$ 111,850 | \$ 39,714 |
| Total revenues | <u>101,796</u> | <u>111,850</u> | <u>39,714</u> |
| Expenditures: | | | |
| Purchased services | 1,000 | 1,000 | 6,859 |
| Supplies and materials | 3,000 | 4,759 | 6,670 |
| Capital outlay | 3,000 | 6,514 | 611 |
| Payments to other governments | 92,466 | 97,247 | 23,229 |
| Other Objects | <u>2,330</u> | <u>2,330</u> | <u>2,345</u> |
| Total expenditures | <u>101,796</u> | <u>111,850</u> | <u>39,714</u> |
| Excess (deficit) of revenues over expenditures | - | - | - |
| Other financing sources (uses) | | | |
| Transfer in | <u>-</u> | <u>-</u> | <u>95</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>95</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | 95 |
| Fund balance (deficit), beginning of year | | | <u>(95)</u> |
| Fund balance, August 31, 2018 | | | <u>\$ -</u> |

Note: FY 2019 & FY 2018 budgets together reflect the activity reported in aggregate on the Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances on page 43.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNT
TRUANTS ALTERNATIVE OPTIONAL EDUCATION
FOR THE YEAR ENDED JUNE 30, 2019

| | Budgeted Amounts | | Actual Amounts |
|---------------------------------|------------------|---------------|-------------------|
| | Original | Final | |
| Revenues: | | | |
| State sources | \$ 65,510 | \$ 65,510 | \$ 65,442 |
| Total revenues | <u>65,510</u> | <u>65,510</u> | <u>65,442</u> |
| Expenditures: | | | |
| Supplies and materials | 9,025 | 9,025 | 12,499 |
| Capital outlay | 6,656 | 7,856 | 4,999 |
| Payments to other governments | 49,829 | 48,629 | 48,000 |
| Total expenditures | <u>65,510</u> | <u>65,510</u> | <u>65,498</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | (56) |
| Fund balance, beginning of year | | | <u>56</u> |
| Fund balance, end of year | | | <u>\$ -</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, 2019

| | Budgeted Amounts | | Actual |
|---------------------------------|------------------|--------|---------|
| | Original | Final | Amounts |
| Revenues: | | | |
| Federal sources | \$ 985 | \$ 985 | \$ 900 |
| Expenditures: | | | |
| Purchased services | 985 | 985 | 900 |
| 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
OTHER STATE PROGRAMS (RSSCEP)
FOR THE YEAR ENDED JUNE 30, 2019

| | Budgeted Amounts | | Actual Amounts |
|---|------------------|---------------|-------------------|
| | Original | Final | |
| Revenues: | | | |
| Local sources | \$ - | \$ - | \$ 4,060 |
| State sources | 37,791 | 37,791 | 20,230 |
| Total revenues | <u>37,791</u> | <u>37,791</u> | <u>24,290</u> |
| Expenditures: | | | |
| Payments to other governments | <u>37,791</u> | <u>37,791</u> | <u>24,290</u> |
| Total expenditures | <u>37,791</u> | <u>37,791</u> | <u>24,290</u> |
| Excess (deficit) of revenues over expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources: | | | |
| Transfer in | <u>-</u> | <u>-</u> | <u>1,719</u> |
| Total other financing sources | <u>-</u> | <u>-</u> | <u>1,719</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | 1,719 |
| Fund balance (deficit), beginning of year | | | <u>(1,719)</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, 2019

| | General Education Development Fund | Bus Driver Training | Supervisory Fund | Total |
|---------------------------|---|------------------------|---------------------|------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 31,783 | \$ 17,113 | \$ 2,982 | \$ 51,878 |
| Accounts receivable | - | 290 | - | 290 |
| Total assets | <u>\$ 31,783</u> | <u>\$ 17,403</u> | <u>\$ 2,982</u> | <u>\$ 52,168</u> |
| FUND BALANCES | | | | |
| Restricted | \$ 31,783 | \$ 17,403 | \$ 2,982 | \$ 52,168 |
| Total fund balances | <u>\$ 31,783</u> | <u>\$ 17,403</u> | <u>\$ 2,982</u> | <u>\$ 52,168</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, 2019

| | General Education Development Fund | Bus Driver Training | Supervisory Fund | Total |
|----------------------------------|---|------------------------|---------------------|------------------|
| Revenues: | | | | |
| Local sources | \$ 2,894 | \$ 2,400 | \$ - | \$ 5,294 |
| State sources | - | 1,248 | - | 1,248 |
| Interest income | 3 | 2 | 2 | 7 |
| Total revenues | <u>2,897</u> | <u>3,650</u> | <u>2</u> | <u>6,549</u> |
| Expenditures: | | | | |
| Purchased services | - | 1,401 | 424 | 1,825 |
| Supplies and materials | <u>313</u> | <u>-</u> | <u>-</u> | <u>313</u> |
| Total expenditures | <u>313</u> | <u>1,401</u> | <u>424</u> | <u>2,138</u> |
| Net change in fund balances | 2,584 | 2,249 | (422) | 4,411 |
| Fund balances, beginning of year | <u>29,199</u> | <u>15,154</u> | <u>3,404</u> | <u>47,757</u> |
| Fund balances, end of year | <u>\$ 31,783</u> | <u>\$ 17,403</u> | <u>\$ 2,982</u> | <u>\$ 52,168</u> |

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
JUNE 30, 2019

| | Distributive Fund | EIU Courses Fund | Board of School Trustees Fund | Totals |
|----------------------------|----------------------|---------------------|-------------------------------------|---------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ - | \$ 47,739 | \$ 8,745 | \$ 56,484 |
| Accounts receivable | - | 1,088 | - | 1,088 |
| Due from other governments | 2,298,740 | - | - | 2,298,740 |
| | <u>2,298,740</u> | <u>-</u> | <u>-</u> | <u>2,298,740</u> |
| Total assets | <u>\$ 2,298,740</u> | <u>\$ 48,827</u> | <u>\$ 8,745</u> | <u>\$ 2,356,312</u> |
| LIABILITIES | | | | |
| Due to other governments | \$ 2,298,740 | \$ 48,827 | \$ 8,745 | \$ 2,356,312 |
| | <u>2,298,740</u> | <u>48,827</u> | <u>8,745</u> | <u>2,356,312</u> |
| Total liabilities | <u>\$ 2,298,740</u> | <u>\$ 48,827</u> | <u>\$ 8,745</u> | <u>\$ 2,356,312</u> |

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION NO. 54
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

| | Balance July 1, 2018 | Additions | Deductions | Balance June 30, 2019 |
|--------------------------------------|-------------------------|----------------------|----------------------|--------------------------|
| <u>DISTRIBUTIVE FUND</u> | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ - | \$ 79,244,017 | \$ 79,244,017 | \$ - |
| Due from other governments | 2,898,221 | 2,298,740 | 2,898,221 | 2,298,740 |
| Total assets | <u>\$ 2,898,221</u> | <u>\$ 81,542,757</u> | <u>\$ 82,142,238</u> | <u>\$ 2,298,740</u> |
| LIABILITIES | | | | |
| Due to other governments | <u>\$ 2,898,221</u> | <u>\$ 81,542,757</u> | <u>\$ 82,142,238</u> | <u>\$ 2,298,740</u> |
| <u>EIU COURSES FUND</u> | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 37,199 | \$ 106,857 | \$ 96,317 | \$ 47,739 |
| Accounts receivable | 13,874 | 1,088 | 13,874 | 1,088 |
| Total assets | <u>\$ 51,073</u> | <u>\$ 107,945</u> | <u>\$ 110,191</u> | <u>\$ 48,827</u> |
| LIABILITIES | | | | |
| Due to other governments | <u>\$ 51,073</u> | <u>\$ 107,945</u> | <u>\$ 110,191</u> | <u>\$ 48,827</u> |
| <u>BOARD OF SCHOOL TRUSTEES FUND</u> | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 9,045 | \$ - | \$ 300 | \$ 8,745 |
| LIABILITIES | | | | |
| Due to other governments | <u>\$ 9,045</u> | <u>\$ -</u> | <u>\$ 300</u> | <u>\$ 8,745</u> |
| <u>TOTALS - ALL AGENCY FUNDS</u> | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 46,244 | \$ 79,350,874 | \$ 79,340,634 | \$ 56,484 |
| Accounts receivable | 13,874 | 1,088 | 13,874 | 1,088 |
| Due from other governments | 2,898,221 | 2,298,740 | 2,898,221 | 2,298,740 |
| Total assets | <u>\$ 2,958,339</u> | <u>\$ 81,650,702</u> | <u>\$ 82,252,729</u> | <u>\$ 2,356,312</u> |
| LIABILITIES | | | | |
| Due to other governments | <u>\$ 2,958,339</u> | <u>\$ 81,650,702</u> | <u>\$ 82,252,729</u> | <u>\$ 2,356,312</u> |
| Total liabilities | <u>\$ 2,958,339</u> | <u>\$ 81,650,702</u> | <u>\$ 82,252,729</u> | <u>\$ 2,356,312</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, 2019

| | Community Unit School District #4 | Community Unit School District #7 | Community Unit School District #10 | Community Unit School District #11 | Community Unit School District #61 | Community Unit School District #76 | Community Unit School District #118 | Community Unit School District #225 | Vermilion County ROE #54 | Total |
|--|---|---|--|--|--|--|---|---|--------------------------------|---------------|
| General State Aid | \$ 2,878,957 | \$ 1,827,017 | \$ 999,901 | \$ 7,169,969 | \$ 90,094 | \$ 2,583,908 | \$ 36,826,200 | \$ 49,522 | \$ 101,083 | \$ 58,425,100 |
| Special Education: | | | | | | | | | | |
| Private Facility Tuition | - | 176,309 | - | 329,114 | - | - | 360,621 | - | - | 866,044 |
| Orphanage - Individual | 6,290 | 10,340 | - | 78,946 | - | 7,943 | 116,648 | - | - | 222,066 |
| Agriculture Education | 29,039 | - | - | 1,855 | - | 12,890 | 2,300 | 9,833 | - | 66,635 |
| State Free Lunch & Breakfast | 1,975 | 1,650 | 739 | 10,055 | 449 | 2,413 | 62,675 | 173 | 429 | 88,572 |
| Driver Education | 15,811 | - | - | 11,899 | 1,167 | 6,840 | 51,928 | 3,500 | - | 105,482 |
| Transportation: | | | | | | | | | | |
| Regular | 116,854 | 80,014 | 17,257 | 227,277 | 12,730 | 149,907 | 1,360,871 | 21,771 | - | 2,161,372 |
| Special Education | 60,787 | 6,014 | 8 | - | 16,898 | 39,680 | 392,665 | 4,462 | - | 631,676 |
| ROE School Bus Driver Training | - | - | - | - | - | - | - | - | 1,248 | 1,248 |
| Truants Alternative/Optional Ed. | - | - | - | - | - | - | - | - | 65,510 | 65,510 |
| Regional Safe Schools | - | - | - | - | - | - | - | - | 62,457 | 62,457 |
| Early Childhood - Block Grant | - | - | - | - | - | - | 2,935,625 | - | - | 2,935,625 |
| ROE/ISC Operations | - | - | - | - | - | - | - | - | 111,381 | 111,381 |
| Orphanage Tuition | 1,556 | 807 | - | 68,167 | - | - | 371,017 | - | - | 371,017 |
| Other State Programs (RSSCEP) | - | - | - | 43,979 | - | - | 23,678 | - | - | 164,172 |
| Title VI Rural & Low Income | - | - | - | 413,822 | - | - | - | - | - | 43,979 |
| National School Lunch Program | 135,314 | 72,815 | 30,683 | 1,214 | 18,363 | 93,355 | 2,359,916 | 16,624 | 18,447 | 3,464,682 |
| Special Milk Program | - | - | - | 105,332 | 6,592 | 20,348 | 874,961 | - | - | 1,214 |
| School Breakfast Program | - | 21,708 | 12,932 | 105,332 | 6,592 | 20,348 | 874,961 | - | 4,855 | 1,145,227 |
| Fresh Fruits & Vegetables | - | - | - | - | - | - | 33,894 | - | - | 33,894 |
| Title I - Low Income | 126,976 | 194,260 | 40,608 | 408,587 | 36,565 | 171,637 | 4,552,841 | 31,730 | - | 5,953,143 |
| Title I - Low Income Delinquent | - | - | - | - | - | - | 21,428 | - | - | 21,428 |
| Title I - School Improvement | 8,300 | 10,100 | - | - | 20,000 | 15,112 | 102,046 | - | - | 120,446 |
| Title IVA Student Support & Academic Enrich. | 14,434 | 9,065 | - | - | - | - | - | 10,000 | - | 68,611 |
| Fed. - Sp. Ed. - Pre-School Flow Through | - | - | - | - | - | - | 75,630 | - | - | 75,630 |
| Fed. - Sp. Ed. - I.D.E.A. Flow Through | - | - | - | - | - | - | 1,493,409 | - | - | 1,493,409 |
| I.D.E.A. Room and Board | - | - | 4,793 | 18,443 | 424 | - | - | - | - | 31,386 |
| Title III Immigrant Ed | - | - | - | - | - | - | 1,340 | - | - | 1,340 |
| Title III Limited English | - | - | - | - | - | - | 17,310 | - | - | 17,310 |
| Title II - Teacher Quality | 24,331 | 3,434 | 3,869 | 61,422 | 9,089 | 28,357 | 313,425 | 4,846 | - | 493,260 |
| Title II - Teacher Quality Leadership | - | - | - | - | - | - | - | - | 500 | 500 |
| Investment Income | - | - | - | - | - | - | - | - | 201 | 201 |
| | \$ 3,420,624 | \$ 7,107,537 | \$ 1,110,790 | \$ 8,950,081 | \$ 212,371 | \$ 3,132,390 | \$ 52,350,428 | \$ 152,461 | \$ 403,902 | \$ 79,244,017 |