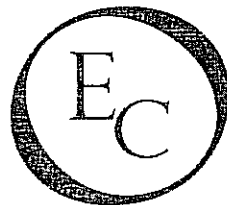


**STATE OF ILLINOIS  
LASALLE COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 35**

**FINANCIAL AUDIT  
FOR THE YEAR ENDED JUNE 30, 2007**

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



**E.C. ORTIZ & CO., LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**

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**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**

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**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
OFFICIALS**

Regional Superintendent  
(July 1, 2007 to present)

Mr. Richard A. Myers

Regional Superintendent  
(During the audit period)

Mr. William Novotney

Assistant Regional Superintendent  
(July 1, 2007 to present)

Mr. James Carlson

Assistant Regional Superintendent  
(During the audit period)

Mr. Richard A. Myers

Office is located at:

119 West Madison Street, Room 102  
Ottawa, Illinois 61350

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
FINANCIAL REPORT SUMMARY**

The financial audit testing performed during 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
Repeated audit findings	–	1
Prior recommendations implemented or not repeated	1	2

**SUMMARY OF FINDINGS**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Prior Finding Code</u>
		FINDING ( <i>GOVERNMENT AUDITING STANDARDS</i> )	
	8	None	N/A
		FINDING ( <i>FEDERAL COMPLIANCE</i> )	
	8	None	N/A
		PRIOR FINDING NOT REPEATED ( <i>GOVERNMENT AUDITING STANDARDS</i> )	
	9	Controls Over Compliance with Laws and Regulations	06-1
		PRIOR FINDING NOT REPEATED ( <i>FEDERAL COMPLIANCE</i> )	
		None	

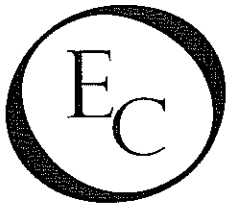
**EXIT CONFERENCE**

The LaSalle County Regional Office of Education No. 35 opted not to have an exit conference during the financial audit for the year ended June 30, 2007.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of the LaSalle County Regional Office of Education No. 35 was performed by E. C. Ortiz & Co., LLP.

Based on their audit, the auditors expressed an unqualified opinion on the LaSalle County Regional Office of Education No. 35's basic financial statements.



## INDEPENDENT AUDITORS' REPORT

Honorable William G. Holland  
Auditor General  
State of Illinois

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 LaSalle County Regional Office of Education No. 35, as of and for the year ended June 30, 2007, which collectively comprise the LaSalle County Regional Office of Education No. 35's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the LaSalle County Regional Office of Education No. 35's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 LaSalle County Regional Office of Education No. 35, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 10, 2008 on our consideration of the LaSalle County Regional Office of Education No. 35's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of

an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

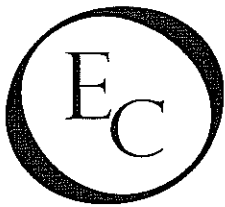
The Management's Discussion and Analysis and the Illinois Municipal Retirement Fund Schedule of Funding Progress on pages 10 through 15 and 47 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the LaSalle County Regional Office of Education No. 35's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and Schedule of Disbursements to School District Treasurers and Others are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the Schedule of Disbursements to School District Treasurers and Others have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*E. C. Ortiz & Co. LLP*

Chicago, Illinois  
June 10, 2008





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

Honorable William G. Holland  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the LaSalle County Regional Office of Education No. 35, as of and for the year ended June 30, 2007, which collectively comprise the LaSalle County Regional Office of Education No. 35's basic financial statements and have issued our report thereon dated June 10, 2008. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the LaSalle County Regional Office of Education No. 35's internal control over financial reporting as a basis for designing our auditing procedures 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 LaSalle County Regional Office of Education No. 35's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the LaSalle County Regional Office of Education No. 35's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the LaSalle County Regional Office of Education No. 35's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, agency management, others within the organization, Illinois State Board of Education, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*E. C. Ortiz & Co. LLP*

Chicago, Illinois  
June 10, 2008

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
SCHEDULE OF FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2007**

**Part I: Summary of the Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)?  Yes  None reported
- Noncompliance material to financial statements noted?  Yes  No

**Part II: Findings Related to the Basic Financial Statements**

None

**Part III: Federal Award Findings**

**Instance of Noncompliance:**

None

**Significant Deficiencies:**

None

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2007**

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
06-1	Controls Over Compliance with Laws and Regulations	
	A. Public Act 95-496 repealed the requirements of 105 ILCS 5/3-14.11.	Resolved
	B. The Regional Superintendent did not present to the county board meetings a report of all his acts and the list of all schools visited with the dates of visitation in compliance with the Illinois School Code 105 ILCS 5/3-5.	Resolved
	C. Public Act 95-496 repealed the requirements of 105 ILCS 5/3-14.5.	Resolved
	D. The ROE did not provide ISBE with an annual plan summarizing the number, needs, and demographics of students at risk of academic failure expected to be served in its region.	Resolved

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2007**

The Regional Office of Education No. 35 for LaSalle County provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the year ended June 30, 2007 with comparative information for the year ended June 30, 2006. Readers are encouraged to consider the information in conjunction with the Regional Office's financial statements that follow.

**2007 Financial Highlights**

- Within the Governmental Funds, the General Fund revenues increased by \$24,438 (6%) from \$413,286 in FY 2006 to \$437,724 in FY 2007. General Fund expenditures increased by \$20,993 (4%) from \$574,451 in FY 2006 to \$595,444 in FY 2007.
- Within the Governmental Funds, the Special Revenue Fund revenues increased by \$25,318 (2%) from \$1,039,215 in FY 2006 to \$1,064,533 in FY 2007. The Special Revenue Fund expenditures decreased by \$18,514 (2%) from \$1,130,970 in FY 2006 to \$1,112,456 in FY 2007.
- The Enterprise Fund revenues decreased by \$5,984 (1%) from \$453,899 in FY 2006 to \$447,915 in FY 2007. The Enterprise Fund expenditures increased by \$111,697 (28%) from \$405,672 in FY 2006 to \$ 517,369 in FY 2007.

**Using This Report**

This report consists of a series of financial statements and other information, as follows:

- *Management's Discussion and Analysis* introduces financial statements and provides an analytical overview of the Regional Office's financial activities.
- The *Government-wide financial statements* consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of the Regional Office of Education as a whole and present an overall view of the Office's finances.
- *Fund financial statements* report the Regional Office's operations in more detail than the government-wide statements by providing information about the most significant funds.
- *Notes to the financial statements* provide additional information that is needed for a full understanding of the data provided in the basic financial statements.
- *Required supplementary information* further explains and supports the financial statements and supplementary information provides detailed information about the non-major funds.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2007**

**Overview of the Financial Statements**

It is important to note, that many grants are a cooperative effort of the LaSalle County Regional Office of Education and the Marshall/Putnam/Woodford Regional Office of Education. Therefore, these figures may reflect grants that are intended to serve LaSalle County only and grants that serve LaSalle, Marshall, Putnam and Woodford Counties.

**Government-wide Financial Statements**

The Government-wide statements report information about the Regional Office of Education No. 35 as a whole. The Statement of Net Assets includes all of the assets and liabilities, with the difference reported as *net assets*. All of the current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid using Generally Accepted Accounting Principles and GASB 34.

The Government-wide statements report the Office's net assets and how they have changed. Net assets - the difference between assets and liabilities - are one way to measure the ROE's financial condition.

- Over time, increases or decreases in the net assets can be an indicator of whether financial position is improving or deteriorating, respectively.
- To assess the Regional Office's overall financial condition, additional non-financial factors, such as new laws, rules, regulations, and actions by officials at the state level need to be considered.

**Fund Financial Statements**

The fund financial statements provide detailed information about the Regional Office's funds. Funds are accounting devices that allow the tracking of specific sources of funding and spending on particular programs. Some funds are required by state law. The Regional Office of Education No. 35 established other funds to control and manage money for particular purposes.

The Office has three kinds of funds:

- (1) Governmental funds account for those funds through which most governmental functions of the Office are financed. These focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at the year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer resources that can be spent in the near future to finance the Office's programs. The Office's Governmental Funds include: the General Fund and the Special Revenue Fund.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2007**

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

- (2) Proprietary funds account for resources from fees charged directly to those entities or individuals that use its services. Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by government-wide financial statements but with more detail for major and non-major enterprise funds. The proprietary funds required financial statements include a Statement of Net Assets, Statement of Revenues, Expenses and Changes in Fund Net Assets and a Statement of Cash Flows.
- (3) Fiduciary funds are used to account for assets held by the Regional Office of Education No. 35 in a trust capacity or as an agent for individuals and private or governmental organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The fiduciary funds required financial statements include a Statement of Fiduciary Net Assets.

**Government-Wide Financial Analysis**

As noted earlier, net assets may serve when examined over time as one indicator of the financial position of the Regional Office. The net assets at the end of FY 2007 and 2006 totaled \$1,036,844 and \$1,314,545, respectively. The analysis that follows provides a summary of the Office's net assets as of June 30.

CONDENSED STATEMENT OF NET ASSETS

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
<b>ASSETS</b>						
Current assets	\$ 709,398	\$ 783,774	\$ 370,247	\$ 676,542	\$ 1,079,645	\$ 1,460,316
Capital assets, net of depreciation	4,102	6,706	-	-	4,102	6,706
<b>TOTAL ASSETS</b>	<b>713,500</b>	<b>790,480</b>	<b>370,247</b>	<b>676,542</b>	<b>1,083,747</b>	<b>1,467,022</b>
Current liabilities	16,285	108,201	30,618	44,276	46,903	152,477
<b>TOTAL LIABILITIES</b>	<b>16,285</b>	<b>108,201</b>	<b>30,618</b>	<b>44,276</b>	<b>46,903</b>	<b>152,477</b>
<b>NET ASSETS</b>						
Invested in capital assets, net of related debt	4,102	6,706	-	-	4,102	6,706
Restricted for teacher professional development	100,789	4,542	-	-	100,789	4,542
Unrestricted	592,324	671,031	339,629	632,266	931,953	1,303,297
<b>TOTAL NET ASSETS</b>	<b>\$ 697,215</b>	<b>\$ 682,279</b>	<b>\$ 339,629</b>	<b>\$ 632,266</b>	<b>\$ 1,036,844</b>	<b>\$ 1,314,545</b>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2007**

The Regional Office of Education's net assets decreased by \$277,701 (21%) from FY 2006. The decrease occurred in the Proprietary Funds as a result of the decrease in workshop activities. In addition, net assets related to the Teacher Institute Fund are considered restricted for teacher professional development.

**CHANGES IN NET ASSETS**

The following analysis shows the changes in net assets for the years ended June 30, 2006 and 2007.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revenues:						
Program revenues:						
Charges for services	\$ 158,784	\$ 70,534	\$ 424,302	\$ 435,233	\$ 583,086	\$ 505,767
Operating grants and contributions	1,049,375	953,445	-	-	1,049,375	953,445
General revenues:						
State sources	-	128,378	-	-	-	128,378
Fees for services	29,268	19,662	-	-	29,268	19,662
Interest income	25,353	46,212	23,613	18,666	48,966	64,878
On-behalf payments	239,477	234,270	-	-	239,477	234,270
<b>Total revenues</b>	<b>1,502,257</b>	<b>1,452,501</b>	<b>447,915</b>	<b>453,899</b>	<b>1,950,172</b>	<b>1,906,400</b>
Expenses:						
Salaries	671,818	737,139	56,548	48,018	728,366	785,157
Benefits	156,633	167,084	2,792	1,310	159,425	168,394
Purchased services	266,018	329,162	287,224	319,958	553,242	649,120
Supplies and materials	44,659	49,225	20,156	29,110	64,815	78,335
Capital outlay	-	39,863	-	3,635	-	43,498
Depreciation	2,604	2,713	-	-	2,604	2,713
Payments to other governmental units	323,740	112,806	146,855	330	470,595	113,136
Miscellaneous	5,555	35,872	3,794	3,311	9,349	39,183
On-behalf payments	239,477	234,270	-	-	239,477	234,270
<b>Total expenses</b>	<b>1,710,504</b>	<b>1,708,134</b>	<b>517,369</b>	<b>405,672</b>	<b>2,227,873</b>	<b>2,113,806</b>
Income (loss) before operating transfers	(208,247)	(255,633)	(69,454)	48,227	(277,701)	(207,406)
Operating transfers	223,183	121,422	(223,183)	(121,422)	-	-
Change in net assets	14,936	(134,211)	(292,637)	(73,195)	(277,701)	(207,406)
Net assets, beginning	682,279	816,490	632,266	705,461	1,314,545	1,521,951
Net assets, ending	<b>\$ 697,215</b>	<b>\$ 682,279</b>	<b>\$ 339,629</b>	<b>\$ 632,266</b>	<b>\$ 1,036,844</b>	<b>\$ 1,314,545</b>

**Governmental Activities**

Revenues for governmental activities were \$1,502,257 and expenses were \$1,710,504. Some grants increased while others decreased or were not funded in FY 2007. The General State Aid increased by \$62,107 due to the increase in the state funding level per student. The



**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2007**

National School Lunch Program increased by \$1,129 due to the need to provide services to the schools. The Regional Safe Schools Program decreased by \$111,730 due to the decrease in the number of students in the programs. Grants such as Title II - Teacher Quality (from Schools), Summer Standard Aligned Classroom, Title I - Reading First Part B SEA Funds, System of Support, and Para-professional, have been severely cut in funding, thus revenues decreased by \$26,461. Expenses were proportionally increased or decreased to meet the funding level.

**Business-Type Activities**

Revenues for business-type activities were \$447,915 and expenditures were \$517,369. The decrease in operating income is attributed to the decrease in workshops for the Raising Achievement program conducted in FY 2007.

**Financial Analysis of the Regional Office of Education No. 35 Funds**

As previously noted, the Regional Office of Education No. 35 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The ROE's Governmental Funds reported combined fund balances of \$693,113.

**Governmental Fund Highlights**

- School Services grant received an increase of 19.72% (\$25,026) in dollars when compared to FY 2006. However, this funding did not pay for all school service activities, etc. Normally, enterprise revenues help to offset these activities, however, because of the increased use of these funds, enterprise assets decreased.
- The dollar return on investments (certificate of deposit, short-term investments and interest earned on a float), were reduced because of the low interest rates. In order to provide services budgeted for the Direct Service Budget, certain investments again had to be used which also reduced the amount of interest revenue received.
- County support for the Regional Office of Education No. 35 remained at level funding.
- There was an increase in the state aid foundation level to \$5,734 per student from \$5,334. This helped to off-set the reduction in the grant dollars provided for the Safe Schools Program.

**Proprietary Fund Highlights**

Total proprietary fund net assets decreased by \$292,637 (46%). The net decrease in the proprietary funds revenues and expenses is due to decrease in workshop activities.

**Fiduciary Fund Highlights**

There was an increase of \$2,685 (146%) in total fiduciary funds for FY 2007. Transactions during FY 2007 represent mainly transfers in and out of funds for the Distributive Fund.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2007**

**Budgetary Highlights**

The Regional Office of Education No. 35 annually prepares budgets for several funds which serve as a guideline for activities and expenditures. The Regional Superintendent annually prepares an Office Operations Budget and submits it to the County Board for their approval. The Office Operations Budget covers a fiscal year which runs from December 1 to November 30. All grant budgets are prepared by the Regional Office of Education No. 35 and submitted to the granting agency for approval. Amendments must be submitted under guidelines established by the granting agency. Additionally, all Regional Office of Education funds are reported to the Advisory Board.

**Capital Assets**

Regional Office of Education No. 35's capital assets include office equipment, computers, audio-visual equipment, and office furniture. The Regional Office of Education No. 35 maintains an inventory of capital assets which have been accumulated over time. For FY 2007 there were no additions or retirements. Depreciation expense for the FY 2007 was \$2,604.

**Economic Factors and Next Years' Budget**

At the time these financial statements were prepared and audited, the Regional Office was aware of several existing circumstances that could affect its financial health in the future:

- The interest rate on investments remains low and will impact interest earned.
- Most grants have remained near or at previous levels. The School Services grant increased by 19.72% (\$25,026). However, as previously reported, this funding does not even come close to supporting the required activities of the School Services grant.
- County Board support for Regional Office of Education No. 35 will remain level.

**Contacting the Regional Office's Financial Management**

This financial report is designed to provide the Regional Offices' citizens, taxpayers, clients, and other constituents with a general overview of its finances and to demonstrate the accountability for the money it receives. If the reader has questions concerning this report or needs additional financial information, please contact the Regional Superintendent of the Regional Office of Education No. 35 at 119 W. Madison St., Room No.102, Ottawa, IL. 61350.

## **BASIC FINANCIAL STATEMENTS**

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 STATEMENT OF NET ASSETS  
 JUNE 30, 2007

EXHIBIT A

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 178,147	\$ 133,029	\$ 311,176
Investments	502,904	226,204	729,108
Accounts receivable	11,981	5,579	17,560
Prepaid expenses	3,041	-	3,041
Due from other governmental units	13,325	5,435	18,760
Total current assets	<u>709,398</u>	<u>370,247</u>	<u>1,079,645</u>
<b>Noncurrent assets</b>			
Capital assets, net	4,102	-	4,102
<b>TOTAL ASSETS</b>	<u>713,500</u>	<u>370,247</u>	<u>1,083,747</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued expenses	16,285	2,674	18,959
Deferred revenues	-	27,944	27,944
<b>TOTAL LIABILITIES</b>	<u>16,285</u>	<u>30,618</u>	<u>46,903</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	4,102	-	4,102
Restricted for teacher professional development	100,789	-	100,789
Unrestricted	592,324	339,629	931,953
<b>TOTAL NET ASSETS</b>	<u>\$ 697,215</u>	<u>\$ 339,629</u>	<u>\$ 1,036,844</u>

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

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2007

EXHIBIT B

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contribution	Governmental Activities	Primary Government Business-Type Activities	Total
<b>Primary government</b>						
<b>Governmental activities:</b>						
<b>Instructional services</b>						
Salaries	\$ 671,818	\$ 74,350	\$ 500,195	\$ (97,273)	\$ -	\$ (97,273)
Benefits	156,633	17,345	116,894	(22,394)	-	(22,394)
Purchased services	266,018	27,694	169,587	(68,737)	-	(68,737)
Supplies and materials	44,659	3,507	23,678	(17,474)	-	(17,474)
Depreciation	2,604	-	-	(2,604)	-	(2,604)
Miscellaneous	5,555	305	2,081	(3,169)	-	(3,169)
Payments to other governmental units	323,740	35,583	236,940	(51,217)	-	(51,217)
<b>Administrative</b>						
On-behalf payments	239,477	-	-	(239,477)	-	(239,477)
<b>Total governmental activities</b>	<u>1,710,504</u>	<u>158,784</u>	<u>1,049,375</u>	<u>(502,345)</u>	<u>-</u>	<u>(502,345)</u>
<b>Business-type activities:</b>						
Professional development	517,369	424,302	-	-	(93,067)	(93,067)
<b>Total business-type activities</b>	<u>517,369</u>	<u>424,302</u>	<u>-</u>	<u>-</u>	<u>(93,067)</u>	<u>(93,067)</u>
<b>Total primary government</b>	<u>\$ 2,227,873</u>	<u>\$ 583,086</u>	<u>\$ 1,049,375</u>	<u>(502,345)</u>	<u>(93,067)</u>	<u>(595,412)</u>
			<b>General revenues:</b>			
			Fees for services	29,268	-	29,268
			Interest income	25,353	23,613	48,966
			On-behalf payments	239,477	-	239,477
			Transfers	223,183	(223,183)	-
			<b>Total general revenues and transfers</b>	<u>517,281</u>	<u>(199,570)</u>	<u>317,711</u>
			<b>Change in net assets</b>	<u>14,936</u>	<u>(292,637)</u>	<u>(277,701)</u>
			<b>Net assets - beginning</b>	<u>682,279</u>	<u>632,266</u>	<u>1,314,545</u>
			<b>Net assets - ending</b>	<u>\$ 697,215</u>	<u>\$ 339,629</u>	<u>\$ 1,036,844</u>

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

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 GOVERNMENTAL FUNDS  
 BALANCE SHEET  
 JUNE 30, 2007

EXHIBIT C

	General Fund	Education Fund	Institute Fund	Nonmajor Special Revenue Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 16,813	\$ 133,957	\$ 16,078	\$ 11,299	\$ 178,147
Investments	348,370	50,000	83,788	20,746	502,904
Accounts receivable	9,501	838	903	739	11,981
Prepaid expenses	3,021	-	20	-	3,041
Due from other governmental units	-	13,325	-	-	13,325
<b>TOTAL ASSETS</b>	<b>377,705</b>	<b>198,120</b>	<b>100,789</b>	<b>32,784</b>	<b>709,398</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	4,113	11,725	-	447	16,285
<b>FUND BALANCES</b>					
Unreserved, reported in:					
General fund	373,592	-	-	-	373,592
Special revenue funds	-	186,395	100,789	32,337	319,521
Total fund balances	373,592	186,395	100,789	32,337	693,113
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 377,705</b>	<b>\$ 198,120</b>	<b>\$ 100,789</b>	<b>\$ 32,784</b>	<b>\$ 709,398</b>

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

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
GOVERNMENTAL FUNDS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2007

EXHIBIT D

Total fund balances - governmental funds	\$	693,113
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		<u>4,102</u>
Net assets of governmental activities	\$	<u>697,215</u>

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

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 GOVERNMENTAL FUNDS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2007

	General Fund	Education Fund	Institute Fund	Nonmajor Special Revenue Funds	Total Governmental Funds
<b>REVENUES</b>					
Federal sources	\$ -	\$ 134,162	\$ -	\$ -	\$ 134,162
State sources	151,894	749,371	-	13,947	915,212
Local sources					
Fees for services	29,268	25,065	122,744	10,976	188,053
Interest	17,085	3,035	4,251	982	25,353
On-behalf payments	239,477	-	-	-	239,477
Total revenues	437,724	911,633	126,995	25,905	1,502,257
<b>EXPENDITURES</b>					
Current:					
Instructional services:					
Salaries	153,447	502,051	7,393	8,927	671,818
Benefits	47,743	106,680	1,451	759	156,633
Purchased services	110,270	122,445	24,888	8,415	266,018
Supplies and materials	17,888	24,268	241	2,262	44,659
Miscellaneous	4,259	871	-	425	5,555
Payments to other governmental units	22,360	292,605	6,775	2,000	323,740
On-behalf payments	239,477	-	-	-	239,477
Total expenditures	595,444	1,048,920	40,748	22,788	1,707,900
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(157,720)	(137,287)	86,247	3,117	(205,643)
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in (out)	223,183	-	10,000	(10,000)	223,183
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES</b>	65,463	(137,287)	96,247	(6,883)	17,540
<b>FUND BALANCES, BEGINNING OF YEAR</b>	308,129	323,682	4,542	39,220	675,573
<b>FUND BALANCES, END OF YEAR</b>	\$ 373,592	\$ 186,395	\$ 100,789	\$ 32,337	\$ 693,113

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



**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
GOVERNMENTAL FUNDS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2007**

**EXHIBIT F**

Net change in fund balances	\$	17,540
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Depreciation expense	(2,604)
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Change in net assets of governmental activities	\$	<u>14,936</u>
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*The notes to the financial statements are an integral part of this statement.*

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 PROPRIETARY FUNDS  
 STATEMENT OF NET ASSETS  
 JUNE 30, 2007**

**EXHIBIT G**

	<u>Business Type Activities - Enterprise Funds</u>			<u>Total</u>
	<u>Raising Achievement</u>	<u>Workshop</u>	<u>Nonmajor Proprietary Funds</u>	
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ -	\$ 56,870	\$ 76,159	\$ 133,029
Investments	-	182,918	43,286	226,204
Accounts receivable	-	5,427	152	5,579
Due from other governmental units	-	-	5,435	5,435
<b>TOTAL ASSETS</b>	<b>-</b>	<b>245,215</b>	<b>125,032</b>	<b>370,247</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable and accrued expenses	-	1,710	964	2,674
Deferred revenues	-	1,200	26,744	27,944
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>2,910</b>	<b>27,708</b>	<b>30,618</b>
<b>NET ASSETS</b>				
Unrestricted	-	242,305	97,324	339,629
<b>TOTAL NET ASSETS</b>	<b>\$ -</b>	<b>\$ 242,305</b>	<b>\$ 97,324</b>	<b>\$ 339,629</b>

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

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2007**

EXHIBIT H

	<u>Business Type Activities - Enterprise Funds</u>			<u>Total</u>
	<u>Raising Achievement</u>	<u>Workshop</u>	<u>Nonmajor Proprietary Funds</u>	
<b>OPERATING REVENUES</b>				
Local sources	\$ 208,066	\$ 96,617	\$ 119,619	\$ 424,302
<b>OPERATING EXPENSES</b>				
Salaries	23,634	-	32,914	56,548
Benefits	-	-	2,792	2,792
Purchased services	185,941	43,947	57,336	287,224
Supplies and materials	8,048	586	11,522	20,156
Miscellaneous	400	-	3,394	3,794
Payments to other governmental units	135,748	9,857	1,250	146,855
Total operating expenses	353,771	54,390	109,208	517,369
<b>OPERATING INCOME (LOSS)</b>	(145,705)	42,227	10,411	(93,067)
<b>NONOPERATING REVENUES</b>				
Interest	3,766	17,183	2,664	23,613
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	(141,939)	59,410	13,075	(69,454)
<b>OPERATING TRANSFERS</b>				
Transfers in (out)	-	(231,335)	8,152	(223,183)
<b>CHANGE IN NET ASSETS</b>	(141,939)	(171,925)	21,227	(292,637)
<b>TOTAL NET ASSETS, BEGINNING OF YEAR</b>	141,939	414,230	76,097	632,266
<b>TOTAL NET ASSETS, END OF YEAR</b>	\$ -	\$ 242,305	\$ 97,324	\$ 339,629

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

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2007

EXHIBIT I

	<b>Business Type Activities - Enterprise Funds</b>			<b>Total</b>
	<b>Raising Achievement</b>	<b>Workshop</b>	<b>Nonmajor Proprietary Funds</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts for workshops and services	\$ 206,466	\$ 82,590	\$ 113,264	\$ 402,320
Payments to employees	(23,634)	-	(35,706)	(59,340)
Payments to suppliers	(324,062)	(53,037)	(72,538)	(449,637)
Net cash provided by (used in) operating activities	(141,230)	29,553	5,020	(106,657)
<b>CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITY:</b>				
Transfers in (out)	-	(231,335)	8,152	(223,183)
Net cash provided by (used in) non capital financing activity	-	(231,335)	8,152	(223,183)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Investments	83,124	237,894	(17,936)	303,082
Interest	3,766	15,411	2,512	21,689
Net cash provided by (used) in investment activities	86,890	253,305	(15,424)	324,771
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(54,340)	51,523	(2,252)	(5,069)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	54,340	5,347	78,411	138,098
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ -	\$ 56,870	\$ 76,159	\$ 133,029
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ (145,705)	\$ 42,227	\$ 10,411	\$ (93,067)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Effects of changes in assets and liabilities:				
Accounts receivable	-	(1,052)	480	(572)
Prepaid expenses	6,075	-	-	6,075
Due from other governmental units	-	-	(5,435)	(5,435)
Accounts payable and accrued expenses	-	1,353	964	2,317
Deferred revenues	(1,600)	(12,975)	(1,400)	(15,975)
Net cash provided by (used in) operating activities	\$ (141,230)	\$ 29,553	\$ 5,020	\$ (106,657)

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

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET ASSETS  
JUNE 30, 2007**

**EXHIBIT J**

**ASSETS**

Cash and cash equivalents	<u>\$ 4,518</u>
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**LIABILITIES**

Due to other governmental units	<u>\$ 4,518</u>
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*The notes to the financial statements are an integral part of this statement.*

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

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

The LaSalle County Regional Office of Education No. 35 operates under the School Code (105 ILCS 5/3 and 5/3A). The LaSalle County Regional Office of Education No. 35 encompasses LaSalle County, Illinois. A Regional Superintendent of Schools serves as Chief Administrative Officer of the region and is elected to the position for a four year term pursuant to 105 ILCS 5/3 and 5/3A of the School Code. The Regional Superintendent is responsible for the supervision and control of the school districts. The principal financial duty of the Regional Superintendent is to receive and distribute monies due to school districts from general State aid, State categorical grants, and various other sources.

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 LaSalle County Regional Office of Education No. 35's accounting policies conform to generally accepted accounting principles which are appropriate for local governmental agencies of this type.

**A. Reporting Entity**

The LaSalle County Regional Office of Education No. 35's reporting entity includes all related organizations for which the LaSalle County Regional Office of Education No. 35 exercises oversight responsibility. The LaSalle County Regional Office of Education No. 35 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the LaSalle County Regional Office of Education No. 35, including joint agreements which serve pupils from numerous school districts, should be included within its financial reporting entity. The criteria include but are not limited to, whether the LaSalle County Regional Office of Education No. 35 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

Blended Component Units

The following component units are entities which are legally separate from the LaSalle County Regional Office of Education No. 35, but are so intertwined with the LaSalle County Regional Office of Education No. 35 that they are, in substance, the same as the LaSalle County Regional Office of Education No. 35. They are reported as part of the LaSalle County Regional Office of Education No. 35 and blended into the appropriate funds.

A joint agreement (LaSalle County Video Coop) has been determined to be part of the reporting entity after applying the manifesting of oversight, scope of public service and special financing relationships criteria. The LaSalle County Regional Office of Education No. 35 does not control the assets, operations or management of the joint agreement. The LaSalle County Video Coop is reported as an Enterprise Fund.

On July 1, 1998, the LaSalle County Regional Office of Education No. 35 entered into an Intergovernmental Agreement executed pursuant to the provisions of the Intergovernmental Cooperation Clause of the Illinois Constitution as well as the provisions of the Intergovernmental Cooperation Act of 1973 and the Illinois Admin. Code 525.110 to form an educational service delivery system. The name of the educational service delivery system formed is known as the LaSalle County - Putnam, Marshall, Woodford Counties Service Delivery System. The Service Delivery System is responsible for the administration and performance of accounting procedures that conform to all applicable rules and regulations of the Illinois State Board of Education. The LaSalle County Regional Office of Education No. 35 was designated as Administrative Agent and Director.

The following grants to LaSalle County Regional Office of Education No. 35 and Marshall-Putnam-Woodford Counties Regional Office of Education No. 43 were assigned to the LaSalle, Marshall, Putnam, and Woodford Counties Service Delivery System: ROE/ISC Operations, Title II - Teacher Quality, Truants Alternative Program, ROE/ISC Technology, and McKinney Education for the Homeless. These grants are reported as General Funds and Special Revenue Funds.

The LaSalle County Regional Office of Education No. 35 is not aware of any entity which would exercise such oversight as to result in the Regional Office being considered a component unit of the entity.

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

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the nonfiduciary activities of the

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

primary government. For the most part, the effect of interfund activity has been removed from these statements. The statements distinguish between those activities of the ROE that are governmental in nature and those that are considered business-type activities. *Governmental activities* normally are supported by operating grants and contributions, charges for services and intergovernmental revenues. *Business-type activities* normally are supported by amounts assessed or received from local sources for the ROE programs.

The Statement of Net Assets presents the LaSalle County Regional Office of Education No. 35's nonfiduciary assets and liabilities with the differences reported as net assets. Net assets of the ROE are classified as follows:

*Invested in Capital Assets* - represent the ROE's total investment in capital assets. There is no outstanding debt related to these assets at this time.

*Restricted Net Assets* - represent resources in which the ROE is legally obligated to spend in accordance with restrictions imposed by enabling legislation.

*Unrestricted Net Assets* - represent resources used for transactions relating to the general operations of the ROE and may be used at the discretion of management to meet expenses for any purpose.

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 customers or 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*. Major individual governmental funds are reported as separate columns in the fund financial statements.

**C. New Accounting Pronouncement**

Effective July 1, 2006, the LaSalle County Regional Office of Education No. 35 adopted GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which establishes uniform financial reporting standards for other postemployment benefits (OPEB) plans and supersedes the interim guidance included in Statement No. 26, *Financial Reporting for Postemployment Healthcare Plans Administered by Defined Benefit Pension Plans*.

There was no significant impact on the LaSalle County Regional Office of Education No. 35's financial statements as a result of adopting the above statements.



**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The financial statements of the LaSalle County Regional Office of Education No. 35 are prepared in accordance with generally accepted accounting principles (GAAP). The LaSalle County Regional Office of Education No. 35 applies all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Proprietary fund financial statements also report using this same focus and basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by provider have been met.

Governmental fund and fiduciary financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The LaSalle County Regional Office of Education No. 35 considers revenues as available if they are collected within 60 days after year-end. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance.

There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict the guidance of the Governmental Accounting Standards Board.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

When both restricted and unrestricted resources are available for use, it is the ROE's policy to use restricted resources first, then unrestricted resources as they are needed.

The LaSalle County Regional Office of Education No. 35 records on-behalf payments made by the State to the Teachers' Retirement System as revenues and expenditures.

**E. Fund Accounting**

The accounts of the LaSalle County Regional Office of Education No. 35 are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenue, and expenditures. The LaSalle County Regional Office of Education No. 35 maintains individual funds as required by the State of Illinois. The resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the basic financial statements. The following summarizes the fund types used:

**Governmental Fund Types**

Governmental Funds are those through which most governmental functions of the Region are financed. The acquisition, use and balances of the LaSalle County Regional Office of Education No. 35's expendable financial resources and the related liabilities are accounted for through governmental funds.

**General Fund** - The General Funds are used to account for all financial resources except those required to be accounted for in another fund. The general fund is reported as a major governmental fund in the financial statements. The following are the general funds:

**General** - to account for the general operating fund. It has been used to record expenditures in connection with general administration activities.

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

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The LaSalle County Regional Office of Education No. 35 reported the following special revenue funds as major governmental funds.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

Education - to account for State and Federal grant monies received for, and payment of, administering numerous grant awards which include:

McKinney Education for Homeless Children - Accounts for grant monies received for and payment of, expenditures associated with a Federal program designed to provide counseling and educational support to homeless children and their families. The programs are funded by a Federal Stewart B. McKinney Education for Homeless Children and Youth Grant administered through the Illinois State Board of Education.

Regional Safe Schools - this fund is an alternative schooling program for disruptive youth, creating alternative placement for those students who are suspended and/or are deemed ineligible.

Truants Alternative Programs - to account for grant monies received for, and payment of, providing truancy prevention programming and monitoring truants.

General State Aid - to account for grant monies received for, and payment of expenditures for regional learning academy supplements.

Title II - Teacher Quality (from schools) - to account for the administration of monies from various local schools to be used for the Title II - Teacher Quality programs.

Learning Technology Center - to account for monies from the State of Illinois for expenditures incurred to establish a statewide support system for learning technology.

Summer Standard Aligned Classroom - to account for the grant monies received for, and payment of, expenditures incurred for the Standards Aligned Classroom program.

Title I - Reading First Part B SEA Funds - Funds provide assistance to school districts in establishing reading programs for students in kindergarten through third grade that are based on scientific reading research. Reading First also focuses on teacher development and ensuring that all teachers, including special education teachers, have the tools they need to effectively help their students learn to read.

Free Lunch & Breakfast - to account for the proceeds received and expended in the operations of the free lunch and breakfast program.

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Homeless / Streator - to account for monies received from Streator High School for, and payment of supplies expenses for homeless children in Streator.

System of Support (Title II - Teacher Quality Leadership Grant) - to account for grant monies received for, and payment of, expenditures to help schools meet No Child Left Behind initiative.

Para-professional - to account for grant monies received for, and payment of, expenditures for Paraprofessional.

National School Lunch Program - to account for the proceeds received and expenses of the program for the national school lunch fund.

School Breakfast Program - to account for funds received for, and payment of, expenditures of the program for the school breakfast fund.

Kindergarten - to account for the contract money received and the expenditures incurred in providing training in rolling out the new kindergarten standards in relation to the Early Childhood Block grant.

National Board Professional Preparation and Teacher Support System - to account for the contract money received and the expenditures incurred in providing trainings and professional development for teachers to earn their national board certification.

Mathematics and Science Partnerships - to account for grant monies received for and payment of the NIMS (Northwestern Illinois Math and Science) program.

Other Federal Grants - to account for grant monies received for, and payment of, expenditures in connection with the English Language Acquisitions Grants, to ensure that limited English proficient (LEP) children and youth attain English proficiency.

Institute - to account for the stewardship of the assets held in trust for the benefit of teachers. Fees are collected from registration of teachers' certificates of qualification. Monies are expended to conduct teachers' institutes, conferences, and workshops. All funds generated remain restricted until expended only on the aforementioned activities.

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Nonmajor Special Revenue Funds - The LaSalle County Regional Office of Education No. 35 reported the following special revenue funds as nonmajor governmental funds:

General Educational Development (GED) - to account for the administration of the GED Testing Program. Revenues are received from testing and diploma fees.

School Bus Driver Training - to account for the stewardship of the assets held in trust in connection with the Bus Driver Training Program.

Supervisory - to account for monies from the State of Illinois for expenditures incurred while providing supervisory services in the region.

Annexation and Sales Petition - to account for fees collected for expenditures incurred in publishing and filing petition requests.

Hazard Safety Reimbursement - to account for monies from the State of Illinois for expenditures incurred in the Hazard Safety program.

Network for Information (NFI) - to account for monies received for, and payment of, expenditures for workshops for technical staff.

Counselors Academy - to account for monies from the Illinois Valley Education-to-Careers to support counselor development.

Standards-Aligned Classroom Project - to account for monies from the State of Illinois for expenditures incurred to create and support ongoing learning teams focused on alignment of classroom level assessment and instruction.

Proprietary Fund Types

Proprietary funds are used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. All assets, liabilities, net assets, revenues, expenses, and transfers relating to the government's business activities in which changes in net assets or cost recovery are measured, are accounted for through proprietary funds (enterprise and internal service funds). Generally accepted accounting principles for proprietary funds are similar to those applicable to businesses in the private sector; the measurement focus is on determining operating income, financial position, and cash flows.

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Enterprise Funds - to account for resources from fees charged directly to those entities or individuals that use its services. The LaSalle County Regional Office of Education No. 35 reported the following enterprise funds as major proprietary funds.

Raising Achievement - to account for the fees and local revenues received and related disbursements while performing activities for Raising Achievement workshop program.

Workshop - to account for local revenues and disbursements related to various workshops conducted by the LaSalle County Regional Office of Education No. 35 which are not accounted for in a separate fund.

Nonmajor Proprietary Funds - The LaSalle County Regional Office of Education No. 35 reported the following enterprise funds as nonmajor proprietary funds:

Regional Safe School Meals - to account for local revenues and disbursements for the children whose parents can not afford to pay either a full or reduced cost of meals.

LaSalle County Area Purchasing Coop - to account for maintenance of cooperative purchasing program for the benefit of the LaSalle County Regional Office of Education No. 35's various school districts.

American College Testing Student Fees - to account for the fees and local revenues received and related disbursements for the ACT program which is designed to assess high school students' general educational development and their ability to complete college-level work.

Excellence in Education - to account for the fees and local revenues received and related disbursements while performing activities related to the Excellence in Education program.

Technology Local Fees - to account for interest earned on Technology funds.

Tech Workbooks (NCREL) - to account for local revenues received for Technology Workbooks program through the North Central Regional Educational Laboratory (NCREL). The NCREL provides high-quality research-based resources to educators and policymakers in the states of Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio and Wisconsin.

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Administrator's Academy - to account for the fees and local revenues received and related disbursements while performing activities for the Administrator's Academy.

Discovery United Streaming Coop. - to account for local revenues received for the digital video-on-demand service by Discovery Education.

Criminal Background Investigation - to account for the assessments received from the school districts to pay for the processing of background checks of substitute teachers and expenditures incurred providing this service to the school districts.

Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the LaSalle County Regional Office of Education No. 35 in a trustee capacity or as an agent for individuals, private organizations, and/or other governments.

Agency Funds are custodial in nature and do not involve measurement of results of operations. The amounts due to school districts and due to other governments are equal to the assets. Agency Funds include Distributive and Payroll.

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

Payroll - to account for all payroll that is incurred. Any fund that has payroll remits the money to the Payroll Fund, the Fund then pays the employee. This is an administrating agent for the ROE's payroll.

F. Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

Non-exchange transactions, in which the ROE receives value without directly giving value in return, includes grants and donations. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the

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year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the ROE must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the ROE on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

G. Cash and Cash Equivalents

For presentation in the financial statements, investments with an original maturity of three months or less at the time they are purchased by the ROE are considered to be cash equivalents. Investments with original maturities of more than three months are reported as investments.

H. Capital Assets

General capital assets results from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements.

Capital assets are recorded at cost at time of acquisition or fair value at the date of donation. The ROE capitalizes items costing \$5,000 or more. Depreciation is calculated on a straight-line basis over the estimated useful lives (five to twenty years) of the respective assets.

I. 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 in the financial statements. Actual results could differ from those estimates.

J. Budgets and Budgetary Accounting

The LaSalle County Regional Office of Education No. 35 did not formally adopt a budget for the year ended June 30, 2007 and is not legally required to do so. The Illinois State Board of Education requires budgets for certain State and Federal programs. These budgets were used to prepare Budgetary Comparison Schedules for the following programs:

General Fund:

- ROE/ISC Operations



**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
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Special Revenue Funds:

- Regional Safe Schools
- Truants Alternative Programs
- Learning Technology Center
- Other Federal Programs

**K. Interfund Transfers**

Interfund transfers are categorized as either residual equity interfund transfers or operating interfund transfers. Residual equity interfund transfers are nonrecurring or nonroutine transfers of equity between funds. Operating interfund transfers are those routine kinds of transfers made between funds due to the unique relationships between the funds involved.

**NOTE 2 - CASH AND INVESTMENTS**

**Deposits**

The LaSalle County Regional Office of Education No. 35 utilizes several different bank accounts for its various activities. The book balance of such accounts is \$315,694 at June 30, 2007, while the bank balance was \$440,093. Included in the cash account book balance are the governmental and proprietary funds of \$311,176 and fiduciary funds of \$4,518. The difference between the above amounts primarily represents checks that have been issued but have not yet cleared the bank as of June 30, 2007.

Custodial credit risk for deposits exists when, in the event of the failure of a depository financial institution, the ROE's deposits may not be recovered. The ROE does not have a formal investment policy that addresses custodial credit risk. Originally, GASB Statement No. 3 discussed three categories of custodial credit risk as follows:

Category 1 includes deposits covered by depository insurance or collateral held by the LaSalle County Regional Office of Education No. 35 in its name.

Category 2 includes deposits covered by collateral held by the financial institutions in a pledged safekeeping account in the name of the LaSalle County Regional Office of Education No. 35.

Category 3 includes deposits which are uncollateralized or the collateral is held by the financial institution trust department but not in the name of the LaSalle County Regional Office of Education No. 35.

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The ROE's deposits are covered by the Federal Deposit Insurance Corporation (FDIC) and by collateral held by the financial institution in the ROE's name. Although deposit balances classified under the traditional risk categories of 1 and 2 have been determined under GASB Statement No. 40 to be exposed to only minimal risk, and, based on this conclusion, the GASB chose to limit disclosure of custodial credit risk to deposits that meet the definition of "Category 3", the ROE has decided to include categories 1 and 2 in the discussion. The following table reflects the ROE's level of risk as of June 30, 2007:

	Bank Balance
Category 1	\$ 131,055
Category 2	294,629
Category 3	-
Exempt	14,409
Total	\$ 440,093

The exempt funds are those deposited into the Illinois Funds.

Investments

The ROE's established investment policy follows the State of Illinois Public Funds Investment Act which authorizes the ROE to purchase certain obligations of the U.S. Treasury, federal agencies and instrumentalities; certificates of deposit and time deposits covered by Federal depository insurance; commercial paper of U.S. corporations with assets exceeding \$500,000,000, if such paper is rated at the highest classification established by at least two standard rating services; money market funds and the Illinois Funds.

The ROE has pooled its investments. Investments are stated at fair value. Net income from investments of pooled funds is allocated and credited to the original sources of the funds. As of June 30, 2007, the ROE's investments are certificate of deposits totaling \$729,108.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The ROE's policy for reducing its exposure to the risk is to structure the ROE's portfolio so that securities mature to meet the ROE's cash requirements for ongoing operations. As of June 30, 2007, all the investments have investment maturities of six to twelve months.

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ROE's policy for managing its exposure to the risk is to limit investments to those allowable by the Illinois Public Funds Investment Act. As of June 30, 2007, the

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ROE's investment in the State investment pool (Illinois Funds) was rated AAAM by Standard & Poor's.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The ROE's policy for mitigating the risk is to diversify the investment portfolio so that the failure of any one issuer will not place an undue financial burden on the ROE. As of June 30, 2007, the ROE's investments are certificates of deposits with three local banks.

Custodial Credit Risk for investments is the risk that, in the event of a failure of the counterparty, the ROE will not be able to recover the value of the investments that are in the possession of an outside party. Originally, GASB Statement No. 3 discussed three categories of custodial credit risk as follows:

Category 1 includes investments that are insured or collateralized with securities held by the LaSalle County Regional Office of Education No. 35 in its name.

Category 2 includes investments collateralized with securities held by the financial institution in the name of the LaSalle County Regional Office of Education No. 35.

Category 3 includes uninsured and uncollateralized investments or the collateral is held by the financial institution trust department but not in the name of the LaSalle County Regional Office of Education No. 35.

Although investments classified under the traditional risk categories of 1 and 2 have been determined under GASB Statement No. 40 to be exposed to only minimal risk, and, based on this conclusion, the GASB chose to limit disclosure of custodial credit risk to investments that meet the definition of "Category 3", the ROE has decided to include categories 1 and 2 in the discussion. The ROE does not have a policy for custodial credit risk that further limits custodial arrangements from what is required by the State of Illinois Public Funds Investment Act. The following table reflects the ROE's level of risk as of June 30, 2007:

	Carrying Amount	Bank Balance	Category		
			1	2	3
Certificates of deposit	\$ 729,108	\$ 729,067	\$ 185,945	\$543,122	\$ -

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**NOTE 3 - CAPITAL ASSETS**

A summary of changes in capital assets for the year ended June 30, 2007 is as follows:

	Balance July 1, 2006	Additions	Retirements	Balance June 30, 2007
Equipment	\$ 20,966	\$ -	\$ -	\$ 20,966
Accumulated depreciation	(14,260)	(2,604)	-	(16,864)
Capital assets, net	<u>\$ 6,706</u>	<u>\$ (2,604)</u>	<u>\$ -</u>	<u>\$ 4,102</u>

**NOTE 4 - DUE FROM (TO) OTHER GOVERNMENTAL UNITS**

The LaSalle County Regional Office of Education No. 35's Enterprise Funds and Fiduciary Funds have funds due from/to the following government agencies:

**DUE FROM OTHER GOVERNMENTAL UNITS**

Boone/Winnebago Counties Regional Office of Education No. 4	\$ 13,325
Local School Districts	<u>5,435</u>
Total	<u>\$ 18,760</u>

**DUE TO OTHER GOVERNMENTAL UNITS**

Local School Districts	<u>\$ 4,518</u>
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**NOTE 5 - TRANSFERS FROM (TO) OTHER FUNDS**

The composition of interfund transfers for the year ended June 30, 2007 is as follows:

Fund	Transfers-out	Transfers-in
General Fund - ROE/ISC Operations	\$ -	\$ 223,183
Institute Fund	-	10,000
Nonmajor Special Revenue Funds - General Educational Development	(10,000)	-
Proprietary Funds - Administrator's Academy	-	8,152
Proprietary Funds - Workshop	(231,335)	-

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**NOTE 6 - EMPLOYEE BENEFIT PLAN**

The LaSalle County Regional Office of Education No. 35's employees are covered under the Illinois Municipal Retirement Fund. Contributions to the Fund are made by LaSalle County and the LaSalle County Regional Office of Education No. 35 through grant monies on behalf of the LaSalle County Regional Office of Education No. 35 staff employees and grant coordinators.

LaSalle County is a participating member of the Illinois Municipal Retirement Fund whose coverage includes all LaSalle County Regional Office of Education No. 35 employees who:

- a. Occupy a job normally requiring 1,000 hours or more per year or 600 hours or more per year for employees who worked for any IMRF employer prior to January 1, 1982;
- b. Are paid on a regular payroll from County or LaSalle County Regional Office of Education No. 35 funds;
- c. Were under age sixty when first entering employment; and
- d. Are not covered by another state created retirement system for the same service.

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

The Regional Superintendent and Assistant Regional Superintendent of LaSalle County Regional Office of Education No. 35 are paid by the State of Illinois. Certain staff employees of LaSalle County Regional Office of Education No. 35 are employed and paid by LaSalle County (other support staff and grant coordinators are paid by the LaSalle County Regional Office of Education No. 35 through grant monies). LaSalle County Regional Office of Education No. 35 has no separate employee benefit plan.

Illinois Municipal Retirement Fund

The LaSalle County Regional Office of Education No. 35's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly.

IMRF issues a financial report that includes financial statements and required supplementary information. The report may be obtained at [www.imrf.org/pubs/pubs\\_homepage.htm](http://www.imrf.org/pubs/pubs_homepage.htm) or writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
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Employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The member rate is established by State statute. The LaSalle County Regional Office of Education No. 35 is required to contribute at an actuarially determined rate. The employer rate for calendar year 2006 was 12.07% of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2006 was 5 years.

For December 31, 2006, the LaSalle County Regional Office of Education No. 35's annual pension cost of \$38,408 was equal to the LaSalle County Regional Office of Education No. 35's required and actual contributions. The required contribution was determined as part of the December 31, 2004 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2006 actuarial valuation were based on the 2002-2004 experience study.

**TREND INFORMATION**

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/06	\$ 38,408	100%	\$ —
12/31/05	33,981	100%	—
12/31/04	35,974	100%	—
12/31/03	29,504	100%	—
12/31/02	20,991	100%	—
12/31/01	26,670	100%	—
12/31/00	49,362	100%	—
12/31/99	46,770	100%	—
12/31/98	38,744	100%	—
12/31/97	21,634	100%	—

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 7 - RETIREMENT PLANS**

Teachers' Retirement System of the State of Illinois

The LaSalle County Regional Office of Education No. 35 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The State of Illinois maintains primary responsibility for the funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the system's administration.

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2007, was 9.4 percent of creditable earnings. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. In addition, virtually all employers and members pay a contribution to the Teachers' Health Insurance Security (THIS) Fund, a separate fund in the State Treasury that is not a part of this retirement plan. The employer THIS Fund contribution was 0.60 percent during the year ended June 30, 2007, and the member THIS Fund health insurance contribution was 0.80 percent.

The State of Illinois makes contributions directly to TRS on behalf of the LaSalle County Regional Office of Education No. 35's TRS-covered employees.

- **On-behalf Contributions.** The State of Illinois makes employer pension contributions on behalf of the LaSalle County Regional Office of Education No. 35. For the year ended June 30, 2007, the State of Illinois contributions were based on 9.78 percent of creditable earnings, and the LaSalle County Regional Office of Education No. 35 recognized revenue and expenditures of \$32,721 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2006 and June 30, 2005, the State of Illinois contribution rates as percentages of creditable earnings were 7.06 percent (\$29,339) and 11.76 percent (\$48,998), respectively. The state contributions to TRS for the years ended June 30, 2007 and June 30, 2006 were based on dollar amounts specified by the statute and were not actuarially determined. The state contributions for the year ended June 30, 2005 were based on an actuarial formula.

The LaSalle County Regional Office of Education No. 35 makes other types of employer contributions directly to TRS.

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
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- **2.2 Formula Contributions.** Employers contribute 0.58 percent of creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2007 were \$1,941. Contributions for the years ended June 30, 2006, and June 30, 2005, were \$2,410 and \$2,416 respectively.
  
- **Federal and Trust Fund Contributions.** When TRS members are paid from federal and trust funds administered by the LaSalle County Regional Office of Education No. 35, there is a statutory requirement for the LaSalle County Regional Office of Education No. 35 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective in the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and trust funds will be the same as the state contribution rate to TRS. For the year ended June 30, 2007, the employer pension contribution was 9.78 percent of salaries paid from federal and trust funds. For the year ended June 30, 2006, the employer contribution was 7.06 percent of salaries paid from federal and trust funds. For the year ended June 30, 2005, the employer pension contribution was 10.5 percent of salaries paid from those funds. For the year ended June 30, 2007, salaries totaling \$36,449 were paid from federal and trust funds that required employer contributions of \$3,565. For the years ended June 30, 2006 and June 30, 2005, required LaSalle County Regional Office of Education No. 35 contributions were \$2,863 and \$7,395, respectively.
  
- **Early Retirement Option (ERO).** The LaSalle County Regional Office of Education No. 35 is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member and under which ERO program the member retires. Under Public Act 94-0004, a "Pipeline ERO" program is provided for members to retire under the same terms as the ERO program that expired June 30, 2005, provided they meet certain conditions and retire on or before July 1, 2007. If members do not meet these conditions, they can retire under the "Modified ERO" program which requires higher member and employer contributions to TRS. Also, under Modified ERO, Public Act 94-0004 eliminates the waiver of member and employer ERO contributions that had been in effect for members with 34 years of service (unless the member qualifies for the Pipeline ERO). Under the ERO program that expired on June 30, 2005 and the Pipeline ERO, the maximum employer contribution is 100 percent of the member's highest salary used in the final average salary calculation. Under the Modified ERO, the maximum employer contribution is 117.5 percent. Both the 100 percent and 117.5 percent maximums apply when the member is age 55 at retirement. For the year ended June 30, 2007, the LaSalle County Regional Office of Education No. 35 paid \$0 to TRS for employer contributions under the Pipeline ERO and Modified ERO programs. For the years ended June 30, 2006 and June 30, 2005, the LaSalle County Regional Office of Education No. 35 paid \$0 and \$0 in employer ERO contributions, respectively.



**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
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- **Salary Increases Over 6 Percent and Excess Sick Leave.** Public Act 94-0004 added two new employer contributions to TRS.
  - If an employer grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the employer makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent. For the years ended June 30, 2007 and June 30, 2006, the LaSalle County Regional Office of Education No. 35 did not have any payments to TRS for employer contributions due on salary increases in excess of 6 percent.
  - If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary used to calculate final average salary, and the TRS total normal cost rate (17.60 percent of salary during the year ended June 30, 2007). For the years ended June 30, 2007 and June 30, 2006, the LaSalle County Regional Office of Education No. 35 did not have any employer contributions granted for sick leave days in excess of the normal annual allotment.

TRS financial information, an explanation of TRS' benefits, and descriptions of member, employer and State funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2006. The report for the year ended June 30, 2007, is expected to be available in late 2007. The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, P.O. Box 19253, 2815 West Washington Street, Springfield, IL 62794-9253. The most current report is also available on the TRS web site at [trs.illinois.gov](http://trs.illinois.gov).

**NOTE 8 - COMMON BANK ACCOUNT**

The LaSalle County Regional Office of Education No. 35 does not maintain separate bank accounts for all funds. A common checking account is maintained for the Special Revenue Funds (except for the Video Coop, which has its own checking account). A common checking account is also maintained for the LaSalle County Area Purchasing Cooperative and another for the Education Fund.

**NOTE 9 - INTEREST ON DISTRIBUTIVE FUND**

Interest earned on distributive fund receipts is transferred after the end of each fiscal year to the General Fund by the written consent of all affected school boards and other entities. The

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funds are utilized by the Regional Superintendent to purchase computer equipment, develop in-service activities and other innovative programs, as well as assist with the necessary operating expenses of the LaSalle County Regional Office of Education No. 35 office.

**NOTE 10 - SALARIES AND PENSION PLAN CONTRIBUTIONS**

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

Regional Superintendent salary	\$	88,540
Regional Superintendent benefits (includes State paid insurance)		18,033
Assistant Regional Superintendent salary		79,686
Assistant Regional Superintendent benefits (includes State paid insurance)		20,497
TRS contributions		<u>32,721</u>
Total on-behalf payments	\$	<u>239,477</u>

**NOTE 11 - DEFICIT FUND BALANCE**

The General Fund - ROE/ISC Operations has a deficit fund balance of \$24 as of June 30, 2007. The deficit fund balance is expected to be corrected through receipts from local sources and interest income in the next fiscal year.

**REQUIRED SUPPLEMENTARY INFORMATION  
(OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS)**

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2007**

**ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF FUNDING PROGRESS**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
12/31/06	\$ 577,048	\$ 579,943	\$ 2,895	99.50%	\$ 318,207	0.91%
12/31/05	497,675	547,876	50,201	90.84%	280,600	17.89%
12/31/04	421,718	468,921	47,203	89.93%	258,996	18.23%
12/31/03	360,955	421,556	60,601	85.62%	291,254	20.81%
12/31/02	321,870	394,413	72,543	81.61%	279,874	25.92%
12/31/01	310,877	326,215	15,338	95.30%	272,976	5.62%
12/31/00	263,155	252,377	(10,778)	104.27%	339,028	0.00%
12/31/99	184,019	212,968	28,949	86.41%	325,023	8.91%
12/31/98	114,328	167,320	52,992	68.33%	279,540	18.96%
12/31/97	60,553	98,741	38,188	61.33%	209,191	18.26%

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$607,719.  
On a market basis, the funded ratio would be 104.79%.

**\*Digest of Changes**

The actuarial assumptions used to determine the actuarial accrued liability for 2006 are based on the 2002-2004 Experience Study.

The principal changes were:

- The 1994 Group Annuity Mortality implemented.
- For Regular members, fewer normal and more early retirements are expected to occur.

SLEP Member contribution rate changed from 6.5% to 7.5% effective June 1, 2006.

**SUPPLEMENTARY INFORMATION**

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
GENERAL FUND  
COMBINING SCHEDULE OF ACCOUNTS  
JUNE 30, 2007**

**SCHEDULE 1**

	<u>General</u>	<u>ROE/ISC Operations</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 16,813	\$ -	\$ 16,813
Investments	348,370	-	348,370
Accounts receivable	9,501	-	9,501
Prepaid expenses	1,656	1,365	3,021
<b>TOTAL ASSETS</b>	<u>376,340</u>	<u>1,365</u>	<u>377,705</u>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	<u>2,724</u>	<u>1,389</u>	<u>4,113</u>
 <b>FUND BALANCES</b>			
Unreserved	<u>373,616</u>	<u>(24)</u>	<u>373,592</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 376,340</u>	<u>\$ 1,365</u>	<u>\$ 377,705</u>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
GENERAL FUND ACCOUNTS  
COMBINING SCHEDULE OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2007**

**SCHEDULE 2**

	<u>General</u>	<u>ROE/ISC Operations</u>	<u>Total</u>
<b>REVENUE</b>			
State sources	\$ -	\$ 151,894	\$ 151,894
Local sources			
Fees for services	28,130	1,138	29,268
Interest	16,863	222	17,085
On-behalf payments	239,477	-	239,477
	<u>284,470</u>	<u>153,254</u>	<u>437,724</u>
Total revenues			
<b>EXPENDITURES</b>			
Salaries	2,472	150,975	153,447
Benefits	486	47,257	47,743
Purchased services	16,700	93,570	110,270
Supplies and materials	13,083	4,805	17,888
Miscellaneous	2,801	1,458	4,259
Payments to other governmental units	3,400	18,960	22,360
On-behalf payments	239,477	-	239,477
	<u>278,419</u>	<u>317,025</u>	<u>595,444</u>
Total expenditures			
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	6,051	(163,771)	(157,720)
<b>OTHER FINANCING SOURCE</b>			
Transfers in	-	223,183	223,183
<b>EXCESS OF REVENUE AND OTHER FINANCING SOURCE OVER EXPENDITURES</b>	6,051	59,412	65,463
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>	<u>367,565</u>	<u>(59,436)</u>	<u>308,129</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<u>\$ 373,616</u>	<u>\$ (24)</u>	<u>\$ 373,592</u>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
GENERAL FUND ACCOUNTS  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007**

**SCHEDULE 3**

	<u>ROE/ISC Operations</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUE</b>			
State sources	\$ 151,894	\$ 151,894	\$ -
Local sources:			
Fees for services	-	1,138	1,138
Interest	-	222	222
<b>Total revenues</b>	<u>151,894</u>	<u>153,254</u>	<u>1,360</u>
<b>EXPENDITURES</b>			
Salaries	68,272	150,975	(82,703)
Benefits	23,127	47,257	(24,130)
Purchased services	45,454	93,570	(48,116)
Supplies and materials	3,026	4,805	(1,779)
Miscellaneous	45	1,458	(1,413)
Payments to other governmental units	11,970	18,960	(6,990)
<b>Total expenditures</b>	<u>151,894</u>	<u>317,025</u>	<u>(165,131)</u>
<b>DEFICIENCY OF REVENUE OVER EXPENDITURES</b>	<u>\$ -</u>	<u>(163,771)</u>	<u>\$ (163,771)</u>
<b>OTHER FINANCING SOURCE</b>			
Transfers in		<u>223,183</u>	
<b>EXCESS OF REVENUE AND OTHER FINANCING SOURCE OVER EXPENDITURES</b>		59,412	
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>		<u>(59,436)</u>	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>		<u>\$ (24)</u>	



LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 EDUCATION FUND  
 COMBINING SCHEDULE OF ACCOUNTS  
 JUNE 30, 2007

SCHEDULE 4

	McKinney Education for Homeless Children	Regional Safe Schools	Truants Alternative Programs	General State Aid	Title II - Teacher Quality (from Schools)	Learning Technology Center	Summer Standard Aligned Classroom
<b>ASSETS</b>							
Cash and cash equivalents (overdrafts)	\$ 2,699	\$ -	\$ -	\$ 130,504	\$ -	\$ -	\$ (1,000)
Investments	-	-	-	50,000	-	-	-
Accounts receivable	-	-	-	838	-	-	-
Due from other governmental units	-	-	-	-	-	-	1,000
<b>TOTAL ASSETS</b>	<b>2,699</b>	<b>-</b>	<b>-</b>	<b>181,342</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable and accrued expenses	2,699	-	-	8,826	-	-	-
<b>FUND BALANCES</b>							
Unreserved	-	-	-	172,516	-	-	-
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,699</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 181,342</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 EDUCATION FUND  
 COMBINING SCHEDULE OF ACCOUNTS  
 JUNE 30, 2007

SCHEDULE 4  
 (CONTINUED)

	Title I - Reading First Part B SEA Funds	Free Lunch & Breakfast	Homeless / Streater	System of Support	Para-professional	National School Lunch Program
<b>ASSETS</b>						
Cash and cash equivalents (overdrafts)	\$ -	\$ 177	\$ 280	\$ (2,665)	\$ -	\$ 2,009
Investments	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Due from other governmental units	-	-	-	12,325	-	-
<b>TOTAL ASSETS</b>	<u>-</u>	<u>177</u>	<u>280</u>	<u>9,660</u>	<u>-</u>	<u>2,009</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable and accrued expenses	-	-	-	200	-	-
<b>FUND BALANCES</b>						
Unreserved	-	177	280	9,460	-	2,009
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ -</u>	<u>\$ 177</u>	<u>\$ 280</u>	<u>\$ 9,660</u>	<u>\$ -</u>	<u>\$ 2,009</u>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 EDUCATION FUND  
 COMBINING SCHEDULE OF ACCOUNTS  
 JUNE 30, 2007

SCHEDULE 4  
 (CONTINUED)

	School Breakfast Program	Kindergarten	National Board Professional Preparation and Teacher Support System	Mathematics and Science Partnerships	Other Federal Programs	Total
<b>ASSETS</b>						
Cash and cash equivalents (overdrafts)	\$ 1,953	\$ -	\$ -	\$ -	\$ -	\$ 133,957
Investments	-	-	-	-	-	50,000
Accounts receivable	-	-	-	-	-	838
Due from other governmental units	-	-	-	-	-	13,325
<b>TOTAL ASSETS</b>	<u>1,953</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198,120</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable and accrued expenses	-	-	-	-	-	11,725
<b>FUND BALANCES</b>						
Unreserved	1,953	-	-	-	-	186,395
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198,120</u>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 EDUCATION FUND ACCOUNTS  
 COMBINING SCHEDULE OF REVENUE, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2007

	McKinney Education for Homeless Children	Regional Safe Schools	Truants Alternative Programs	General State Aid	Title II - Teacher Quality (from Schools)	Learning Technology Center	Summer Standard Aligned Classroom
<b>REVENUE</b>							
Federal sources	\$ 53,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	171,283	105,634	418,026	-	46,841	1,000
Local sources	-	-	6,374	-	18,591	-	100
Fees for services	9	-	18	2,729	93	20	-
Interest	-	-	-	-	-	-	-
Total revenue	53,009	171,283	112,026	420,755	18,684	46,861	1,100
<b>EXPENDITURES</b>							
Salaries	37,313	139,815	85,090	193,099	6,194	19,263	601
Benefits	11,799	27,598	26,936	37,560	970	765	-
Purchased services	1,254	1,396	-	56,276	9,670	26,833	324
Supplies and materials	5,246	2,474	-	12,799	-	-	-
Miscellaneous	9	-	-	212	100	-	18
Payments to other governmental units	-	-	-	263,051	1,750	-	157
Total expenditures	55,621	171,283	112,026	562,997	18,684	46,861	1,100
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	(2,612)	-	-	(142,242)	-	-	-
<b>FUND BALANCES, BEGINNING OF YEAR</b>	2,612	-	-	314,758	-	-	-
<b>FUND BALANCES, END OF YEAR</b>	\$ -	\$ -	\$ -	\$ 172,516	\$ -	\$ -	\$ -

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
EDUCATION FUND ACCOUNTS  
COMBINING SCHEDULE OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2007

	Title I - Reading First Part B SEA Funds	Free Lunch & Breakfast	Homeless / Strentor	System of Support	Para-professional	National School Lunch Program
<b>REVENUE</b>						
Federal sources	\$ 5,672	-	-	\$ 45,070	\$ -	\$ 11,391
State sources	-	987	-	-	-	-
Local sources	-	-	-	-	-	-
Fees for services	-	-	-	-	-	-
Interest	7	3	4	82	-	19
Total revenue	<u>5,679</u>	<u>990</u>	<u>4</u>	<u>45,152</u>	<u>-</u>	<u>11,410</u>
<b>EXPENDITURES</b>						
Salaries	-	-	-	10,659	-	-
Benefits	-	-	-	57	-	-
Purchased services	5,733	716	-	4,830	-	9,905
Supplies and materials	-	135	110	232	-	75
Miscellaneous	-	101	-	-	1	100
Payments to other governmental units	-	-	-	24,967	-	-
Total expenditures	<u>5,733</u>	<u>952</u>	<u>110</u>	<u>40,745</u>	<u>1</u>	<u>10,080</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	(54)	38	(106)	4,407	(1)	1,330
<b>FUND BALANCES, BEGINNING OF YEAR</b>	54	139	386	5,053	1	679
<b>FUND BALANCES, END OF YEAR</b>	<u>-</u>	<u>\$ 177</u>	<u>\$ 280</u>	<u>\$ 9,460</u>	<u>\$ -</u>	<u>\$ 2,009</u>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
EDUCATION FUND ACCOUNTS  
COMBINING SCHEDULE OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2007

	School Breakfast Program	Kindergarten	National Board Professional Preparation and Teacher Support System	Mathematics and Science Partnerships	Other Federal Programs	Total
<b>REVENUE</b>						
Federal sources	\$ 6,029	-	-	\$ 3,000	\$ 10,000	\$ 134,162
State sources	-	3,600	2,000	-	-	749,371
Local sources	-	-	-	-	-	25,065
Fees for services	19	-	2	-	30	3,035
Interest	6,048	3,600	2,002	3,000	10,030	911,633
Total revenue						
<b>EXPENDITURES</b>						
Salaries	-	3,129	1,348	2,427	3,113	502,051
Benefits	-	86	134	473	302	106,680
Purchased services	3,995	320	420	-	773	122,445
Supplies and materials	-	65	-	-	3,132	24,268
Miscellaneous	100	-	100	100	30	871
Payments to other governmental units	-	-	-	-	2,680	292,605
Total expenditures	4,095	3,600	2,002	3,000	10,030	1,048,920
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	1,953	-	-	-	-	(137,287)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	-	-	-	-	-	323,682
<b>FUND BALANCES, END OF YEAR</b>	\$ 1,953	\$ -	\$ -	\$ -	\$ -	\$ 186,395

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 EDUCATION FUND ACCOUNTS  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 6

	Regional Safe Schools			Truants Alternative Programs		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUE</b>						
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	171,283	171,283	-	105,634	105,634	-
Local sources	-	-	-	-	-	-
Fees for services	-	-	-	-	6,374	6,374
Interest	-	-	-	-	18	18
Total revenue	171,283	171,283	-	105,634	112,026	6,392
<b>EXPENDITURES</b>						
Salaries	139,815	139,815	-	80,437	85,090	(4,653)
Benefits	27,598	27,598	-	25,197	26,936	(1,739)
Purchased services	1,396	1,396	-	-	-	-
Supplies and materials	2,474	2,474	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Payments to other governmental units	-	-	-	-	-	-
Total expenditures	171,283	171,283	-	105,634	112,026	(6,392)
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>FUND BALANCES, JULY 1, 2006</b>						
<b>FUND BALANCES, JUNE 30, 2007</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 EDUCATION FUND ACCOUNTS  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 6  
 (CONTINUED)

	Learning Technology Center		Other Federal Programs		Total		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	Budget	Actual	
<b>REVENUE</b>							
Federal sources	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ -
State sources	46,841	46,841	-	-	-	323,758	323,758
Local sources	-	-	-	-	-	-	-
Fees for services	-	-	-	-	-	-	6,374
Interest	-	20	-	30	30	-	68
Total revenue	46,841	46,861	10,000	10,030	30	333,758	340,200
<b>EXPENDITURES</b>							
Salaries	17,935	19,263	1,397	3,113	(1,716)	239,584	247,281
Benefits	625	765	103	302	(199)	53,523	55,601
Purchased services	28,281	26,833	1,000	773	227	30,677	29,002
Supplies and materials	-	-	3,000	3,132	(132)	5,474	5,606
Miscellaneous	-	-	-	30	(30)	-	30
Payments to other governmental units	-	-	4,500	2,680	1,820	4,500	2,680
Total expenditures	46,841	46,861	10,000	10,030	(30)	333,758	340,200
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EXCESS OF REVENUE OVER EXPENDITURES

FUND BALANCES, JULY 1, 2006

FUND BALANCES, JUNE 30, 2007



LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 NONMAJOR SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2007

SCHEDULE 7

	General Educational Development	School Bus Driver Training	Supervisory	Annexation and Sales Petition	Hazard Safety Reimbursement
<b>ASSETS</b>					
Cash and cash equivalents	\$ 6,130	\$ 735	\$ -	\$ 2,492	\$ 1,423
Investments	9,658	11,088	-	-	-
Accounts receivable	405	329	-	-	5
<b>TOTAL ASSETS</b>	<u>16,193</u>	<u>12,152</u>	<u>-</u>	<u>2,492</u>	<u>1,428</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	225	222	-	-	-
<b>FUND BALANCES</b>					
Unreserved	15,968	11,930	-	2,492	1,428
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 16,193</u>	<u>\$ 12,152</u>	<u>\$ -</u>	<u>\$ 2,492</u>	<u>\$ 1,428</u>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 NONMAJOR SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2007

SCHEDULE 7  
 (CONTINUED)

	Network for Information	Counselors Academy	Standards - Aligned Classroom Project	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 519	\$ -	\$ -	\$ 11,299
Investments	-	-	-	20,746
Accounts receivable	-	-	-	739
<b>TOTAL ASSETS</b>	<u>519</u>	<u>-</u>	<u>-</u>	<u>32,784</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	-	-	-	447
<b>FUND BALANCES</b>				
Unreserved	519	-	-	32,337
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 519</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,784</u>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2007**

**SCHEDULE 8**

	<b>General</b>	<b>School Bus</b>	<b>Supervisory</b>	<b>Annexation and</b>	<b>Hazard Safety</b>
	<b>Educational</b>	<b>Driver Training</b>	<b>Supervisory</b>	<b>Sales Petition</b>	<b>Reimbursement</b>
	<b>Development</b>	<b>Driver Training</b>	<b>Supervisory</b>	<b>Sales Petition</b>	<b>Reimbursement</b>
<b>REVENUE</b>					
State sources	\$ -	\$ -	\$ 1,000	\$ -	\$ -
Local sources					
Fees for services	8,475	2,496	-	-	5
Interest	495	420	2	29	13
Total revenue	<u>8,970</u>	<u>2,916</u>	<u>1,002</u>	<u>29</u>	<u>18</u>
<b>EXPENDITURES</b>					
Salaries	-	952	-	-	-
Benefits	-	220	-	-	-
Purchased services	2,845	2,111	1,002	110	-
Supplies and materials	2,237	-	-	-	-
Miscellaneous	150	55	-	-	-
Payments to other governmental units	-	-	-	-	-
Total expenditures	<u>5,232</u>	<u>3,338</u>	<u>1,002</u>	<u>110</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	3,738	(422)	-	(81)	18
<b>OTHER FINANCING USES:</b>					
Transfers out	(10,000)	-	-	-	-
<b>EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING USES OVER EXPENDITURES</b>	(6,262)	(422)	-	(81)	18
<b>FUND BALANCES, BEGINNING OF YEAR</b>	22,230	12,352	-	2,573	1,410
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 15,968</u>	<u>\$ 11,930</u>	<u>\$ -</u>	<u>\$ 2,492</u>	<u>\$ 1,428</u>

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2007**

	Network for Information	Counselors Academy	Standards - Aligned Classroom Project	Total
<b>REVENUE</b>				
State sources	-	-	\$ 12,947	\$ 13,947
Local sources				
Fees for services	-	-	-	10,976
Interest	6	1	16	982
Total revenue	6	1	12,963	25,905
<b>EXPENDITURES</b>				
Salaries	-	-	7,975	8,927
Benefits	-	-	539	759
Purchased services	-	-	2,347	8,415
Supplies and materials	-	-	25	2,262
Miscellaneous	100	43	77	425
Payments to other governmental units	-	-	2,000	2,000
Total expenditures	100	43	12,963	22,788
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	(94)	(42)	-	3,117
<b>OTHER FINANCING USES:</b>				
Transfers out	-	-	-	(10,000)
<b>EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING USES OVER EXPENDITURES</b>	(94)	(42)	-	(6,883)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	613	42	-	39,220
<b>FUND BALANCES, END OF YEAR</b>	519	-	-	\$ 32,337

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 NONMAJOR PROPRIETARY FUNDS  
 COMBINING STATEMENT OF NET ASSETS  
 JUNE 30, 2007

SCHEDULE 9

	Regional Safe School Meals	LaSalle County Area Purchasing Coop	American College Testing Student Fees	Excellence in Education	Technology Local Fees
<b>ASSETS</b>					
Cash and cash equivalents (overdrafts)	\$ 3,621	\$ 9,537	\$ 3,034	\$ 10,983	\$ 20,483
Investments	-	17,000	-	26,286	-
Accounts receivable	-	116	-	36	-
Due from other governmental units	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>3,621</b>	<b>26,653</b>	<b>3,034</b>	<b>37,305</b>	<b>20,483</b>
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	-	441	-	-	-
Deferred revenues	-	9,034	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>9,475</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS</b>					
Unrestricted	3,621	17,178	3,034	37,305	20,483
<b>TOTAL NET ASSETS</b>	<b>\$ 3,621</b>	<b>\$ 17,178</b>	<b>\$ 3,034</b>	<b>\$ 37,305</b>	<b>\$ 20,483</b>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 NONMAJOR PROPRIETARY FUNDS  
 COMBINING STATEMENT OF NET ASSETS  
 JUNE 30, 2007

SCHEDULE 9  
 (CONTINUED)

	Tech Workbooks (NCREL)	Administrator's Academy	Discovery United Streaming Coop.	Criminal Background Investigation	Total
<b>ASSETS</b>					
Cash and cash equivalents (overdrafts)	\$ -	\$ 11,149	\$ 18,001	\$ (649)	\$ 76,159
Investments	-	-	-	-	43,286
Accounts receivable	-	-	-	-	152
Due from other governmental units	-	705	-	4,730	5,435
<b>TOTAL ASSETS</b>	-	11,854	18,001	4,081	125,032
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	-	523	-	-	964
Deferred revenues	-	-	17,710	-	26,744
<b>TOTAL LIABILITIES</b>	-	523	17,710	-	27,708
<b>NET ASSETS</b>					
Unrestricted	-	11,331	291	4,081	97,324
<b>TOTAL NET ASSETS</b>	\$ -	\$ 11,331	\$ 291	\$ 4,081	\$ 97,324

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 NONMAJOR PROPRIETARY FUNDS  
 COMBINING STATEMENT OF REVENUE, EXPENSES,  
 AND CHANGES IN FUND NET ASSETS  
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 10

	Regional Safe School Meals	LaSalle County Area Purchasing Coop	American College Testing Student Fees	Excellence in Education	Technology Local Fees
	\$ 2,738	\$ 29,103	\$ 7,810	\$ 19,999	\$ -
<b>OPERATING REVENUE</b>					
Fees for services					
<b>OPERATING EXPENSES</b>					
Salaries	-	12,625	-	-	-
Benefits	-	2,498	-	-	-
Purchased services	-	1,120	3,440	7,759	-
Supplies and materials	468	13	3,757	4,568	-
Miscellaneous	100	3,015	-	76	100
Payments to other governmental units	-	-	-	-	-
Total operating expenses	568	19,271	7,197	12,403	100
<b>OPERATING INCOME (LOSS)</b>	2,170	9,832	613	7,596	(100)
<b>NONOPERATING REVENUE</b>					
Interest	27	369	48	1,093	560
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	2,197	10,201	661	8,689	460
<b>OPERATING TRANSFERS</b>					
Transfers in	-	-	-	-	-
<b>CHANGE IN NET ASSETS</b>	2,197	10,201	661	8,689	460
<b>NET ASSETS, BEGINNING OF YEAR</b>	1,424	6,977	2,373	28,616	20,023
<b>NET ASSETS, END OF YEAR</b>	\$ 3,621	\$ 17,178	\$ 3,034	\$ 37,305	\$ 20,483

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 NONMAJOR PROPRIETARY FUNDS  
 COMBINING STATEMENT OF REVENUE, EXPENSES,  
 AND CHANGES IN FUND NET ASSETS  
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 10  
 (CONTINUED)

	Tech Workbooks (NCREL)	Administrator's Academy	Discovery United Streaming Coop	Criminal Background Investigation	Total
<b>OPERATING REVENUE</b>					
Fees for services	\$ -	\$ 24,705	\$ 27,919	\$ 7,345	\$ 119,619
<b>OPERATING EXPENSES</b>					
Salaries	-	20,289	-	-	32,914
Benefits	-	294	-	-	2,792
Purchased services	-	12,697	27,600	4,720	57,336
Supplies and materials	-	2,716	-	-	11,522
Miscellaneous	3	-	100	-	3,394
Payments to other governmental units	-	1,250	-	-	1,250
Total operating expenses	3	37,246	27,700	4,720	109,208
<b>OPERATING INCOME (LOSS)</b>	(3)	(12,541)	219	2,625	10,411
<b>NONOPERATING REVENUE</b>					
Interest	-	529	37	1	2,664
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	(3)	(12,012)	256	2,626	13,075
<b>OPERATING TRANSFERS</b>					
Transfers in	-	8,152	-	-	8,152
<b>CHANGE IN NET ASSETS</b>	(3)	(3,860)	256	2,626	21,227
<b>NET ASSETS, BEGINNING OF YEAR,</b>	3	15,191	35	1,455	76,097
<b>NET ASSETS, END OF YEAR</b>	\$ -	\$ 11,331	\$ 291	\$ 4,081	\$ 97,324



LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 NONMAJOR PROPRIETARY FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 11

	Regional Safe School Meals	LaSalle County Area Purchasing Coop	American College Testing Student Fees	Excellence in Education	Technology Local Fees
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Receipts for workshops and services	\$ 2,738	\$ 27,863	\$ 7,810	\$ 19,999	\$ -
Payments to employees	-	(15,123)	-	-	-
Payments to suppliers	(568)	(3,707)	(7,197)	(12,403)	(100)
Net cash provided by (used in) operating activities	2,170	9,033	613	7,596	(100)
<b>CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITY:</b>					
Transfers in	-	-	-	-	-
Net cash provided by noncapital financing activity	-	-	-	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Investments	-	(17,000)	-	(936)	-
Interest	27	253	48	1,057	560
Net cash provided by (used in) investment activities	27	(16,747)	48	121	560
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	2,197	(7,714)	661	7,717	460
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	1,424	17,251	2,373	3,266	20,023
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 3,621	\$ 9,537	\$ 3,034	\$ 10,983	\$ 20,483
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ 2,170	\$ 9,832	\$ 613	\$ 7,596	\$ (100)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Effects of changes in assets and liabilities:					
Accounts receivable	-	-	-	-	-
Due from other governmental units	-	-	-	-	-
Accounts payable and accrued expenses	-	441	-	-	-
Deferred revenues	-	(1,240)	-	-	-
Net cash provided by (used in) operating activities	\$ 2,170	\$ 9,033	\$ 613	\$ 7,596	\$ (100)

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 NONMAJOR PROPRIETARY FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 11  
 (CONTINUED)

	Tech Workbooks (NCREL)	Administrator's Academy	Discovery United Streaming Coop	Criminal Background Investigation	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Receipts for workshops and services	\$ -	\$ 23,730	\$ 28,029	\$ 3,095	\$ 113,264
Payments to employees	-	(20,583)	-	-	(35,706)
Payments to suppliers	(3)	(16,140)	(27,700)	(4,720)	(72,538)
Net cash provided by (used in) operating activities	(3)	(12,993)	329	(1,625)	5,020
<b>CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITY:</b>					
Transfers in	-	8,152	-	-	8,152
Net cash provided by noncapital financing activity	-	8,152	-	-	8,152
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Investments	-	-	-	-	(17,936)
Interest	-	529	37	1	2,512
Net cash provided by (used in) investment activities	-	529	37	1	(15,424)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(3)</b>	<b>(4,312)</b>	<b>366</b>	<b>(1,624)</b>	<b>(2,252)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>3</b>	<b>15,461</b>	<b>17,635</b>	<b>975</b>	<b>78,411</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ -</b>	<b>\$ 11,149</b>	<b>\$ 18,001</b>	<b>\$ (649)</b>	<b>\$ 76,159</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ (3)	\$ (12,541)	\$ 219	\$ 2,625	\$ 10,411
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Effects of changes in assets and liabilities:					
Accounts receivable	-	-	-	480	480
Due from other governmental units	-	(705)	-	(4,730)	(5,435)
Accounts payable and accrued expenses	-	523	-	-	964
Deferred revenues	-	(270)	110	-	(1,400)
Net cash provided by (used in) operating activities	\$ (3)	\$ (12,993)	\$ 329	\$ (1,625)	\$ 5,020

**LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**  
**JUNE 30, 2007**

**SCHEDULE 12**

	<u>Distributive</u>	<u>Payroll</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	<u>\$ 4,452</u>	<u>\$ 66</u>	<u>\$ 4,518</u>
<b>LIABILITIES</b>			
Due to other governmental units	<u>\$ 4,452</u>	<u>\$ 66</u>	<u>\$ 4,518</u>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 FIDUCIARY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 13

	<u>Balance</u> <u>July 1, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2007</u>
<b>DISTRIBUTIVE</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,761	\$ 66,415,744	\$ 66,413,053	\$ 4,452
<b>LIABILITIES</b>				
Due to other governmental units	\$ 1,761	\$ 66,415,744	\$ 66,413,053	\$ 4,452
 <b>PAYROLL</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 72	\$ 305,763	\$ 305,769	\$ 66
<b>LIABILITIES</b>				
Due to other governmental units	\$ 72	\$ 305,763	\$ 305,769	\$ 66
 <b>TOTAL - ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,833	\$ 66,721,507	\$ 66,718,822	\$ 4,518
<b>LIABILITIES</b>				
Due to other governmental units	\$ 1,833	\$ 66,721,507	\$ 66,718,822	\$ 4,518

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
DISTRIBUTIVE FUND  
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHERS  
FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 14

Program	Allen Otter Creek CC #65	Deer Park CC #82	Dimmick CC #175	Earlville Community #9	Grand Ridge CC #95	Holy Cross School
General State Aid	\$ 223,249	\$ 173,037	\$ 27,271	\$ 1,037,139	\$ 780,621	\$ -
General State Aid - Hold Harmless/Supplemental	24,356	39,019	-	-	-	-
Reorganization Incentive - Attendance	16,260	-	-	-	-	-
Reorganization Incentive - Salary Difference	8,078	-	12,707	-	-	-
Reorganization Incentive - Certified Salary	44,000	-	-	-	-	-
Transition Assistance	-	4,489	-	-	-	-
Special Ed. - Private Facility Tuition	32,932	-	-	36,605	-	-
Special Ed. - Extraordinary	9,277	10,446	-	52,204	32,646	-
Special Ed. - Personnel	20,874	12,543	12,007	100,839	71,929	-
Special Ed. - Orphanage - Individual	1,094	-	-	20,584	5,188	-
Special Ed. - Orphanage - Summer	-	-	-	-	-	-
Special Ed. - Summer School	590	-	-	-	-	-
Bilingual Ed. - Downstate - T.P.I. & T.B.E.	-	-	-	-	-	-
State Free Lunch & Breakfast	219	43	147	1,714	1,586	86
School Breakfast Incentive	-	-	-	-	30	-
Driver Education	-	-	-	4,772	-	-
Transportation - Regular and Vocational	66,371	60,619	42,262	140,422	203,157	-
Transportation - Special Education	47,233	17,697	9,997	22,300	59	-
ROE School Bus Driver Training	-	-	-	-	-	-
National Board Certification Initiatives	-	-	-	-	-	-
Truants Alternative/Optional Ed.	-	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-	-
Early Childhood - Block Grant	-	-	-	-	-	-
Reading Improvement Block Grant	5,080	-	4,307	14,486	29,515	-
ROE/ISC Operations	-	-	-	-	-	-
Supervisory Expense	-	-	-	-	-	-
ADA Safety and Educational Block Grant	4,678	5,674	4,166	16,810	-	-
Technology - Learning Technology Centers	-	-	-	-	-	-
Orphanage Tuition 18-3	-	-	-	-	-	-
Title IV - Innovative Programs - Formula	158	85	133	761	551	-
Title VI - Rural Education Initiative	-	-	-	-	-	-
National School Lunch Program	7,715	3,335	5,268	44,652	30,389	5,272
Special Milk Program	-	-	-	-	-	-
School Breakfast Program	-	-	-	-	7,498	-
Child & Adult Care Food Program	-	-	-	-	-	-
Child Nutrition	21	14	11	45	68	-
Title I - Low Income	3,699	-	-	74,104	29,334	-
Title I - Reading First	-	-	-	-	-	-
Even Start	-	-	-	-	-	-
Title I - Migrant Education	-	-	-	-	-	-
Title I - Migrant Incentive	-	-	-	-	-	-
Safe & Drug Free Sch. - Formula	280	206	191	3,404	1,042	-
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	-	-	-
Fed. - Sp. Ed. - I.D.E.A. - Flow Through	-	-	-	-	-	-
Fed. - Sp. Ed. - I.D.E.A. - Room & Board	70	-	-	79,093	360	-
Title IIA-State Leadership	-	-	-	-	-	-
Emergency Immigrant Assistance	-	-	-	-	-	-
Title III - Lang Inst Prog	-	-	-	-	-	-
Title II - Teacher Quality	8,398	14,637	3,510	28,362	12,535	-
Technology Enhancing Education - Formula	-	193	-	788	360	-
Other Federal Programs	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 524,632</b>	<b>\$ 342,037</b>	<b>\$ 121,977</b>	<b>\$ 1,679,084</b>	<b>\$ 1,206,868</b>	<b>\$ 5,358</b>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
DISTRIBUTIVE FUND  
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHERS  
FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 14  
(CONTINUED)

Program	Holy Family School	LaSalle County ROE	LaSalle County Treasurer	LaSalle Elementary #122	LaSalle Peru Twp. H.S. #120	Lease
General State Aid	\$ -	\$ 418,026	\$ -	\$ 2,664,960	\$ 1,861,389	\$ -
General State Aid - Hold Harmless/Supplemental	-	-	-	-	-	-
Reorganization Incentive - Attendance	-	-	-	-	-	-
Reorganization Incentive - Salary Difference	-	-	-	-	-	-
Reorganization Incentive - Certified Salary	-	-	-	-	-	-
Transition Assistance	-	-	-	-	-	-
Special Ed. - Private Facility Tuition	-	-	-	102,840	46,610	-
Special Ed. - Extraordinary	-	-	-	138,905	163,966	-
Special Ed. - Personnel	-	-	-	191,676	252,340	422,612
Special Ed. - Orphanage - Individual	-	-	-	-	3,228	-
Special Ed. - Orphanage - Summer	-	-	-	-	-	-
Special Ed. - Summer School	-	-	-	1,543	537	-
Bilingual Ed. - Downstate - T.P.I. & T.B.E.	-	-	-	4,450	6,267	-
State Free Lunch & Breakfast	-	987	-	11,508	3,009	240
School Breakfast Incentive	-	-	-	612	154	-
Driver Education	-	-	-	-	47,199	-
Transportation - Regular and Vocational	-	-	-	42,549	259,207	-
Transportation - Special Education	-	-	-	141,615	88,344	-
ROE School Bus Driver Training	-	600	-	-	-	-
National Board Certification Initiatives	-	-	-	-	-	-
Truants Alternative/Optional Ed.	-	105,634	-	-	122,794	-
Regional Safe Schools	-	171,283	-	-	-	-
Early Childhood - Block Grant	-	-	-	298,425	-	-
Reading Improvement Block Grant	-	-	-	59,825	-	-
ROE/ISC Operations	-	151,894	-	-	-	-
Supervisory Expense	-	1,000	-	-	-	-
ADA Safety and Educational Block Grant	-	-	-	31,515	46,082	-
Technology - Learning Technology Centers	-	46,841	-	-	-	-
Orphanage Tuition 18-3	-	-	117,065	-	-	-
Title IV - Innovative Programs - Formula	-	-	-	1,596	3,777	-
Title VI - Rural Education Initiative	-	-	-	21,919	-	-
National School Lunch Program	-	11,391	-	188,372	63,316	5,845
Special Milk Program	3,368	-	-	-	-	-
School Breakfast Program	-	6,029	-	50,354	8,296	-
Child & Adult Care Food Program	-	-	-	-	-	-
Child Nutrition	-	-	-	163	73	-
Title I - Low Income	-	-	-	393,571	159,568	-
Title I - Reading First	-	-	-	7,164	-	-
Even Start	-	-	-	-	-	-
Title I - Migrant Education	-	-	-	-	-	-
Title I - Migrant Incentive	-	-	-	-	-	-
Safe & Drug Free Sch. - Formula	-	-	-	6,440	4,302	-
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	-	-	156,464
Fed. - Sp. Ed. - I.D.E.A. - Flow Through	-	-	-	-	-	4,120,997
Fed. - Sp. Ed. - I.D.E.A. - Room & Board	-	-	-	-	-	-
Title IIA-State Leadership	-	-	-	-	22,975	-
Emergency Immigrant Assistance	-	-	-	-	-	-
Title III - Lang Inst Prog	-	-	-	-	-	-
Title II - Teacher Quality	-	-	-	84,436	54,729	-
Technology Enhancing Education - Formula	-	-	-	11,780	2,696	-
Other Federal Programs	-	10,000	-	-	-	-
<b>TOTAL</b>	<b>\$ 3,368</b>	<b>\$ 923,685</b>	<b>\$ 117,065</b>	<b>\$ 4,456,218</b>	<b>\$ 3,220,858</b>	<b>\$ 4,706,158</b>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 DISTRIBUTIVE FUND  
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHERS  
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 14  
 (CONTINUED)

Program	Leland Comm. #1	Lighted Way Assoc., Inc	Lostant CUSD #425	L-P Area Voc. Center	Marseilles Elementary #150	Mendota CC #289
General State Aid	\$ 514,618	\$ -	\$ 123,316	\$ -	\$ 1,649,183	\$ 3,013,852
General State Aid - Hold Harmless/Supplemental	13,473	-	-	-	-	-
Reorganization Incentive - Attendance	-	-	-	-	-	-
Reorganization Incentive - Salary Difference	-	-	-	-	-	-
Reorganization Incentive - Certified Salary	-	-	-	-	-	-
Transition Assistance	10,504	-	-	-	-	-
Special Ed. - Private Facility Tuition	33,887	-	5,876	-	58,484	80,183
Special Ed. - Extraordinary	14,905	-	6,289	-	102,072	120,250
Special Ed. - Personnel	66,707	-	15,705	-	137,750	242,305
Special Ed. - Orphanage - Individual	-	-	-	-	-	8,187
Special Ed. - Orphanage - Summer	-	-	-	-	-	-
Special Ed. - Summer School	834	-	-	-	2,052	1,423
Bilingual Ed. - Downstate - T.P.I. & T.B.E.	-	-	-	-	-	18,800
State Free Lunch & Breakfast	491	-	264	-	4,467	11,115
School Breakfast Incentive	-	-	-	-	188	454
Driver Education	4,310	-	-	-	-	-
Transportation - Regular and Vocational	77,381	-	81,809	18,088	-	308,837
Transportation - Special Education	79,880	-	53,552	-	131,246	169,035
ROE School Bus Driver Training	-	-	-	-	-	-
National Board Certification Initiatives	-	-	-	-	-	6,000
Truants Alternative/Optional Ed.	-	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-	-
Early Childhood - Block Grant	-	-	-	-	180,375	243,763
Reading Improvement Block Grant	9,493	-	3,313	-	23,634	63,271
ROE/ISC Operations	-	-	-	-	-	-
Supervisory Expense	-	-	-	-	-	-
ADA Safety and Educational Block Grant	11,618	-	4,907	-	19,861	46,617
Technology - Learning Technology Centers	-	-	-	-	-	-
Orphanage Tuition 18-3	-	-	-	-	-	-
Title IV - Innovative Programs - Formula	489	-	118	-	866	2,392
Title VI - Rural Education Initiative	-	-	-	-	-	-
National School Lunch Program	26,038	-	9,722	-	82,285	238,877
Special Milk Program	-	43	-	-	-	2,174
School Breakfast Program	-	-	-	-	16,692	39,404
Child & Adult Care Food Program	-	-	-	-	-	3,962
Child Nutrition	59	-	17	-	93	254
Title I - Low Income	26,789	-	3,373	-	77,591	217,345
Title I - Reading First	-	-	-	-	-	-
Even Start	-	-	-	-	-	-
Title I - Migrant Education	-	-	-	-	-	107,852
Title I - Migrant Incentive	-	-	-	-	-	8,250
Safe & Drug Free Sch. - Formula	903	-	169	-	2,687	4,613
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	-	-	-
Fed. - Sp. Ed. - I.D.E.A. - Flow Through	-	-	-	-	-	-
Fed. - Sp. Ed. - I.D.E.A. - Room & Board	-	-	-	-	95,630	2,117
Title IIA-State Leadership	-	-	-	-	-	-
Emergency Immigrant Assistance	-	-	-	-	-	-
Title III - Lang Inst Prog	-	-	-	-	-	-
Title II - Teacher Quality	8,284	-	2,972	-	19,763	73,890
Technology Enhancing Education - Formula	285	-	108	-	689	2,451
Other Federal Programs	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 900,948</b>	<b>\$ 43</b>	<b>\$ 311,510</b>	<b>\$ 18,088</b>	<b>\$ 2,605,608</b>	<b>\$ 5,037,673</b>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
DISTRIBUTIVE FUND  
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHERS  
FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 14  
(CONTINUED)

Program	Mendota Twp. H.S. #280	Miller Twp. CC #210	Oglesby Elementary #125	Ottawa Elem. #141	Ottawa Twp. H.S. #140	Peru Elementary #124
General State Aid	\$ 1,412,629	\$ 367,657	\$ 1,040,301	\$ 4,509,985	\$ 2,991,181	\$ 1,475,506
General State Aid - Hold Harmless/Supplemental	-	-	-	-	-	-
Reorganization Incentive - Attendance	-	-	-	-	-	-
Reorganization Incentive - Salary Difference	-	-	-	-	-	-
Reorganization Incentive - Certified Salary	-	-	-	-	-	-
Transition Assistance	-	-	-	-	-	-
Special Ed. - Private Facility Tuition	-	4,245	-	34,470	108,506	32,971
Special Ed. - Extraordinary	38,589	24,464	29,787	230,457	99,149	96,995
Special Ed. - Personnel	98,673	26,201	85,734	552,488	241,652	217,368
Special Ed. - Orphanage - Individual	21,125	-	-	17,020	15,811	13,502
Special Ed. - Orphanage - Summer	-	-	-	-	-	-
Special Ed. - Summer School	-	-	-	406	3,202	1,714
Bilingual Ed. - Downstate - T.P.I. & T.B.E.	1,955	-	-	-	2,042	-
State Free Lunch & Breakfast	1,665	282	2,650	13,615	1,333	3,289
School Breakfast Incentive	12	-	76	212	-	-
Driver Education	23,090	-	-	-	62,667	-
Transportation - Regular and Vocational	153,552	112,694	69,682	115,234	191,603	103,112
Transportation - Special Education	57,972	38,728	54,303	256,919	204,563	63,860
ROE School Bus Driver Training	-	-	-	-	-	-
National Board Certification Initiatives	3,000	-	-	-	-	4,000
Truants Alternative/Optional Ed.	-	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-	-
Early Childhood - Block Grant	-	-	422,807	386,030	-	-
Reading Improvement Block Grant	-	9,824	21,373	114,020	-	52,419
ROE/ISC Operations	-	-	-	-	-	-
Supervisory Expense	-	-	-	-	-	-
ADA Safety and Educational Block Grant	23,573	9,305	15,264	74,761	60,721	35,344
Technology - Learning Technology Centers	-	-	-	-	-	-
Orphanage Tuition 18-3	-	-	-	-	-	-
Title IV - Innovative Programs - Formula	1,000	304	1,065	4,411	2,690	1,851
Title VI - Rural Education Initiative	-	-	-	-	-	-
National School Lunch Program	43,447	11,966	52,554	291,509	-	99,053
Special Milk Program	-	-	-	-	5,292	-
School Breakfast Program	2,139	-	12,844	30,994	-	-
Child & Adult Care Food Program	-	-	-	-	-	-
Child Nutrition	49	38	66	350	-	129
Title I - Low Income	61,584	24,583	70,980	567,962	143,167	329,198
Title I - Reading First	-	-	-	-	-	-
Even Start	-	-	-	-	-	-
Title I - Migrant Education	-	-	-	-	-	-
Title I - Migrant Incentive	-	-	-	-	-	-
Safe & Drug Free Sch. - Formula	2,164	774	1,896	12,548	4,558	5,955
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	-	-	-
Fed. - Sp. Ed. - I.D.E.A. - Flow Through	-	-	-	-	-	-
Fed. - Sp. Ed. - I.D.E.A. - Room & Board	36	275	300	1,405	92,697	388
Title IIA-State Leadership	-	-	-	-	-	-
Emergency Immigrant Assistance	-	-	-	-	-	-
Title III - Lang Inst Prog	-	-	-	-	-	-
Title II - Teacher Quality	2,346	10,315	24,006	114,590	39,170	39,751
Technology Enhancing Education - Formula	616	780	803	5,782	1,001	2,253
Other Federal Programs	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 1,949,216</b>	<b>\$ 642,435</b>	<b>\$ 1,906,491</b>	<b>\$ 7,335,168</b>	<b>\$ 4,271,005</b>	<b>\$ 2,578,658</b>



LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
 DISTRIBUTIVE FUND  
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHERS  
 FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 14  
 (CONTINUED)

Program	Rutland CC #230	Seneca CC #170	Seneca Twp. H.S. #160	Serena Community #2	St. Anthony School	St. Patrick School
General State Aid	\$ 54,297	\$ 170,112	\$ 120,008	\$ 708,059	\$ -	\$ -
General State Aid - Hold Harmless/Supplemental	-	-	18,021	253,656	-	-
Reorganization Incentive - Attendance	-	-	-	-	-	-
Reorganization Incentive - Salary Difference	-	-	-	-	-	-
Reorganization Incentive - Certified Salary	-	-	-	-	-	-
Transition Assistance	-	2,547	-	-	-	-
Special Ed. - Private Facility Tuition	21,197	19,485	30	88,936	-	-
Special Ed. - Extraordinary	9,460	29,536	11,496	96,743	-	-
Special Ed. - Personnel	45,439	166,070	81,471	133,107	-	-
Special Ed. - Orphanage - Individual	-	9,684	-	-	-	-
Special Ed. - Orphanage - Summer	-	-	-	-	-	-
Special Ed. - Summer School	136	-	-	784	-	-
Bilingual Ed. - Downstate - T.P.I. & T.B.E.	-	-	-	-	-	-
State Free Lunch & Breakfast	320	2,048	546	1,997	137	81
School Breakfast Incentive	-	-	21,705	-	-	-
Driver Education	-	-	-	11,171	-	-
Transportation - Regular and Vocational	46,857	4,681	13,246	341,965	-	-
Transportation - Special Education	32,031	31,640	169,283	230,462	-	-
ROE School Bus Driver Training	-	-	-	-	-	-
National Board Certification Initiatives	-	-	-	-	-	-
Truants Alternative/Optional Ed.	-	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-	-
Early Childhood - Block Grant	-	35,690	-	-	-	-
Reading Improvement Block Grant	5,872	24,762	-	26,963	-	-
ROE/ISC Operations	-	-	-	-	-	-
Supervisory Expense	-	-	-	-	-	-
ADA Safety and Educational Block Grant	4,557	21,696	18,155	32,533	-	-
Technology - Learning Technology Centers	-	-	-	-	-	-
Orphanage Tuition 18-3	-	-	-	-	-	-
Title IV - Innovative Programs - Formula	210	889	637	1,230	-	-
Title VI - Rural Education Initiative	-	-	-	-	-	-
National School Lunch Program	9,199	59,821	27,153	61,660	16,259	7,430
Special Milk Program	-	1,332	-	-	-	-
School Breakfast Program	-	-	-	-	-	-
Child & Adult Care Food Program	-	-	-	-	-	-
Child Nutrition	21	107	60	94	42	29
Title I - Low Income	14,688	49,385	21,519	88,125	-	-
Title I - Reading First	-	-	-	-	-	-
Even Start	-	-	-	-	-	-
Title I - Migrant Education	-	-	-	-	-	-
Title I - Migrant Incentive	-	-	-	-	-	-
Safe & Drug Free Sch. - Formula	541	1,686	1,123	2,517	-	-
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	-	-	-
Fed. - Sp. Ed. - I.D.E.A. - Flow Through	-	-	-	-	-	-
Fed. - Sp. Ed. - I.D.E.A. - Room & Board	-	16,487	-	-	-	-
Title IIA-State Leadership	-	-	-	-	-	-
Emergency Immigrant Assistance	-	-	-	-	-	-
Title III - Lang Inst Prog	-	-	-	-	-	-
Title II - Teacher Quality	5,782	22,222	9,207	31,611	-	-
Technology Enhancing Education - Formula	235	581	-	850	-	-
Other Federal Programs	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 250,842</b>	<b>\$ 670,461</b>	<b>\$ 513,660</b>	<b>\$ 2,112,463</b>	<b>\$ 16,438</b>	<b>\$ 7,540</b>

LASALLE COUNTY REGIONAL OFFICE OF EDUCATION NO. 35  
DISTRIBUTIVE FUND  
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHERS  
FOR THE YEAR ENDED JUNE 30, 2007

SCHEDULE 14  
(CONTINUED)

Program	Streator Elementary #44	Streator Twp. H.S. #40	Tonica Comm. Cons. #79	Wallace CC #195	Waltham CC #185	Grand Total
General State Aid	\$ 6,819,746	\$ 3,617,644	\$ 458,916	\$ 144,647	\$ 381,793	\$ 36,759,142
General State Aid - Hold Harmless/Supplemental	-	-	-	-	-	348,525
Reorganization Incentive - Attendance	-	-	-	-	2,597	18,857
Reorganization Incentive - Salary Difference	-	-	-	-	3,793	24,578
Reorganization Incentive - Certified Salary	-	-	-	-	72,000	116,000
Transition Assistance	-	-	-	-	-	17,540
Special Ed. - Private Facility Tuition	310,197	163,757	351	11,876	9,190	1,202,628
Special Ed. - Extraordinary	354,404	37,457	30,232	39,441	30,418	1,809,588
Special Ed. - Personnel	441,958	147,874	51,755	29,464	26,991	3,893,532
Special Ed. - Orphanage - Individual	43,892	3,511	-	-	-	162,826
Special Ed. - Orphanage - Summer	4,567	-	-	-	-	4,567
Special Ed. - Summer School	11,516	-	-	-	210	24,947
Bilingual Ed. - Downstate - T.P.I. & T.B.E.	16,589	1,798	-	-	-	51,901
State Free Lunch & Breakfast	22,617	-	1,195	879	250	88,780
School Breakfast Incentive	300	-	-	-	-	23,743
Driver Education	-	44,025	-	-	-	197,234
Transportation - Regular and Vocational	610,095	19,912	40,409	149,646	95,468	3,368,858
Transportation - Special Education	329,111	144,194	10,711	29,954	31,909	2,446,598
ROE School Bus Driver Training	-	-	-	-	-	600
National Board Certification Initiatives	-	-	-	-	-	13,000
Truants Alternative/Optional Ed.	-	-	-	-	-	228,428
Regional Safe Schools	-	-	-	-	-	171,283
Early Childhood - Block Grant	405,848	-	-	-	-	1,972,938
Reading Improvement Block Grant	103,665	-	7,769	13,345	11,696	604,632
ROE/ISC Operations	-	-	-	-	-	151,894
Supervisory Expense	-	-	-	-	-	1,000
ADA Safety and Educational Block Grant	67,898	38,724	7,328	11,638	8,993	622,418
Technology - Learning Technology Centers	-	-	-	-	-	46,841
Orphanage Tuition 18-3	-	-	-	-	-	117,065
Title IV - Innovative Programs - Formula	4,078	1,659	234	591	404	32,179
Title VI - Rural Education Initiative	-	-	-	-	-	21,919
National School Lunch Program	375,584	-	23,272	27,486	-	1,828,870
Special Milk Program	-	-	-	-	4,342	16,551
School Breakfast Program	112,487	-	5,492	-	-	292,229
Child & Adult Care Food Program	-	-	-	-	-	3,962
Child Nutrition	326	-	36	51	-	2,216
Title I - Low Income	594,043	111,201	31,176	29,542	30,723	3,153,250
Title I - Reading First	-	-	-	-	-	7,164
Even Start	77,952	-	-	-	-	77,952
Title I - Migrant Education	-	-	-	-	-	107,852
Title I - Migrant Incentive	-	-	-	-	-	8,250
Safe & Drug Free Sch. - Formula	7,218	3,681	707	1,023	832	71,460
Fed. - Sp. Ed. - Pre-School Flow Through	-	-	-	-	-	156,464
Fed. - Sp. Ed. - I.D.E.A. - Flow Through	-	-	-	-	-	4,120,997
Fed. - Sp. Ed. - I.D.E.A. - Room & Board	412,004	372,779	-	384	-	1,074,025
Title IIA-State Leadership	-	-	-	-	-	22,975
Emergency Immigrant Assistance	4,807	-	-	-	-	4,807
Title III - Lang Inst Prog	10,860	-	-	-	-	10,860
Title II - Teacher Quality	177,619	44,542	3,234	12,402	10,696	859,009
Technology Enhancing Education - Formula	6,865	-	281	362	360	40,119
Other Federal Programs	-	-	-	-	-	10,000
<b>TOTAL</b>	<b>\$ 11,326,246</b>	<b>\$ 4,752,758</b>	<b>\$ 673,098</b>	<b>\$ 502,731</b>	<b>\$ 722,665</b>	<b>\$ 66,413,053</b>