

**State of Illinois
VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
FINANCIAL AUDIT
For the Year Ended June 30, 2010**

**Performed as Special Assistant Auditors
for the Office of the Auditor General**

VERMILION COUNTY
 REGIONAL OFFICE OF EDUCATION #54
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 FOR THE YEAR ENDED JUNE 30, 2010

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VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54

OFFICIALS

Regional Superintendent
(During the audit period)

Mr. Michael R. Metzen

Regional Superintendent
(Current, Effective March 15, 2011)

Ms. Cheryl S. Reifsteck

Assistant Regional Superintendent
(During the audit period)

Ms. Cheryl S. Reifsteck

Office is located at:

200 South College Street, Suite B
Danville, IL 61832

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54

FINANCIAL REPORT SUMMARY

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

AUDITOR'S REPORTS

The auditor's 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	2	1
Repeated audit findings	1	0
Prior recommendations implemented or not repeated	0	0

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

An additional 2 matters which are less than significant deficiencies or material weaknesses but more than inconsequential have been reported in a Management Letter of Comments to the Regional Superintendent. In prior years, these issues may have been included as immaterial findings in the auditors' reports.

SUMMARY OF FINDINGS AND RESPONSES

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (<i>GOVERNMENT AUDITING STANDARDS</i>)			
10-01	10a	Inadequate Internal Control Procedures	Material weakness
10-02	10b	Controls Over Financial Statement Preparation	Material weakness

PRIOR FINDINGS NOT REPEATED (*GOVERNMENT AUDITING STANDARDS*)

None

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Agency personnel at a formal exit conference on November 8, 2010. Attending were Michael Metzen, Regional Superintendent; Cheryl Reifsteck, Assistant Regional Superintendent; Janice Hawkins, Bookkeeper; and Tami Knight, CPA, Kemper CPA Group LLP. Responses to the recommendations were provided by Michael R. Metzen, Regional Superintendent.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Vermilion County Regional Office of Education #54 was performed by Kemper CPA Group LLP, Certified Public Accountants and Consultants.

Based on their audit, the auditors expressed an unqualified opinion on the Regional Office of Education #54's basic financial statements.



INDEPENDENT AUDITOR'S 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, each major fund, and the aggregate remaining fund information of the Regional Office of Education #54 as of and for the year ended June 30, 2010, which collectively comprise the Regional Office of Education #54's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Regional Office of Education #54'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 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, each major fund, and the aggregate remaining fund information of the Regional Office of Education #54, as of June 30, 2010, and the respective changes in financial position 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 February 18, 2011, on our consideration of the Regional Office of Education #54's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 13a through 13e is not a required part of the basic financial statements but is 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 Regional Office of Education #54's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the Schedule of Disbursements to School District Treasurers and Other Entities are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and Schedule of Disbursements to School District Treasurers and Other Entities 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.

Kemper CPA Group LLP

*Certified Public Accountants
and Consultants*

Mattoon, Illinois
February 18, 2011



INDEPENDENT AUDITOR'S 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, each major fund, and the aggregate remaining fund information of the Regional Office of Education #54 as of and for the year ended June 30, 2010, which collectively comprise the Regional Office of Education #54's basic financial statements and have issued our report thereon dated February 18, 2011. 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 Regional Office of Education #54'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 Regional Office of Education #54's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Regional Office of Education #54's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses, and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in findings 10-01 and 10-02 in the accompanying Schedule of Findings and Responses to be material weaknesses.

Compliance and Other Matters

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

We also noted certain matters which we have reported to management of the Regional Office of Education #54 in a separate letter dated February 18, 2011.

The Regional Office of Education #54's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. We did not audit the Regional Office of Education #54's responses, and accordingly, we express no opinion on them.

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 entity, and the Illinois State Board of Education and is not intended to be and should not be used by anyone other than these specified parties.

Kemper CPA Group LLP

*Certified Public Accountants
and Consultants*

Mattoon, Illinois
February 18, 2011

VERMILION COUNTY
 REGIONAL OFFICE OF EDUCATION #54
 SCHEDULE OF FINDINGS AND RESPONSES
 FOR THE YEAR ENDED JUNE 30, 2010

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? No
- Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? N/A
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? N/A

Type of auditor's report issued on compliance for major programs: N/A

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section .510(a)? N/A

Identification of **major** programs:

CFDA Number(s)	Name of Federal Program or Cluster
N/A	

Dollar threshold used to distinguish between Type A and Type B programs: N/A

Auditee qualified as a low-risk auditee? N/A

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2010

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding No. 10-01 – Inadequate Internal Control Procedures (Partial Repeat from Finding 09-01)

Criteria/Specific Requirement:

The Regional Superintendent of Schools is responsible for establishing and maintaining an internal control system over receipts, disbursements, and reporting to prevent errors and fraud.

Condition:

During the audit we noted the following weaknesses in the Regional Office of Education’s system of internal controls over financial reporting:

- A. Due to inadequate segregation of duties, one person is responsible for receiving money, depositing funds, recording receipts in the general ledger, receiving unopened invoices and vendor statements, preparing disbursement checks, entering disbursements in the general ledger, receiving the unopened bank statements, and reconciling most bank statements.
- B. Prior-year audit adjustments were not posted to the general ledger; therefore, some current-year opening fund balances were not correct.
- C. The Regional Office had \$44,310 in checks received prior to June 30, 2010, that were not deposited and recorded in the general ledger at June 30, 2010.

Effect:

Lack of effective internal control procedures could result in unintentional or intentional errors or misappropriation of assets that could be material to the financial statements and that may not be detected in a timely manner by employees in the normal course of performing their assigned duties.

Cause:

The Regional Office has not established sufficient internal control procedures.

Auditor’s Recommendation:

- A. Although the Regional Office has improved segregation of duties for bank reconciliations, the Regional Office should segregate duties so that no one individual has access to all steps of an accounting process.
- B. After closing the prior year’s financial statements, the opening fund balances for the current year should be compared to the ending balances on the prior year’s financial statements. Any discrepancies should be reviewed and resolved.
- C. The Regional Office should deposit and record revenue in the general ledger promptly upon receipt.

Management’s Response:

The Regional Superintendent agrees with this finding.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2010

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

Finding No. 10-02 – Controls Over Financial Statement Preparation

Criteria/Specific Requirement:

The Regional Office of Education #54 is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). The Regional Office's internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge and expertise to prepare and/or thoroughly review GAAP-based financial statements to ensure that they are free of material misstatements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

Condition:

The Regional Office of Education #54 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains their accounting records on the cash basis of accounting. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP-based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner. For example, auditors, in their review of the Regional Office's accounting records, noted the following:

- The Regional Office's financial information required numerous adjusting entries to present the financial statements in accordance with generally accepted accounting principles.
- The Regional Office did not have adequate controls over the maintenance of complete records of accounts receivable, accounts payable, or deferred revenues. While the Regional Office did maintain records to indicate the balances of accounts payable, accounts receivable, and deferred revenues, no entries were provided to reconcile the Regional Office of Education #54's grant activity, such as posting grant receivables and deferred revenues.

Effect:

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

Cause:

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

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2010

SECTION II – FINANCIAL STATEMENT FINDINGS (Concluded)

Finding No. 10-02 – Controls Over Financial Statement Preparation

Auditor’s Recommendation:

As part of its internal control over the preparation of its financial statements, including disclosures, the Regional Office of Education #54 should implement a comprehensive preparation and/or review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such procedures should be performed by a properly trained individual(s) possessing a thorough understanding of applicable generally accepted accounting principles, GASB pronouncements, and knowledge of the Regional Office of Education’s activities and operations.

Management’s Response:

The Regional Office of Education #54 accepts the degree of risk associated with this condition because the additional expense to seek outside accounting expertise to prepare and/or review financial statements would take away from the funds available to provide educational services for the schools in the region. The Regional Office of Education #54 will review, approve, and accept responsibility for the audit adjustments, financial statements and related notes provided by the auditors.

The Regional Office of Education #54 will continue to work with the other Regional Offices of Education to determine the most effective method of ensuring that our employees possess the knowledge required to compile the necessary GAAP-based financial statements.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
CORRECTIVE ACTION PLAN FOR CURRENT-YEAR AUDIT FINDINGS
JUNE 30, 2010

CORRECTIVE ACTION PLAN

Finding No. 10-01 - Inadequate Internal Control Procedures (Partial Repeat from Finding 09-01)

Condition:

During the audit we noted the following weaknesses in the Regional Office of Education's system of internal controls over financial reporting:

- A. Due to inadequate segregation of duties, one person is responsible for receiving money, depositing funds, recording receipts in the general ledger, receiving unopened invoices and vendor statements, preparing disbursement checks, entering disbursements in the general ledger, receiving the unopened bank statements, and reconciling most bank statements.
- B. Prior-year audit adjustments were not posted to the general ledger; therefore, some current-year opening fund balances were not correct.
- C. The Regional Office had \$44,310 in checks received prior to June 30, 2010, that were not deposited and recorded in the general ledger at June 30, 2010.

Plan:

- A. The Regional Office will segregate duties so that no one individual has access to all steps of an accounting process.
- B. After closing the prior year's financial statements, the opening fund balances for the current year will be compared to the ending balances on the prior year's financial statements. Any discrepancies will be reviewed and resolved.
- C. The Regional Office will deposit and record revenues in the general ledger promptly upon receipt.

Anticipated Date of Completion:

June 30, 2011

Name of Contact Person:

Mr. Michael R. Metzen, Regional Superintendent

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
CORRECTIVE ACTION PLAN FOR CURRENT-YEAR AUDIT FINDINGS
JUNE 30, 2010

Finding No. 10-02 – Controls Over Financial Statement Preparation

Condition:

The Regional Office of Education #54 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains their accounting records on the cash basis of accounting. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP-based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner. For example, auditors, in their review of the Regional Office's accounting records, noted the following:

- The Regional Office's financial information required numerous adjusting entries to present the financial statements in accordance with generally accepted accounting principles.
- The Regional Office did not have adequate controls over the maintenance of complete records of accounts receivable, accounts payable, or deferred revenues. While the Regional Office did maintain records to indicate the balances of accounts payable, accounts receivable, and deferred revenues, no entries were provided to reconcile the Regional Office of Education #54's grant activity, such as posting grant receivables and deferred revenues.

Plan:

The Regional Office of Education #54 accepts the degree of risk associated with this condition because the additional expense to seek outside accounting expertise to prepare and/or review financial statements would take away from the funds available to provide educational services for the schools in the region. The Regional Office of Education #54 will review, approve, and accept responsibility for the audit adjustments, financial statements and related notes provided by the auditors.

The Regional Office of Education #54 will continue to work with the other Regional Offices of Education to determine the most effective method of ensuring that our employees possess the knowledge required to compile the necessary GAAP-based financial statements.

Anticipated Date of Completion:

Not Applicable

Name of Contact Person:

Mr. Michael R. Metzen, Regional Superintendent

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2010

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u>
09-01	Inadequate Internal Control Procedures	Partial Repeat

MANAGEMENT'S DISCUSSION AND ANALYSIS

**VERMILLION COUNTY
REGIONAL OFFICE OF EDUCATION #54
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2010**

I. USING THIS REPORT

These financial statements and accompanying statement are presented in a format consistent with the presentation requirements of GASB Statements No. 34, Basic Financial Statement and Management's Discussion and Analysis for State and Local governments.

II. REPORT COMPONENTS

These financial statements and their accompanying information consist of several parts as follows:

1. Independent Auditor's Report
2. Basic financial statements including governmental-wide and fund financial statements
3. Supplemental information including the Management's Discussion and Analysis

III. BASIS OF ACCOUNTING

The accounting for the Regional Office of Education #54 (Regional Office) is organized on the basis of fund accounting.

Revenues and expenses on the government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when cash is received or paid. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Revenues and expenditures on the governmental fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The Regional Office has not adopted a formal budgetary accounting system for its various funds. There is a formal budget and accounting for expenses relating to the operation and maintenance of the Office operations as they relate to the funding and control of the Vermillion County General Fund and the County Board.

Capital assets for the Regional Office have been capitalized at a \$1,000 entry level. In an effort to standardize the accounting for capital assets the Regional Office has adopted this level. Capital assets are capitalized and reported by Vermillion County for office operations and maintenance of the Regional Office at a level of \$500; thus, the reporting by the County may differ from the Regional Office. At June 30, 2010 the Regional Office of Education #54 had an investment in capital assets of \$7,891 which is the original cost of the assets less the accumulated depreciation.

**VERMILLION COUNTY
REGIONAL OFFICE OF EDUCATION #54
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2010**

IV. OTHER SIGNIFICANT POLICIES

State regulations have strict requirements regarding the deposits and usage of funds that are deposited with the Regional Office. All funds have been deposited and expended in compliance with those regulations.

Because the Regional Office operates mainly on a "pass-through" basis, there is no control over the amount of funds that come through the Regional Office to be disbursed. Further, there is no significant information that could be shown that would reflect changes in the funding that are under the control of the Regional Office.

All expenditures that are made by the Regional Office are made in compliance with the purposes as set forth by the funding bodies.

All expenditures made through the General Fund of Vermillion County are examined prior to disbursement by the Vermillion County Auditor and approved according to their policies for such expenses. All other records of the Regional Office are open to the examination by the Vermillion County Auditor, to the extent allowed by laws regulating such.

V. FINANCIAL HIGHLIGHTS

This report consists of a series of financial statements and notes to those statements. The statements are organized to assist the reader in understanding the Vermillion County Regional Office of Education #54 as an entire operating entity. The statements go further to provide a detailed look at specific financial activities. The governmental-wide statements, which are the Statement of Net Assets and the Statement of Activities, provide information about the activities of the whole Regional Office.

The fund financial statements provide the next level of activity. For governmental type funds, the statements tell how services were financed on a short-term basis, as well as what balances remain for future spending. The major funds of the Regional Office are also looked at on an individual basis, with non-major funds being combined and presented as a total in one column. In the Regional Office, the Direct Services Fund is by far the most significant.

The financial statements also reflect two types of funds. The governmental funds used by the Regional Office are actually special revenue funds used to account for revenue from specific sources. The Regional Office operates several of these special revenue funds under the blanket of the governmental funds. Most of the Regional Office's programs and services are accounted for in the governmental funds. These include institute services, direct services, education services and various other services and activities.

Fiduciary funds are accounts that are used solely to account for assets held by the Regional Office as a trustee or an agent for other governmental agencies. Overall, the fiduciary fund is custodial in nature and thus does not involve measurement of results of its operation.

**VERMILLION COUNTY
REGIONAL OFFICE OF EDUCATION #54
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2010**

V. FINANCIAL HIGHLIGHTS (Continued)

The following table provides a summary of the Regional Office's net assets for the fiscal years June 30, 2010 and 2009.

	2010	2009	Increase / (Decrease)
CONDENSED STATEMENT OF NET ASSETS			
GOVERNMENTAL ACTIVITIES			
CURRENT ASSETS			
Cash and cash equivalents	\$ 184,243	\$ 146,059	38,184
Due from other governments	7,130	-	7,130
Investments	-	68,664	(68,664)
Total Current Assets	191,373	214,723	(23,350)
NONCURRENT ASSETS			
Capital assets, net of depreciation	7,891	4,222	3,669
Total Assets	199,264	218,945	(19,681)
CURRENT LIABILITIES			
Accounts payable	59,388	12,185	47,203
Due to other governments	222	68,664	(68,442)
Deferred revenue	1,083	15	1,068
Total Liabilities	60,693	80,864	(20,171)
NET ASSETS			
Invested in capital assets	7,891	4,222	3,669
Unrestricted	80,184	86,430	(6,246)
Restricted for teacher professional development	50,496	47,429	3,067
Total Net Assets	\$ 138,571	\$ 138,081	490

**VERMILLION COUNTY
REGIONAL OFFICE OF EDUCATION #54
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2010**

V. FINANCIAL HIGHLIGHTS (Continued)

The following table shows the changes in net assets for the fiscal years ended June 30, 2010 and 2009:

	2010	2009	Increase / (Decrease)
REVENUES			
Program Revenues			
Operating grants and contributions	\$ 307,090	\$ 307,994	(904)
General Revenues			
Local sources	307,444	206,880	100,564
On-behalf payments	330,858	286,202	44,656
Interest	1,382	5,943	(4,561)
Total Revenue	946,774	807,019	139,755
EXPENSES			
Instructional services			
Salaries and benefits	1,750	-	1,750
Purchased services	310,258	176,057	134,201
Supplies and materials	16,160	15,191	969
Other objects	2,525	3,042	(517)
Payments to other governments	283,080	295,254	(12,174)
Depreciation	1,653	272	1,381
Administrative			
On-behalf payments	330,858	286,202	44,656
Total Expenses	946,284	776,018	170,266
Change in Net Assets	490	31,001	(30,511)
Net Assets - Beginning, Restated	138,081	107,080	31,001
Net Assets - Ending	\$ 138,571	\$ 138,081	490

**VERMILLION COUNTY
REGIONAL OFFICE OF EDUCATION #54
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2010**

V. FINANCIAL HIGHLIGHTS (Concluded)

Key financial highlights for fiscal year ended June 30, 2010 are as follows:

Net assets of governmental activities increased \$490, representing less than a 1% increase in fund balance from fiscal year 2009. The significant increase in revenues and expenditures from fiscal year 2009 to 2010 is primarily due to the increased participation in Eastern Illinois Courses, as well as, the addition of the Gifted Program.

The major expenditures for the government funds are purchased services, representing 33% of total expenditures and payments to other governments, or flow-through expenditures, representing 30%.

The major funding sources for the government funds are on-behalf payments, local sources, and state and federal revenues representing 35%, 33% and 32%, respectfully.

There was no single significant change in accounts for the majority of the small increase in fund balance. Most funds show a slight increase in revenue (grant, participation fees and a larger number of certificate holder registrations for fiscal year 2010) and a related increase in expenses (more service, increased cost of services, greater need of services).

In conclusion, the Regional Office continues to rely on State and federal funds for delivering the majority of its services. The flow-through accounts provide revenues to provide services to schools, teachers and administration that they might not otherwise have access to at the local level. The Regional Office needs to continue to pursue cooperative efforts with other LEA's to maximize the programmatic impact with funds available. While this fiscal report is indicative of the current trend, the overall operation of the Regional Office is not greatly affected by decreases at this time. However, the financial crisis and slow payment process of the State of Illinois could have a significant impact on the Regional Office in the future.

This financial report is designed to provide the users with a general overview of the finance on the Vermilion County Regional Office of Education #54. It further serves to demonstrate the Regional Office's accountability for the money it receives and expends. If you have questions about this or need additional financial information, contact the Vermilion County Regional Office of Education #54 at 200 S. College Street, Suite B, Danville, IL 61832.

BASIC FINANCIAL STATEMENTS

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
STATEMENT OF NET ASSETS
JUNE 30, 2010

	<u>Governmental Activities</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 184,243
Due from other governments - local	6,908
Due from other governments - state	<u>222</u>
Total current assets	<u>191,373</u>
Noncurrent assets:	
Capital assets, net of depreciation	<u>7,891</u>
Total assets	<u>199,264</u>
Liabilities	
Current liabilities:	
Accounts payable	59,388
Due to other governments - local	222
Deferred revenue	<u>1,083</u>
Total liabilities	<u>60,693</u>
Net assets	
Invested in capital assets	7,891
Restricted for teacher professional development	50,496
Unrestricted	<u>80,184</u>
Total net assets	<u><u>\$ 138,571</u></u>

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

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

FUNCTIONS/PROGRAMS	Expenses	Program Revenues Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets Governmental Activities
Governmental activities:			
Instructional services:			
Salaries and benefits	\$ 1,750	\$ 1,750	\$ -
Purchased services	310,258	10,066	(300,192)
Supplies and materials	16,160	6,872	(9,288)
Other objects	2,525	-	(2,525)
Payments to other governments	283,080	283,080	-
Capital outlay	-	5,322	5,322
Depreciation	1,653	-	(1,653)
Administrative:			
On-behalf payments - local	77,564	-	(77,564)
On-behalf payments - state	253,294	-	(253,294)
	\$ 946,284	\$ 307,090	(639,194)
		General revenues	
		Local sources	307,444
		On-behalf payments - local	77,564
		On-behalf payments - state	253,294
		Interest	1,382
		Total general revenues and transfers	639,684
		Change in net assets	490
		Net assets - beginning	138,081
		Net assets - ending	\$ 138,571

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

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

	Direct Services Fund	Institute Fund	General Education Development Fund	Education Fund	Other Nonmajor Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 88,991	\$ 52,377	\$ 22,829	\$ 11,829	\$ 8,217	\$ 184,243
Due from other governments - local	6,163	35	250	-	460	6,908
Due from other governments - state	-	-	-	222	-	222
Total assets	<u>\$ 95,154</u>	<u>\$ 52,412</u>	<u>\$ 23,079</u>	<u>\$ 12,051</u>	<u>\$ 8,677</u>	<u>\$ 191,373</u>
Liabilities						
Accounts payable	\$ 46,719	\$ 840	\$ -	\$ 11,829	\$ -	\$ 59,388
Due to other governments - local	-	-	-	222	-	222
Deferred revenue	7	1,076	-	-	-	1,083
Total liabilities	46,726	1,916	-	12,051	-	60,693
Fund balances						
Fund balances, unreserved	48,428	50,496	23,079	-	8,677	130,680
Total fund balances	<u>48,428</u>	<u>50,496</u>	<u>23,079</u>	<u>-</u>	<u>8,677</u>	<u>130,680</u>
Total liabilities and fund balances	<u>\$ 95,154</u>	<u>\$ 52,412</u>	<u>\$ 23,079</u>	<u>\$ 12,051</u>	<u>\$ 8,677</u>	<u>\$ 191,373</u>

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

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS
JUNE 30, 2010

Total fund balances - governmental funds \$ 130,680

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. 7,891

Net assets of governmental activities \$ 138,571

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

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Direct Services Fund	Institute Fund	General Education Development Fund	Education Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues						
Local sources	\$ 278,762	\$ 16,422	\$ 15,966	\$ -	\$ 1,616	\$ 312,766
State sources	-	-	-	224,208	1,840	226,048
Federal sources	-	-	-	75,720	-	75,720
On-behalf payments - local	77,564	-	-	-	-	77,564
On-behalf payments - state	253,294	-	-	-	-	253,294
Total revenues	609,620	16,422	15,966	299,928	3,456	945,392
Expenditures						
Instructional services						
Salaries and benefits	-	-	-	1,750	-	1,750
Purchased services	278,101	13,107	8,547	8,331	2,172	310,258
Supplies and materials	7,575	299	1,414	6,778	94	16,160
Other objects	2,525	-	-	-	-	2,525
Payments to other governments	-	-	-	283,080	-	283,080
On-behalf payments - local	77,564	-	-	-	-	77,564
On-behalf payments - state	253,294	-	-	-	-	253,294
Capital outlay	4,472	-	850	-	-	5,322
Total expenditures	623,531	13,406	10,811	299,939	2,266	949,953
Excess (Deficiency) of revenues over expenditures	(13,911)	3,016	5,155	(11)	1,190	(4,561)
Other financing sources						
Interest	1,312	51	2	11	6	1,382
Total other financing sources	1,312	51	2	11	6	1,382
Net change in fund balances	(12,599)	3,067	5,157	-	1,196	(3,179)
Fund balances - beginning of year	61,027	47,429	17,922	-	7,481	133,859
Fund balances - end of year	\$ 48,428	\$ 50,496	\$ 23,079	\$ -	\$ 8,677	\$ 130,680

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

VERMILION COUNTY
 REGIONAL OFFICE OF EDUCATION #54
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

Net change in fund balances \$ (3,179)

Amounts reported for governmental activities in the Statement of Activities
 are different because:

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

Capital outlay	\$ 5,322	
Depreciation expense	(1,653)	3,669

Change in net assets of governmental activities \$ 490

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

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2010

	Private-Purpose Trust Fund	
	DAAPP	Agency Funds
Assets		
Cash and cash equivalents	\$ 15,430	\$ 10,214
Due from other governments	-	10,248,454
Total assets	15,430	\$ 10,258,668
Liabilities		
Due to other governments	-	\$ 10,258,668
Total liabilities	-	\$ 10,258,668
Net assets		
Held in trust	\$ 15,430	

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

VERMILION COUNTY
 REGIONAL OFFICE OF EDUCATION #54
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

	Private-Purpose Trust Fund DAAPP
Additions	
Local sources	\$ 31,848
Interest	2
Total additions	31,850
Deductions	
Salaries	17,500
Purchased services	12,152
Supplies and materials	1,531
Total deductions	31,183
Change in net assets	667
Net assets - beginning of year	14,763
Net assets - end of year	\$ 15,430

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

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education #54 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

In 2010, the Regional Office of Education #54 implemented Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*; GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*; GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*; and GASB Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*. The Regional Office of Education #54 implemented these standards during the current year; however, GASB Statements No. 45, 51, 53, and 58 had no impact on the financial statements.

A. FINANCIAL REPORTING ENTITY

The Regional Superintendent is charged with responsibility for township fund lands; registration of the names of applicants for scholarships to state-controlled universities; examinations and related duties; visitation of public schools; direction of teachers and school officers; serving as the official advisor and assistant of school officers and teachers; conducting teachers institutes as well as aiding and encouraging the formation of other teachers' meetings and assisting in their management; evaluating the schools in the region; examining evidence of indebtedness; filing and keeping the returns of elections required to be returned to the Regional Superintendent's office; and filing and keeping the reports and statements returned by school treasurers and trustees.

The Regional Superintendent is also charged with the responsibilities of conducting a special census, when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of the school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education #54's districts; providing township treasurers with a list of district treasurers; inspecting and approving building plans which comply with state law; performing and reporting on annual building inspections; investigating bus drivers for valid bus driver permits and taking related action as may be required; maintaining a list of unfilled teaching positions; and carrying out other related duties required or permitted by law.

The Regional Superintendent is responsible for inspection and approval or rejection of school treasurers' bonds. The Regional Superintendent is also required to provide the State Board of Education with an affidavit showing that the treasurers of school districts within his region are properly bonded.

The Regional Superintendent is also responsible for apportionment and payment of funds received from the state for the districts in the region, or seeing that no payments are made unless the treasurer has filed or renewed appropriate bond and that the district has certified publication of the annual financial report. The Regional Superintendent is required to provide opinions and advice related to controversies under school law.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. FINANCIAL REPORTING ENTITY (Concluded)

For the period ended June 30, 2010, the Regional Office of Education #54 applied for, received, and administered numerous state and federal programs and grants in assistance and support of the educational activities of the school districts in Regional Office of Education #54. Such activities are reported as a single special revenue fund (Education Fund).

B. SCOPE OF THE REPORTING ENTITY

The Regional Office of Education #54 reporting entity includes all related organizations for which the Regional Office of Education #54 exercises oversight responsibility.

The Regional Office of Education #54 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the region, including districts or joint agreements which serve pupils from numerous regions, should be included in its financial reporting entity. The criteria include, but are not limited to, whether the Regional Office of Education #54 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The districts and joint agreements have been determined not to be a part of the reporting entity after applying the criteria of manifesting of oversight, scope of public service, and special financing relationships and are therefore excluded from the accompanying financial statements because the Regional Office of Education #54 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education #54 is not aware of any entity that would exercise such oversight as to result in the Regional Office of Education #54 being considered a component unit of the entity.

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities are government-wide financial statements. They report information on all of the Regional Office of Education #54's activities with most of the interfund activities removed. Governmental activities include programs supported primarily by state and federal grants and other intergovernmental revenues. The Regional Office of Education #54 has no business-type activity that relies on fees and charges for support.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Concluded)

The Regional Office of Education #54's government-wide financial statements include a Statement of Net Assets and a Statement of Activities. These statements present a summary of governmental activities for the Regional Office of Education #54. These statements are presented on an "economic resources" measurement focus as prescribed by GASB Statement No. 34. All of the Regional Office of Education #54's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Assets. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges for services and (2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, such as payables, receivables, and transfers. Interfund activities between governmental funds appear as due to/due from other funds on the Governmental Fund Balance Sheet and as other resources and other uses on the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances. All interfund transactions between governmental funds are eliminated on the government-wide financial statements. All internal balances in the Statement of Net Assets have been eliminated.

The purpose of interfund borrowing and permanent transfers is to cover temporary or permanent short falls in cash flow within grant programs and funds.

D. GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

The governmental fund financial statements have been prepared in accordance with generally accepted accounting principles on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for prepaid expenses, and other long-term obligations, which are recognized when paid.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are reported using the economic resources measurement focus and the accrual 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 the grantor have been met.

The governmental funds financial statements focus on the measurement of spending or “financial flow” and the determination of changes in financial position, rather than upon net income determination. This means that generally only current assets and current liabilities are included on their balance sheets. The reported fund balance (net current assets) is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

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 a specific purpose or project before any amounts will be paid to the Regional Office of Education #54; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually recoverable 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 fund financial statements to the extent that those standards do not conflict with or contradict the guidance of the Governmental Accounting Standards Board.

Under the provision of GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, should the Regional Office of Education #54 have proprietary funds in the future, it will apply all GASB pronouncements and, of the following pronouncements, apply only those issued on or before November 30, 1989: Statements and Interpretations of the Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedures.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Concluded)

Under the terms of grant agreements, Regional Office of Education #54 funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funding resources available to finance the program. It is Regional Office of Education #54's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

F. FUND ACCOUNTING

The Regional Office of Education #54 uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Regional Office of Education #54 uses governmental and fiduciary funds.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically are reported. Governmental funds reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

As prescribed by GASB Statement No. 34, governmental fund reporting focuses on the major funds, rather than on the fund type. There is a two-step process for determining if a fund should be reported as a major fund: (1) total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 10% of the corresponding total for the fund type, and (2) total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as nonmajor funds. The Regional Office of Education #54 has presented all major funds that met the above qualifications.

The Regional Office of Education #54 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of Vermilion County Regional Office of Education #54. It is used to account for the expenditures that benefit all school districts in the region except those required to be accounted for in other funds. General funds include the following:

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

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. FUND ACCOUNTING (Continued)

Major Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than fiduciary or major capital projects) that are legally restricted to expenditures for specified purposes. Major special revenue funds include the following:

Institute Fund - This fund accounts for teacher certificate registrations, issuance and evaluation fees for processing certificates, and expenses for meetings of a professional nature. All funds generated remain restricted until expended only on the aforementioned activities.

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

Education Fund - This fund is used to account for various grants supporting education enhancement programs as follows:

McKinney-Vento Homeless Children and Youth Program - This program accounts for the proceeds from the federal statewide grant under McKinney-Vento Homeless Children and Youth Program. This program is designed to assist in implementing homeless services. The program will collaborate with all schools within the district concerning the identification of homeless youth and work with the districts to provide local and state resources to those students.

Regional Safe Schools Program - The program accounts for the Regional Safe Schools grant monies. The program concentrates on the education of students who have been expelled from the school districts served by the Regional Office of Education #54. In addition, this program includes general state aid and state and federal lunch and breakfast programs.

The Regional Office of Education #54 reports the following nonmajor governmental funds:

Nonmajor Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary or major capital projects) that are legally restricted to expenditures for specified purposes. Nonmajor special revenue funds include the following:

Bus Driver Training - This fund accounts for state and local receipts and expenses designed for initial and refresher courses of instruction for school bus drivers.

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

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. FUND ACCOUNTING (Concluded)

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the Regional Office of Education #54 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

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

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

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

Private-Purpose Trust Fund - This fund is used to account for the resources held by the Regional Office of Education #54 as a trustee for Vermilion County's Drug and Alcohol Abuse Prevention Program (DAAPP).

Interest on Distributive Fund - The Regional Office of Education #54 has agreements with all districts in the region whereby the Regional Office of Education #54 is allowed to keep the interest on the Distributive Fund for expenditures benefiting all districts.

G. NET ASSETS

Net assets present the difference between assets and liabilities in the Statement of Net Assets. Net assets are displayed in three components:

Invested in capital assets - Consists of capital assets, net of accumulated depreciation.

Restricted net assets - Consists of net assets with constraints placed on their use by either (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets."

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. CASH AND INVESTMENTS

Cash consists of cash on deposit and on hand. The Regional Office of Education #54 considers certificates of deposit with an original maturity date greater than 90 days to be investments.

I. INVENTORY

Inventory is not recorded. The cost is recorded as an expenditure at the time individual inventory items are purchased.

J. CAPITAL ASSETS

Capital assets purchased or acquired with an original cost of \$1,000 or more and estimated useful lives of greater than two years are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Office equipment	5–7 years
Computer equipment	3 years

The majority of capital assets used by the Regional Office of Education #54 have been purchased by Vermilion County. These capital assets are the property of Vermilion County and are included in Vermilion County's financial statements.

K. COMPENSATED ABSENCES AND PENSION AND RETIREMENT COMMITMENTS

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

L. ESTIMATES

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

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

M. BUDGET INFORMATION

The Regional Office of Education #54 acts as the administrative agent for certain grant programs that are accounted for in the Direct Services and Education Funds. Certain programs have separate budgets and are required to report to the Illinois State Board of Education; however, none of the annual budgets have been legally adopted, nor are they required to be. The General Fund and certain programs within the special revenue funds do not have separate budgets. Budgetary comparison schedules of budgeted and actual amounts have been presented as supplementary information for the following programs: McKinney-Vento Homeless Children and Youth Program and the Regional Safe Schools Program.

NOTE 2 - CASH

The Regional Office of Education #54 does not have a formal investment policy. The Regional Office of Education #54 is allowed to invest in securities as authorized by 30 ILCS-235/2 and 6 and 105 ILCS-5/8-7.

A. DEPOSITS

At June 30, 2010, the carrying amount of the Regional Office of Education #54's government-wide and fiduciary fund deposits were \$184,243 and \$25,644, respectively, and the bank balances were \$142,793 and \$1,298,018, respectively. The Regional Office of Education #54's fiduciary fund deposits include a \$7,000 certificate of deposit that is reported in the basic financial statements under the caption "Cash and cash equivalents." Of the total bank balances as of June 30, 2010, \$300,589 was secured by federal depository insurance, and \$358,828 was collateralized by securities pledged by the Regional Office of Education #54's financial institutions on behalf of the Regional Office.

B. INVESTMENTS

The Regional Office of Education #54 does not have a formal investment policy, as its only investments are internally pooled in the Illinois Funds Money Market Fund. As of June 30, 2010, the Regional Office of Education #54 had investments with carrying value of \$781,395 in the Illinois Funds Money Market Fund.

CREDIT RISK

At June 30, 2010, the Illinois Funds Money Market Fund had a Standard and Poor's AAAM rating. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provision of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 2 - CASH (Concluded)

INTEREST RATE RISK

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

CONCENTRATION OF CREDIT RISK

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

NOTE 3 - CAPITAL ASSETS

In accordance with GASB Statement No. 34, the Regional Office of Education #54 has reported capital assets in the government-wide Statement of Net Assets. Purchases are reported as capital outlay in the governmental fund statements. The following table provides a summary of changes in total assets, accumulated depreciation, and investment in capital assets for the year ended June 30, 2010:

	<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>Governmental activities:</u>				
Capital assets being depreciated:				
Office equipment	\$ 4,745	\$ 5,322	\$ -	\$ 10,067
Total capital assets being depreciated	<u>4,745</u>	<u>5,322</u>	<u>-</u>	<u>10,067</u>
Less accumulated depreciation for:				
Office equipment	<u>(523)</u>	<u>(1,653)</u>	<u>-</u>	<u>(2,176)</u>
Total accumulated depreciation	<u>(523)</u>	<u>(1,653)</u>	<u>-</u>	<u>(2,176)</u>
Governmental activities capital assets, net	<u>\$ 4,222</u>	<u>\$ 3,669</u>	<u>\$ -</u>	<u>\$ 7,891</u>

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended June 30, 2010, of \$1,653 was charged to governmental activities on the government-wide Statement of Activities. Investment in capital assets is the component of net assets that reports capital assets net of accumulated depreciation.

VERMILION COUNTY
 REGIONAL OFFICE OF EDUCATION #54
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2010

NOTE 4 - INTERFUND ACTIVITY

DUE TO/FROM OTHER FUNDS

As of June 30, 2010, there were no interfund balances due to/from other funds in the governmental fund balance sheet.

NOTE 5 - DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education #54's Education and Agency Funds have funds due from/to various other governmental units which consist of the following:

Due from other governments:

Agency Funds	
Illinois State Board of Education	\$10,248,406
Local school districts	48
Governmental Funds	
Illinois State Board of Education	222
Local school districts	6,908
Total	<u>\$10,255,584</u>

Due to other governments:

Agency Funds	
Local school districts	\$10,258,668
Governmental Funds	
Local school districts	222
Total	<u>\$10,258,890</u>

NOTE 6 - RISK MANAGEMENT

The Regional Office of Education #54 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Regional Office of Education #54 is covered by commercial insurance purchased by Vermilion County to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past three years.

NOTE 7 - ON-BEHALF PAYMENTS

Vermilion County provides the Regional Office of Education #54 with staff and pays certain expenditures on behalf of the Regional Office of Education #54. The expenditures paid by Vermilion County for the year ended June 30, 2010, were as follows:

VERMILION COUNTY
 REGIONAL OFFICE OF EDUCATION #54
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2010

NOTE 7 - ON-BEHALF PAYMENTS (Concluded)

Office salaries and benefits	\$ 55,242
Travel	6,789
Supplies	2,119
Other expenses	13,414
	<u>\$ 77,564</u>

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

The State of Illinois paid the following salaries on behalf of the Regional Office of Education #54:

Regional Superintendent	
Salary	\$ 96,435
Benefits (includes state-paid insurance)	11,640
Assistant Regional Superintendent	
Salary	86,791
Benefits (includes state-paid insurance)	15,589
TRS Pension Contribution	42,839
	<u>\$ 253,294</u>

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

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

NOTE 8 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 18, 2011, the date which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2010

	McKinney-Vento Homeless Children & Youth	Regional Safe Schools	Total
Assets			
Cash and cash equivalents	\$ 11,829	\$ -	\$ 11,829
Due from other governments - state	-	222	222
Total assets	\$ 11,829	\$ 222	\$ 12,051
Liabilities			
Accounts payable	\$ 11,829	\$ -	\$ 11,829
Due to other governments - local	-	222	222
Total liabilities	\$ 11,829	\$ 222	\$ 12,051

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2010

	McKinney-Vento Homeless Children & Youth	Regional Safe Schools	Total
Revenues			
State sources	\$ -	\$ 224,208	\$ 224,208
Federal sources	16,848	58,872	75,720
Total revenues	<u>16,848</u>	<u>283,080</u>	<u>299,928</u>
Expenditures			
Salaries and benefits	1,750	-	1,750
Purchased services	8,331	-	8,331
Supplies and materials	6,778	-	6,778
Payments to other governments	-	283,080	283,080
Total expenditures	<u>16,859</u>	<u>283,080</u>	<u>299,939</u>
Deficiency of revenues over expenditures	(11)	-	(11)
Other financing sources			
Interest	11	-	11
Total other financing sources	<u>11</u>	<u>-</u>	<u>11</u>
Net change in fund balance	-	-	-
Fund balance - beginning	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
MCKINNEY-VENTO HOMELESS CHILDREN AND YOUTH PROGRAM
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 16,848	\$ 16,848	\$ 16,848
Total revenues	<u>16,848</u>	<u>16,848</u>	<u>16,848</u>
Expenditures			
Salaries and benefits	6,000	6,000	1,750
Purchased services	5,750	5,750	8,332
Supplies and materials	5,098	5,098	6,778
Total expenditures	<u>16,848</u>	<u>16,848</u>	<u>16,860</u>
Deficiency of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(12)</u>
Other financing sources			
Interest			11
Total other financing sources			<u>11</u>
Net change in fund balance			(1)
Fund balance - beginning			<u>-</u>
Fund balance - ending			<u>\$ (1)</u>

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS PROGRAM
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 131,436	\$ 131,436	\$ 224,208
Federal sources	-	-	58,872
	<u>131,436</u>	<u>131,436</u>	<u>283,080</u>
Total revenues			
Expenditures			
Payments to other governments	131,436	131,436	283,080
	<u>131,436</u>	<u>131,436</u>	<u>283,080</u>
Total expenditures			
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Fund balance - beginning			<u>-</u>
Fund balance - ending			<u>\$ -</u>

VERMILION COUNTY
 REGIONAL OFFICE OF EDUCATION #54
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2010

	SPECIAL REVENUE FUNDS		
	Bus Driver Training	Supervisory	Total
Assets			
Cash and cash equivalents	\$ 3,248	\$ 4,969	\$ 8,217
Due from other governments - local	460	-	460
Total assets	\$ 3,708	\$ 4,969	\$ 8,677
Fund balances			
Unreserved	\$ 3,708	\$ 4,969	\$ 8,677
Total fund balances	\$ 3,708	\$ 4,969	\$ 8,677

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	SPECIAL REVENUE FUNDS		
	Bus Driver Training	Supervisory	Total
Revenues			
Local sources	\$ 1,616	\$ -	\$ 1,616
State sources	840	1,000	1,840
Federal sources	-	-	-
Total revenues	2,456	1,000	3,456
Expenditures			
Purchased services	1,744	428	2,172
Supplies and materials	94	-	94
Total expenditures	1,838	428	2,266
Excess of revenues over expenditures	618	572	1,190
Other financing sources			
Interest	-	6	6
Total other financing sources	-	6	6
Net change in fund balances	618	578	1,196
Fund balance - beginning	3,090	4,391	7,481
Fund balance - ending	\$ 3,708	\$ 4,969	\$ 8,677

VERMILION COUNTY
 REGIONAL OFFICE OF EDUCATION #54
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 JUNE 30, 2010

	Distributive Fund	Board of School Trustees	Totals
Assets			
Cash and cash equivalents	\$ -	\$ 10,214	\$ 10,214
Due from other governments	10,248,406	48	10,248,454
	<u>10,248,406</u>	<u>48</u>	<u>10,248,454</u>
Total assets	<u>\$ 10,248,406</u>	<u>\$ 10,262</u>	<u>\$ 10,258,668</u>
Liabilities			
Due to other governments	\$ 10,248,406	\$ 10,262	\$ 10,258,668
	<u>10,248,406</u>	<u>10,262</u>	<u>10,258,668</u>
Total liabilities	<u>\$ 10,248,406</u>	<u>\$ 10,262</u>	<u>\$ 10,258,668</u>

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<u>DISTRIBUTIVE</u>				
Assets				
Due from other governments	\$ 7,263,967	\$ 85,336,631	\$ 82,352,192	\$ 10,248,406
Total assets	<u>\$ 7,263,967</u>	<u>\$ 85,336,631</u>	<u>\$ 82,352,192</u>	<u>\$ 10,248,406</u>
Liabilities				
Due to other governments	\$ 7,263,967	\$ 85,336,631	\$ 82,352,192	\$ 10,248,406
Total liabilities	<u>\$ 7,263,967</u>	<u>\$ 85,336,631</u>	<u>\$ 82,352,192</u>	<u>\$ 10,248,406</u>
<u>BOARD OF SCHOOL TRUSTEES</u>				
Assets				
Cash and cash equivalents	\$ 10,224	\$ 59	\$ 69	\$ 10,214
Due from other governments	48	-	-	48
Total assets	<u>\$ 10,272</u>	<u>\$ 59</u>	<u>\$ 69</u>	<u>\$ 10,262</u>
Liabilities				
Due to other governments	\$ 10,272	\$ 59	\$ 69	\$ 10,262
Total liabilities	<u>\$ 10,272</u>	<u>\$ 59</u>	<u>\$ 69</u>	<u>\$ 10,262</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets				
Cash and cash equivalents	\$ 10,224	\$ 59	\$ 69	\$ 10,214
Due from other governments	7,264,015	85,336,631	82,352,192	10,248,454
Total assets	<u>\$ 7,274,239</u>	<u>\$ 85,336,690</u>	<u>\$ 82,352,261</u>	<u>\$ 10,258,668</u>
Liabilities				
Due to other governments	\$ 7,274,239	\$ 85,336,690	\$ 82,352,261	\$ 10,258,668
Total liabilities	<u>\$ 7,274,239</u>	<u>\$ 85,336,690</u>	<u>\$ 82,352,261</u>	<u>\$ 10,258,668</u>

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES
DISTRIBUTIVE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Community Unit School District #1 Bismarck Illinois	Community Unit School District #2 Westville Illinois	Community Unit School District #4 Georgetown- Ridge Farm Illinois	Community Unit School District #5 Catlin Illinois	Community Unit School District #7 Rossville Illinois	Community Unit School District #10 Potomac Illinois
General State Aid	\$ 2,391,560	\$ 4,896,960	\$ 4,352,959	\$ 1,491,596	\$ 1,245,363	\$ 806,594
Transition Assistance	-	-	-	-	-	-
Special Education						
Private Facility Tuition	-	-	7,513	-	-	-
Extraordinary	90,675	141,544	135,636	52,691	43,569	25,830
Personnel	115,714	287,018	270,775	102,078	33,972	30,291
Orphanage - Individual	-	28,943	2,991	14,584	-	6,791
Orphanage - Summer	-	1,486	-	-	-	-
Summer School	-	565	-	-	-	-
Career & Technical Education	-	-	-	-	-	-
Bilingual Education - TPI	-	-	-	-	-	-
Gifted Education	-	-	-	-	-	-
State Free Lunch & Breakfast	3,011	7,135	7,020	1,193	3,209	2,261
School Breakfast Incentive	-	693	158	-	-	57
Driver Education	13,857	12,940	14,145	5,522	-	-
Transportation						
Regular	151,530	293,483	224,829	59,953	83,125	45,935
Special Education	89,439	78,965	105,879	9,209	74,605	27,622
School Bus Driver Training	-	-	-	-	-	-
Truants Alternative/Optional Education	-	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-	-
Early Childhood - Block Grant	-	-	-	-	-	-
K-6 Reading Improvement	10,570	22,905	21,851	6,221	6,119	4,134
Supervisory Expense	-	-	-	-	-	-
ADA Safety & Education Block Grant	3,702	5,291	4,845	2,272	1,712	1,012
Bridges Extended Learning Opportunities	-	-	-	-	-	-
Orphanage Tuition	-	-	-	-	-	-
Class Size Reduction Pilot Program	-	-	-	-	-	-
Teacher & Administrators Mentoring Program	-	-	48,020	-	-	-
Homeless Children Education State Grant	-	-	-	-	-	-
Children's Mental Health Partnership	-	-	-	10,500	-	-
Title V - Innovative Programs	-	-	-	-	3,888	-
National School Lunch Program	108,847	252,253	258,634	36,310	54,635	31,513
Special Milk Program	-	-	-	-	-	-
School Breakfast Program	-	59,722	22,746	-	14,587	15,778
Fresh Fruits & Vegetables	-	-	-	-	-	-
Title I - Low Income	64,920	446,756	351,859	23,223	88,823	61,003
Title I - Reading First	-	-	-	-	-	-
Title I - Migrant Education	-	-	-	-	-	-
Title IV - Safe & Drug Free Schools	1,995	4,313	5,887	1,052	400	-
Special Ed. - Preschool Flow-Through	-	-	-	-	-	-
I.D.E.A. Flow-Through	-	-	-	-	-	-
I.D.E.A. Room and Board	-	124	845	2,688	-	-
ARRA - General State Aid	398,877	817,671	727,064	248,732	207,887	134,606
ARRA - Title I Low Income	19,493	179,264	99,998	11,893	-	14,059
ARRA - Special Ed. Preschool	-	-	-	-	-	-
ARRA - I.D.E.A. Flow-Through	-	-	-	-	-	-
ARRA - Technology	-	210,425	-	-	-	-
ARRA - NSLP Equipment	-	13,062	-	-	3,450	-
SFSF State Aid	132,863	272,383	242,214	82,859	69,202	44,760
Title III - Lang. Inst. Prog. - Limited English	-	-	-	-	-	-
Title III - Limited English	-	-	-	-	-	-
Title II - Teacher Quality	31,261	80,893	114,284	21,152	19,519	15,675
Technology Enhancing Education	-	3,766	2,930	-	1,259	971
Other Federal Programs	-	-	-	-	-	-
	<u>\$ 3,628,314</u>	<u>\$ 8,118,560</u>	<u>\$ 7,023,082</u>	<u>\$ 2,183,728</u>	<u>\$ 1,955,324</u>	<u>\$ 1,268,892</u>

VERMILION COUNTY
 REGIONAL OFFICE OF EDUCATION #54
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES
 DISTRIBUTIVE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	Community Unit School District #11 Hoopeston Illinois	Community Unit School District #12 Jamaica Illinois	Community Unit School District #61 Armstrong- Ellis Illinois	Community Unit School District #76 Oakwood Illinois	Community Unit School District #118 Danville Illinois	Armstrong Twp. High School District #225 Armstrong Illinois
General State Aid	\$ 4,527,198	\$ 1,065,757	\$ 210,921	\$ 3,255,164	\$ 22,031,502	\$ 180,076
Transition Assistance	-	-	14,704	-	-	30,469
Special Education						
Private Facility Tuition	19,947	-	-	-	111,893	9,799
Extraordinary	151,444	46,780	11,145	119,201	774,883	11,169
Personnel	263,538	71,540	22,871	128,578	992,709	6,671
Orphanage - Individual	-	-	10,510	17,592	53,543	-
Orphanage - Summer	-	-	-	-	-	-
Summer School	-	1,086	-	781	-	-
Career & Technical Education	-	-	-	-	39,966	-
Bilingual Education - TPI	-	-	-	-	32,201	-
Gifted Education	-	-	-	-	-	-
State Free Lunch & Breakfast	8,138	2,753	1,135	4,678	85,227	662
School Breakfast Incentive	409	-	196	-	1,194	-
Driver Education	17,828	4,914	-	14,034	46,782	8,082
Transportation						
Regular	208,445	147,267	26,733	286,184	821,210	30,370
Special Education	76,725	97,491	20,005	88,286	568,829	11,143
School Bus Driver Training	-	-	-	-	-	-
Truants Alternative/Optional Education	-	-	-	-	112,453	-
Regional Safe Schools	-	-	-	-	-	-
Early Childhood - Block Grant	-	-	-	-	2,411,847	-
K-6 Reading Improvement	23,958	6,354	-	16,243	132,681	-
Supervisory Expense	-	-	-	-	-	-
ADA Safety & Education Block Grant	5,404	1,833	490	4,868	25,012	476
Bridges Extended Learning Opportunities	-	-	-	-	162,915	-
Orphanage Tuition	-	-	-	-	255,314	-
Class Size Reduction Pilot Program	-	-	-	-	145,746	-
Teacher & Administrators Mentoring Program	-	-	-	-	85,662	-
Homeless Children Education State Grant	-	-	-	-	50,805	-
Children's Mental Health Partnership	-	-	-	-	-	-
Title V - Innovative Programs	-	-	-	-	-	-
National School Lunch Program	298,496	73,958	19,550	149,335	1,533,472	18,028
Special Milk Program	1,600	-	-	-	8,138	-
School Breakfast Program	71,843	-	8,438	-	481,883	-
Fresh Fruits & Vegetables	-	-	-	-	7,056	-
Title I - Low Income	417,796	62,343	71,393	180,324	1,937,053	21,468
Title I - Reading First	-	-	-	-	-	-
Title I - Migrant Education	28,675	-	-	-	-	-
Title IV - Safe & Drug Free Schools	4,938	1,201	609	4,137	31,565	-
Special Ed. - Preschool Flow-Through	-	-	-	-	88,174	-
I.D.E.A. Flow-Through	-	-	-	1,548,924	-	-
I.D.E.A. Room and Board	-	1,189	741	-	87,920	102,601
ARRA - General State Aid	756,883	177,921	35,265	543,190	3,692,716	30,119
ARRA - Title I Low Income	207,942	31,212	-	41,720	1,166,829	6,840
ARRA - Special Ed. Preschool	-	-	-	-	51,365	-
ARRA - I.D.E.A. Flow-Through	-	-	-	-	680,513	-
ARRA - Technology	-	-	-	300,000	-	-
ARRA - NSLP Equipment	11,115	11,260	-	-	-	-
SFSF State Aid	251,733	59,171	11,689	180,716	1,227,630	9,870
Title III - Lang. Inst. Prog. - Limited English	-	-	-	-	4,730	-
Title III - Limited English	-	-	-	-	30,800	-
Title II - Teacher Quality	84,464	8,397	8,640	36,166	562,595	5,249
Technology Enhancing Education	3,786	552	-	3,256	16,610	-
Other Federal Programs	-	-	-	-	72,719	-
	<u>\$ 7,442,305</u>	<u>\$ 1,872,979</u>	<u>\$ 475,035</u>	<u>\$ 6,923,377</u>	<u>\$ 40,624,142</u>	<u>\$ 483,092</u>

VERMILION COUNTY
REGIONAL OFFICE OF EDUCATION #54
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES
DISTRIBUTIVE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Vermilion County ROE #54	Total
General State Aid	\$ 96,825	\$ 46,552,475
Transition Assistance	-	45,173
Special Education		
Private Facility Tuition	-	149,152
Extraordinary	-	1,604,567
Personnel	-	2,325,755
Orphanage - Individual	-	134,954
Orphanage - Summer	-	1,486
Summer School	-	2,432
Career & Technical Education	-	39,966
Bilingual Education - TPI	-	32,201
Gifted Education	68,768	68,768
State Free Lunch & Breakfast	1,500	127,922
School Breakfast Incentive	47	2,754
Driver Education	-	138,104
Transportation		
Regular	-	2,379,064
Special Education	-	1,248,198
School Bus Driver Training	840	840
Truants Alternative/Optional Education	-	112,453
Regional Safe Schools	125,732	125,732
Early Childhood - Block Grant	-	2,411,847
K-6 Reading Improvement	-	251,036
Supervisory Expense	1,000	1,000
ADA Safety & Education Block Grant	-	56,917
Bridges Extended Learning Opportunities	-	162,915
Orphanage Tuition	-	255,314
Class Size Reduction Pilot Program	-	145,746
Teacher & Administrators Mentoring Program	-	133,682
Homeless Children Education State Grant	-	50,805
Children's Mental Health Partnership	-	10,500
Title V - Innovative Programs	-	3,888
National School Lunch Program	18,312	2,853,343
Special Milk Program	-	9,738
School Breakfast Program	8,254	683,251
Fresh Fruits & Vegetables	3,256	10,312
Title I - Low Income	-	3,726,961
Title I - Reading First	7,312	7,312
Title I - Migrant Education	-	28,675
Title IV - Safe & Drug Free Schools	-	56,097
Special Ed. - Preschool Flow-Through	-	88,174
I.D.E.A. Flow-Through	-	1,548,924
I.D.E.A. Room and Board	-	196,108
ARRA - General State Aid	16,137	7,787,068
ARRA - Title I Low Income	-	1,779,250
ARRA - Special Ed. Preschool	-	51,365
ARRA - I.D.E.A. Flow-Through	-	680,513
ARRA - Technology	-	510,425
ARRA - NSLP Equipment	-	38,887
SFSF State Aid	5,379	2,590,469
Title III - Lang. Inst. Prog. - Limited English	-	4,730
Title III - Limited English	-	30,800
Title II - Teacher Quality	-	988,295
Technology Enhancing Education	-	33,130
Other Federal Programs	-	72,719
	<u>\$ 353,362</u>	<u>\$ 82,352,192</u>