



STATE OF ILLINOIS

OFFICE OF THE AUDITOR GENERAL

MANAGEMENT AUDIT

ILLINOIS STATE BOARD OF EDUCATION
AND OTHER STATE AGENCIES PROVIDING
FUNDING TO ILLINOIS' REGIONAL OFFICES
OF EDUCATION

AUGUST 2001

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*To the Legislative Audit Commission, the Speaker
and Minority Leader of the House of
Representatives, the President and Minority Leader
of the Senate, the members of the General
Assembly, and the Governor:*

This is our report of the Management Audit of the Illinois State Board of Education and any other State agency providing funding to Illinois' Regional Offices of Education.

The audit was conducted pursuant to Legislative Audit Commission Resolution Number 118, which was adopted May 25, 2000. This audit was conducted in accordance with generally accepted government auditing standards and the audit standards promulgated by the Office of the Auditor General at 74 Ill. Adm. Code 420.310.

The audit report is transmitted in conformance with Section 3-14 of the Illinois State Auditing Act.

A handwritten signature in black ink, appearing to read "William G. Holland", with a long, sweeping line extending upwards and to the right from the end of the signature.

WILLIAM G. HOLLAND
Auditor General

Springfield, Illinois
August 2001

REPORT DIGEST

Management
Audit of

**THE ILLINOIS STATE
BOARD OF EDUCATION
AND OTHER STATE
AGENCIES PROVIDING
FUNDING TO ILLINOIS'
REGIONAL OFFICES OF
EDUCATION**

Released: August 2001



State of Illinois
Office of the Auditor General

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SYNOPSIS

Illinois has 45 Regional Offices of Education (ROEs) that generally act as program and fiscal intermediaries between the Illinois State Board of Education (ISBE) and local school districts. Cook County also has Intermediate Service Centers (ISCs) that provide similar services. The 45 ROEs and 3 ISCs received \$110,816,155 for their operations and programs in fiscal year 2000, according to audits contracted by ISBE. Including pass through to local school districts, total ROE/ISC funding from ISBE exceeded \$1.83 billion in fiscal year 2000. A fourth ISC is operated by Chicago School District #299 as a result of a waiver granted by ISBE.

While ISBE had established a system of management controls, several of the controls were not being carried out or needed to be strengthened. We found that:

- The responsibility for monitoring programs and funding provided to ROEs/ISCs is decentralized at ISBE. ISBE has also undergone reorganizations in November 1999 and October 2000, and another is currently underway. Several of the ROE/ISC officials we interviewed expressed confusion resulting from the ISBE reorganizations.
- ISBE's grant agreements contained few guidelines regarding allowable expenses.
- ISBE did not conduct site visits, record reviews, and evaluations of ROEs and ISCs required by administrative rule (23 Ill. Adm. Code 525.140).
- Many Regional Improvement Plans reviewed did not include all components required by administrative rule (23 Ill. Adm. Code 525.120).
- ROEs/ISCs did not always use function and object codes correctly.
- Interest income earned from State funds was used for purposes other than the principal, which is not in compliance with the Illinois Grant Funds Recovery Act.
- Most ROE Advisory Boards are not meeting the required six times per year.
- Some Regional Superintendents reported receiving compensation, primarily from counties, in addition to their statutory salaries paid by ISBE.
- Statutory provisions related to ROEs contain outdated and confusing language.

MANAGEMENT AUDIT OF THE ILLINOIS STATE BOARD OF EDUCATION AND OTHER STATE AGENCIES
PROVIDING FUNDING TO ILLINOIS' REGIONAL OFFICES OF EDUCATION

REPORT CONCLUSIONS

The 45 Regional Offices of Education (ROEs) and 3 Intermediate Service Centers (ISCs) received a total of \$110,816,155 in funding from all sources in fiscal year 2000 for their operations and programs, according to audits contracted by the Illinois State Board of Education (ISBE). Of this amount, \$65,874,005 (59%) was from the State. Chicago School District #299 serves as a fourth ISC in Cook County through a waiver granted by ISBE.

ISBE provides the majority of State funding to ROEs and ISCs. This funding is provided for activities such as staff development and training, education of gifted children, computer technology education, alternative schools, and other program activities. ROEs also receive a large amount of funding to pass through to local schools. In fiscal year 2000, ISBE total funding to ROEs and ISCs, including pass through to local school districts, exceeded \$1.83 billion.

Generally, Regional Offices of Education act as a program and fiscal intermediary between ISBE and local school districts. ROEs perform various programmatic, regulatory, and other voluntary functions. ISCs, which are located in Cook County, perform some of the same programmatic functions as ROEs, but are not responsible for the regulatory functions that ROEs are statutorily responsible for administering. While the Regional Superintendents are elected officials, the ISC executive directors are appointed by each ISC's governing board. When asked what ten activities their offices spent the most time administering, ROEs and ISCs most often listed teacher and administrator certification, training and professional development, health life safety, and the Regional Safe Schools Program. However, responses varied considerably.

The responsibility for monitoring programs and funding provided to ROEs/ISCs is decentralized at ISBE. ISBE officials stated that monitoring is conducted by each program within ISBE. During fiscal year 2000, there were numerous divisions that were involved in program administration and funding of ROEs. ISBE has undergone reorganizations in November 1999 and October 2000, and another is currently underway. Several of the ROE/ISC officials we interviewed expressed confusion resulting from the ISBE reorganizations, such as whom to contact with questions. Although ISBE has a Division of Regional Offices Support, it is only responsible for a small portion of overall ROE program activities.

Some ROEs provide services through cooperative agreements with other ROEs. However, some of these agreements are not specific regarding funding and program responsibilities. The activities of ROE cooperatives are not monitored by ISBE. ISBE could not provide the

When asked what ten activities their offices spent the most time administering, ROEs and ISCs most often listed teacher and administrator certification, training and professional development, health life safety, and the Regional Safe Schools Program.

amount of funding each cooperative received or whether the funding was sent directly from ISBE on behalf of another ROE or whether the funding was first given to one ROE and then sent to another.

Given the decentralized organizational structure, strong management controls need to be in place to ensure that ROE/ISC programs are meeting ISBE's intended goals and are using resources properly. We found that while ISBE had established a system of management controls, several of the controls were not being carried out or needed to be strengthened. We found that:

- ISBE's grant agreements contained few guidelines regarding allowable expenses, program reporting, and fiscal monitoring. While we found that ROE/ISC expenditures sampled were generally spent on ROE/ISC related activities, we had questions on 15 percent of the expenditures sampled, for reasons such as a lack of documentation or whether use of funds was consistent with the purpose of the grant. Our conclusions regarding these expenditures were complicated due to the lack of clear ISBE guidelines as to what were allowable uses of these funds.
- ISBE did not conduct many of the site visits, record reviews, and evaluations of ROEs and ISCs required by administrative rule (23 Ill. Adm. Code 525.140).
- Regional Improvement Plans did not always include all components required by the administrative rule (23 Ill. Adm. Code 525.120).
- A-133 audits conducted of the ROEs/ISCs did not express an opinion on whether the ROE or ISC complied with State laws, regulations, or agreements. One of the primary management controls frequently cited by ISBE officials is the annual audit conducted of each ROE/ISC.

There is an overreliance at ISBE on self-reporting of expenditures by ROEs/ISCs. ISBE approves budgets and monitors overall program expenditures. However, we found that in 156 of 397 (39%) of the expenditures reviewed, ROEs/ISCs did not use function and object codes correctly which may lead to inaccurate expenditure reporting.

We identified interest income earned from State funds being used for purposes other than the principal. The grant agreements reviewed contained no guidelines for use of interest income earned from State funds. The Illinois Grant Funds Recovery Act (30 ILCS 705/10) requires that interest earned on

grant funds becomes part of the grant principal when earned and is to be treated accordingly unless the grant agreement provides otherwise.

We also reviewed funding received by ROEs from the Illinois Department of Human Services (DHS) and the Illinois Department of Corrections (DOC). Generally, we found that the grant agreements and contracts provided controls to ensure that funds were used appropriately.

Other issues identified during the audit include:

- ROE Advisory Boards are not meeting the required six times per year. Only 5 of the 45 offices surveyed reported meeting the required number of times.
- Regional Superintendents and Assistant Superintendents receive compensation in addition to their statutory salaries. For fiscal year 2000, ROEs reported a total of \$105,552 in additional compensation, most of it coming from county government.
- Statutory provisions related to Regional Offices of Education contain outdated references and confusing language caused by the historical reduction in the number of offices.
- Contracts between the private accounting firms and ISBE to conduct annual audits did not specifically provide that all records should be available for review by the Auditor General as is required by the Illinois Procurement Code (30 ILCS 500/20-65).

OVERVIEW OF ROE/ISC FUNCTIONS

Generally, Regional Offices of Education act as a program and fiscal intermediary between ISBE and local school districts. ROEs and ISCs are required to perform certain functions by both the statutes and administrative rules. These functions include School Services and alternative schools programs. ROEs also perform regulatory functions.

Each ROE and ISC, with the exception of the Suburban Cook ROE, is required by statute and administrative rule to offer certain core services, referred to as "School Services". These may be offered by each ROE or in cooperation with one or more other ROEs. These services include such activities as providing staff development and training to teachers and administrators, collecting data, and planning, implementing, and evaluating certain programs.

ROEs generally act as a program and fiscal intermediary between ISBE and local schools.

ROEs are required to provide certain School Services and regulatory functions.

In addition to the School Services functions discussed above, ROEs are mandated to perform other statutory and regulatory duties. These include, among others, such functions as: GED, Health/Life Safety, Regional Safe Schools Program, School Bus Driver Training, Teacher and Administrator Certification, Training and Professional Development, and Truancy Activities.

- School Services Functions**
- *Education of Gifted Children*
 - *Computer Technology Education*
 - *Staff Development Services in Fundamental Learning Areas*
 - *Illinois Administrators' Academy*
 - *Directory of Cooperating Consultants*

When asked what ten activities their offices spent the most time administering, ROEs and ISCs most often listed teacher and administrator certification, training and professional development, health life safety, and the Regional Safe Schools Program. However, responses varied considerably.

Some functions and activities, although not statutorily required, have been delegated to the ROEs by ISBE. ROEs carry out activities for ISBE such as grants management, educational programming for the local school districts, recognition of private schools, and distribution of materials to local districts. (Pages 11-17)

ROE/ISC FUNDING

According to ISBE audits, the 45 ROEs and 3 ISCs received a total of \$110,816,155 in funding for fiscal year 2000.

Digest Exhibit 1 shows the total funding by source for ROEs and ISCs for fiscal years 1998 through 2000. Of all ROE/ISC sources of revenues for fiscal year 2000, 59 percent was from the State. ROE/ISC funding increased from \$90,116,291 in fiscal year 1998 to \$110,816,155 in fiscal year 2000. The funding information presented was taken from the A-133 audits conducted by private accounting firms that contract with ISBE.

ROEs also received funding to be passed through to local school districts. In total, ROEs and ISCs received \$1.83 billion in fiscal year 2000 from ISBE, most of which was pass through to local school districts.

Many ROEs also receive support from the counties in their region. This may include free building space, in-kind or on behalf payments, and direct funding of staff. For a summary of each ROE's funding for fiscal years 1998 through 2000, see Appendix C of the full report.

Three State agencies (Illinois State Board of Education, the Illinois Department of Corrections, and the Illinois Department of Human Services) accounted for 98% of the total State funding to ROEs and ISCs

in fiscal year 1999. In fiscal year 1999, ISBE provided the majority of funding to ROEs/ISCs from State agencies (87%). Other State agencies providing funding included, among others, the Department of Commerce and Community Affairs, Secretary of State, and the Department of Children and Family Services.

Digest Exhibit 1 ROE/ISC REVENUES Fiscal Years 1998–2000						
Revenue Source	Fiscal Year 1998	%	Fiscal Year 1999	%	Fiscal Year 2000	%
State	\$56,946,877	63%	\$58,736,401	59%	\$65,874,005	59%
Federal	\$10,299,974	11%	\$15,565,857	16%	\$18,661,089	17%
Local	\$21,395,283	24%	\$22,982,906	23%	\$24,356,602	22%
Other	\$1,474,157	2%	\$1,751,922	2%	\$1,924,459	2%
Total Revenues	<u>\$90,116,291</u>	<u>100%</u>	<u>\$99,037,086</u>	<u>100%</u>	<u>\$110,816,155</u>	<u>100%</u>
Notes:						
1) Excludes block grant funding received by Chicago School District # 299 to perform the operations of ISC #3. Also excludes funding provided to ISBE as the ROE for the City of Chicago that totaled \$870,000 each fiscal year.						
2) Fiscal year 1998 data includes funding information collected from the three ISCs because ISBE did not start conducting A-133 audits of them until fiscal year 1999.						
3) Excludes \$6,461,500 appropriated each fiscal year for Superintendent and Assistant Superintendent salaries.						
4) Excludes passthrough funds received by ROEs that are intended for local schools.						
Source: OAG analysis of A-133 audits, ISC survey data, and ISBE data.						

ROEs/ISCs received funding from several sources. For example:

- ISBE provided \$47,039,334 and \$55,025,367 in State funding to ROEs/ISCs in fiscal years 1999 and 2000 respectively. ISBE was also appropriated \$6.46 million for fiscal years 1999 and 2000 for the Regional Superintendents' and Assistant Superintendents' salaries.
- The Department of Human Services (DHS) provided \$3,514,212 in fiscal year 1999 and \$6,311,137 to ROEs in fiscal year 2000.
- The Department of Corrections (DOC) provided funding to one ROE to administer and operate special education services and programs for the DOC Statewide school district. DOC also provided funding to ROEs for GED education, scoring, and reimbursement for GED certificates issued to inmates within each ROE area.

Three State agencies (Illinois State Board of Education, the Illinois Department of Corrections, and the Illinois Department of Human Services) accounted for 98% of the total State funding to ROEs and ISCs.

- Local funding provided from counties to ROEs for fiscal year 2000, according to survey results, was almost \$7 million.
- Federal funding provided to ROEs/ISCs that was identified in the fiscal year 2000 A-133 audits totaled \$18,661,089. (Pages 19-29)

MANAGEMENT CONTROLS AT STATE AGENCIES

Legislative Audit Commission Resolution Number 118 asks whether State agencies providing funding to the ROEs and any other similar entities have in place adequate management controls to review the financial and programmatic aspects of those offices. Management controls include the plan of organization, methods and procedures adopted by management to ensure that its goals are met.

We reviewed management controls at the three State agencies that provided the largest amounts of funding to ROEs/ISCs in fiscal year 1999 (over \$1,000,000). These agencies included the State Board of Education, Department of Human Services, and Department of Corrections.

Illinois State Board of Education (ISBE)

The operations and responsibilities for monitoring programs and funding provided to ROEs/ISCs are decentralized at ISBE. ISBE provides funding to ROEs and ISCs for many different programs. ROEs also provide some services in cooperation with one another. ISBE officials noted that there are over 100 programs at ISBE that provide funding to ROEs and ISCs and that each program is responsible for program monitoring. The decentralized nature of financial and programmatic responsibilities at ISBE, as they relate to ROEs/ISCs, increases the need for a strong system of management controls. We concluded that ISBE's management controls need to be strengthened.

ISBE had major reorganizations in November 1999 and October 2000, and there is another reorganization currently underway. For instance, in fiscal year 1999 the entity responsible for ROE School Services programs and funding was located under the Deputy Superintendent of Educational Programs and was called ROE Liaison/ROE Services. In November 1999 this was moved under the Chief Deputy Superintendent and called Regional Office of Education. Finally, in October 2000, the responsibility was moved under the Education Center and called Regional Offices Support. Even though there is a Division of Regional Offices Support, this Division is only responsible for the School Services programs that accounted for approximately 20 percent of total ISBE State funding to ROEs/ISCs.

The responsibility for monitoring programs and funding provided to ROEs/ISCs is decentralized at ISBE.

The reorganizations at ISBE have led to problems related to communication and management of the programs that ROEs/ISCs are responsible for administering. In our meetings with Regional Superintendents and ISC Executive Directors, several expressed confusion resulting from the ISBE reorganizations, such as whom to contact with questions. We recommended that ISBE establish a central contact responsible for providing guidance to, and addressing questions raised by, ROEs/ISCs. (Pages 32-34)

Guidelines for Allowable Expenses

ISBE's grant agreements contained few guidelines regarding allowable expenses, program reporting, and fiscal monitoring. We reviewed grant agreements for funding of School Services, the Regional Safe Schools Program (RSSP), and the Truants' Alternative and Optional Education Program (TAOEP) which comprise about 70 percent of the total State funding ISBE provides to ROEs/ISCs. None of these programs' grants contained guidelines defining what types of expenses were allowable or unallowable. One program's grant application we reviewed, Career Awareness, contained a section that detailed unallowable costs. The Illinois Grant Funds Recovery Act (30 ILCS 705/10) requires that all grant agreements specify permissible expenditures of grant funds and the financial controls applicable to the grant.

Our expenditure testing focused on the three largest ISBE programs but also included testing of other programs at ISBE and other State agencies. In total, we sampled 397 expenditures for a total of \$1,249,121 at 9 ROEs/ISCs throughout the State.

We generally found that the expenditures tested were consistent with the overall mission and purpose of the ROE/ISC. However, for 15 percent (58 of 397) of the expenditures tested, we had some question, such as whether the expenditure was related to the purpose of the specific program to which it was charged. Our determination of whether these funds were being used in an appropriate, efficient, and effective manner was complicated by the lack of clear criteria from ISBE as to what were allowable or unallowable expenses. We recommended that ISBE develop guidelines for allowable or unallowable expenditures for programs which provide funding to ROEs/ISCs. (Pages 37-42)

ROE Accounting Systems and Policies

ROE offices used different accounting systems throughout the State. ISBE, in an effort to standardize ROE accounting systems, received funding to develop an accounting software package called the Regional Accounting Program or RAP. According to Activity Reports provided by ISBE, expenditures for the RAP project development were \$50,000 in

ISBE's grant agreements contained few guidelines regarding allowable expenses, program reporting and fiscal monitoring.

Our determination of whether these funds were being used in an appropriate, efficient, and effective manner was complicated by the lack of clear criteria from ISBE as to what were allowable or unallowable expenses.

fiscal year 1997, \$180,956 in fiscal year 1999, and \$84,250 in fiscal year 2000. As of July 17, 2001, ISBE expended \$35,819 and obligated another \$45,248 toward the development of RAP for fiscal year 2001.

During our testing visits, only one ROE office was able to provide written accounting policies for their operations. We found that the practices and procedures for approval of expenditures, vouchers, and checks varied among offices.

We also found that expenditures were miscoded according to the ROE Accounting Manual expenditure codes. These codes are used by ROEs and ISCs to report expenditures to ISBE. In 39 percent of expenditures tested (156 of 397), we found that ROEs/ISCs were not following the expenditure codes required by the ROE Accounting Manual. We found that expenditure coding was also inconsistent from one ROE/ISC to another. We recommended that ISBE work with ROEs/ISCs to improve the use of appropriate expenditure codes as is required in the ROE Accounting Manual and consider training ROE/ISC accounting and bookkeeping staff. (Pages 43-44)

ROE/ISC School Services - Regional Improvement Plans

The Regional Improvement Plans submitted to ISBE by the ROEs/ISCs did not always contain the information required by ISBE rule. We reviewed 12 fiscal year 2000 Regional Improvement Plans and found that their content varied widely. Only 3 of the 12 plans included all the criteria required by ISBE rule. Some Regional Improvement Plans did not adequately document the standards and procedures by which the completion of each outcome will be evaluated or did not specify how the services would be delivered. Regional Improvement Plans also did not always adequately document whether programs or services were being done directly or whether they were provided through a cooperative agreement with another ROE or third party. (Pages 45-46)

Monitoring (Site Visits, Record Reviews, and Evaluations)

The administrative code (23 Ill. Adm. Code 525.140) requires that the State Board of Education annually evaluate programs for the five School Service functions. The rule requires that this will include at least an annual review of program records. The rule also requires a site visit to be conducted at least every two years. We found that ISBE is not complying with the ROE/ISC monitoring requirements found in the administrative rules.

Regional Improvement Plans submitted to ISBE by the ROEs/ISCs did not always contain the information required by ISBE rule.

- ISBE provided a list of 13 ROE/ISC site visits (27%) conducted in fiscal year 2000, but could not provide any documentation of these visits other than staff travel vouchers. Some ROE officials stated that ISBE Division of Regional Offices Support staff had never visited their office or it had been several years since they last visited.
- ISBE did not have documentation of required evaluations of whether ROEs met their objectives covered in the Regional Improvement Plans; and
- ISBE did not have policies or procedures governing these site visits.

We recommended that ISBE should ensure that programs meet requirements set forth in the agency's administrative rules including conducting site visits, record reviews, and annual evaluations. We also recommended that Regional Improvement Plans contain all required elements. (Pages 46-47)

Cooperative Agreements and Third Party Transactions

ISBE's administrative rules require that the 10 Regional Offices of Education with the smallest populations "shall enter into cooperative agreements with one or more of the larger regions" to provide the five services outlined under the programs and services to be provided by ROEs (23 Ill. Adm. Code 525.110(b)).

We found that, in fiscal year 2000, 8 of the 10 smallest ROEs had formal agreements as required by the administrative rules and were providing services in cooperation with a larger ROE. However, based on our review of the Regional Improvement Plans, cooperative agreements, ROE/ISC survey data, ROE/ISC budgets, and ROE/ISC websites, we concluded that two of the ten smallest ROEs did not have a formal cooperative agreement.

Our review of cooperative agreements generally concluded that they are not specific about the assignment of program responsibilities. Monitoring of program services is difficult without direct assignment of responsibilities. Although we found instances in which ROEs provided funding to others to perform certain functions, the agreements reviewed did not specifically discuss the exchange of funding.

ISBE also could not provide the amount of funding each cooperative received for ROE School Services or whether the funding was sent directly from ISBE on behalf of another ROE or whether the funding was first given to one ROE and then sent to another.

ISBE is not complying with the ROE/ISC monitoring requirements found in the administrative rules.

The 10 smallest ROEs by population are required to enter into cooperative agreements with one or more of the larger 35 ROEs to provide the School Services functions.

Agreements were not specific regarding funding and program responsibilities.

ISBE does not financially monitor contracts between ROEs and third parties. During expenditure testing we found that some program funding provided to ROEs by ISBE was expended through contracts with third parties. These include local school districts or colleges which are then responsible for operating the program. We recommended that ISBE ensure that each of the ten smallest ROEs provides services through a cooperative agreement which includes sufficient information and that third party transactions are adequately monitored. (Pages 48-50)

ROE/ISC Audits

One of the primary management controls frequently cited by ISBE officials was the annual A-133 audit conducted of each ROE/ISC. State law requires ISBE to annually audit the financial statements of all accounts, funds and other moneys in the care, custody or control of the Regional Superintendents and educational service centers (105 ILCS 5/2-3.17a). The audits were inconsistent in the reporting of funding and did not express an opinion regarding compliance with statutory requirements or monitor specifically if State funding is used in accordance with applicable laws, rules, and grant requirements or in an efficient and effective manner. In our review of program and agency funding, we noticed that the same program had several different names depending upon which ROE audit was reviewed.

Audits were inconsistent in the reporting of funding.

These audits did not show which State agencies provided funds to ROEs and ISCs. Therefore, for our analysis ISBE staff coded the data to identify the State agencies that provided funding to ROEs and ISCs. During our analysis we concluded that ISBE did not always identify the correct State agency providing the funding.

We compared ISBE funding information for fiscal year 2000 with fiscal year 2000 audit reports and concluded that some funding was not reported in the audits. These included funds provided to some ROEs for Regional Safe Schools and Certificate Renewal Administrative Payments.

We reviewed five desk reviews conducted by ISBE's internal audit staff of the A-133 audits for fiscal year 1999 audits. We found that ISBE staff checked the federal funding amounts in the audits to ISBE's accounting systems but did not check the State funding amounts to any source documents. We recommended that ISBE review funding data presented in the A-133 audits for accuracy and ensure consistency in the reporting of programs in these audits. (Pages 50-52)

Interest Income

Some ROEs/ISCs were not using interest earned from State funds for the same purpose as the principal, as required by the Illinois Grant Funds Recovery Act. Of the 9 ROEs/ISCs tested, 7 did not account for an allocation of their interest earnings based on the source of funds in their general ledger. These 7 received a total of \$8,650,249 in State funding for fiscal year 2000. For example, one ROE earned a total of \$24,866 in interest from a variety of State programs and funds. The interest was then deposited into a separate fund/account and used for such purposes as festivals, photo processing, dining, hotel expenses, and charitable donations.

According to the Regional Office of Education Accounting Manual, the ROE must allocate a portion of the interest earned on a bank account in which two or more sources of funds are combined using a reasonable basis. We recommended that ISBE monitor the use of interest income earned on State funds to ensure that these funds are used for the same purpose as the principal unless otherwise stated in the grant. (Pages 52-53)

OTHER STATE AGENCIES

We also reviewed funding received by ROEs from the Illinois Department of Human Services (DHS) and the Illinois Department of Corrections (DOC).

ROEs received State funds from DHS for several different programs. During the audit we met with DHS officials, and reviewed grant agreements and other management controls for the Addiction Prevention Program, Early Intervention Program, and Project Success Program. Generally, the grant agreements provided controls to ensure that funds were used appropriately. We are conducting a detailed review of the Early Intervention Program in accordance with Legislative Audit Commission Resolution Number 122 in which we will further review DHS's monitoring of the Early Intervention Program.

The Illinois Department of Corrections (DOC) has contracts with ROEs and also reimburses ROEs for the cost of issuing GEDs. These agreements were for services to be provided by the ROEs. The largest of the agreements is with one ROE to administer and operate special education programs for the DOC School District #428. A second contract requires another ROE to score and report GED tests for the Department. Generally, the two contracts contained controls to ensure that funds are spent appropriately. (Pages 53-56)


OTHER ISSUES

We also identified other issues regarding Regional Offices of Education. These included:

- ROE Advisory Boards are not meeting the required six times per year. Only 5 of the 45 offices surveyed reported meeting the required number of times.
- Some Regional Superintendents and Assistant Superintendents receive compensation in addition to their statutory salaries. This additional compensation came primarily from the counties. For fiscal year 2000, this additional compensation ranged from \$99 to more than \$20,000 annually.
- State laws related to Regional Offices of Education contain outdated references and confusing language caused by the historical reduction in the number of offices.
- Contracts between the private accounting firms and ISBE to conduct annual audits did not specifically provide that all records should be available for review by the Auditor General as is required by the Illinois Procurement Code (30 ILCS 500/20-65). (Pages 57-61)

AUDIT RECOMMENDATIONS

The audit report contains 11 recommendations to the Illinois State Board of Education. Appendix G to the audit report contains complete agency responses.



WILLIAM G. HOLLAND
Auditor General

WGH\MP
August 2001

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Chapter One

INTRODUCTION AND BACKGROUND

REPORT CONCLUSIONS

The 45 Regional Offices of Education (ROEs) and 3 Intermediate Service Centers (ISCs) received a total of \$110,816,155 in funding from all sources in fiscal year 2000 according to audits contracted by the Illinois State Board of Education (ISBE). Of this amount, \$65,874,005 (59%) was from the State. Chicago School District #299 serves as a fourth ISC in Cook County through a waiver granted by ISBE. ISBE provides the majority of State funding to ROEs and ISCs. This funding is provided for activities such as staff development and training, education of gifted children, computer technology education, alternative schools, and other program activities. ROEs also receive a large amount of funding to pass through to local schools. In fiscal year 2000, ISBE total funding to ROEs and ISCs, including pass through to local school districts, exceeded \$1.83 billion.

Generally, Regional Offices of Education act as a program and fiscal intermediary between ISBE and local school districts. There are several types of functions that ROEs perform including School Services, regulatory functions, and other voluntary functions. ISCs, which are located in Cook County, perform School Services functions and administer the Regional Safe Schools Program (RSSP) but are not responsible for the regulatory functions that ROEs are statutorily responsible for administering. While the Regional Superintendents are elected officials, the ISC executive directors are appointed by each ISC's governing board. When asked what ten activities their offices spent the most time administering, ROEs and ISCs most often listed teacher and administrator certification, training and professional development, health life safety, and the Regional Safe Schools Program. However, responses varied considerably.

The responsibility for monitoring programs and funding provided to ROEs/ISCs is decentralized at ISBE. ISBE officials stated that monitoring is conducted by each program within ISBE. During fiscal year 2000, there were numerous divisions that were involved in program administration and funding of ROEs. ISBE has undergone reorganizations in November 1999 and October 2000, and another is currently underway. Several of the ROE/ISC officials we interviewed expressed confusion resulting from the ISBE's reorganizations, such as whom to contact with questions. Although ISBE has a Division of Regional Offices Support, it is only responsible for a small portion of overall ROE program activities.

Some ROEs provide services through cooperative agreements with other ROEs. However, these agreements are not specific regarding funding and program responsibilities. The activities of ROE cooperatives are not monitored by ISBE. ISBE could not provide us a list of the cooperatives in the State with the names and addresses of each. ISBE also could not provide the amount of funding each cooperative received or whether the funding was sent directly from

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ISBE on behalf of another ROE or whether the funding was first given to one ROE and then sent to another.

Given the decentralized organizational structure, strong management controls need to be in place to ensure that ROE/ISC programs are meeting ISBE's intended goals and are using resources properly. We found that while ISBE had established a system of management controls, several of the controls were not being carried out or needed to be strengthened. Our findings included:

- ISBE's grant agreements and contracts contained few guidelines regarding allowable expenses, program reporting, and fiscal monitoring. While we found that ROE/ISC expenditures sampled were generally spent on ROE/ISC related activities, we had questions on 15 percent of the expenditures sampled, for reasons such as a lack of documentation or whether use of funds was consistent with the purpose of the grant. Our conclusions regarding these expenditures were complicated due to the lack of clear ISBE guidelines as to what were allowable uses of these funds.
- ISBE did not conduct many of the site visits, record reviews, and evaluations of ROEs and ISCs required by administrative rule (23 Ill. Adm. Code 525.140).
- Regional Improvement Plans did not always include all components required by the administrative rule (23 Ill. Adm. Code 525.120).
- A-133 audits conducted of the ROEs/ISCs did not express an opinion on whether the ROE or ISC complied with State laws, regulations, or agreements. One of the primary management controls frequently cited by ISBE officials is the annual audit conducted of each ROE/ISC.

There is an overreliance at ISBE on self-reporting of expenditures by ROEs/ISCs. ISBE approves budgets and monitors overall program expenditures. However, we found that in 156 of 397 (39%) of the expenditures reviewed, ROEs/ISCs did not use function and object codes correctly which may lead to inaccurate expenditure reporting.

We identified interest income earned from State funds being used for purposes other than the principal. The grant agreements reviewed contained no guidelines for use of interest income earned from State funds. The Illinois Grant Funds Recovery Act (30 ILCS 705/10) requires that interest earned on grant funds becomes part of the grant principal when earned and is to be treated accordingly unless the grant agreement provides otherwise.

We also reviewed funding received by ROEs from the Illinois Department of Human Services (DHS) and the Illinois Department of Corrections (DOC). Generally we found that the grant agreements and contracts provided controls to ensure that funds were used appropriately.

Other issues identified during the audit include:

- ROE Advisory Boards are not meeting the required 6 times per year. Only 5 of the 45 offices surveyed reported meeting the required number of times.

- Regional Superintendents and Assistant Superintendents receive compensation in addition to their statutory salaries. For fiscal year 2000, ROEs reported a total of \$105,552 in additional compensation, most of it coming from county government.
- Statutory provisions related to Regional Offices of Education contain outdated references and confusing language caused by the historical reduction in the number of offices.
- Contracts between the private accounting firms and ISBE to conduct annual audits did not specifically provide that all records should be available for review by the Auditor General as is required by the Illinois Procurement Code (30 ILCS 500/20-65).

AUDIT BACKGROUND

On May 25, 2000, the Legislative Audit Commission adopted Resolution Number 118, which directed the Auditor General to conduct a management audit of the State Board of Education and any other State agency providing funding to Illinois' Regional Offices of Education (ROEs) or any similar entity serving as an educational agent for the State responsible for administering programs and/or distributing State moneys to local school districts (See Appendix A). The resolution asked us to determine:

- The sources of funds for the ROEs;
- The major purposes and functions of the ROEs;
- The extent to which State agencies providing funding to the ROEs have in place management controls to review the financial and programmatic aspects of those offices; and
- Whether a review of selected expenditures by ROEs demonstrates that controls are sufficient to ensure that the services provided by those offices are performed in an efficient and effective manner and in compliance with applicable laws, regulations, contracts and grants.

REGIONAL OFFICES OF EDUCATION

Illinois currently has a total of 45 Regional Offices of Education (ROEs). These offices were established in their current form by law in 1995. Exhibit 1-1 shows a history of the development of the Regional Offices of Education.

For each ROE there is a Regional Superintendent and at least one Assistant Regional Superintendent. Regional Superintendents are the only elected education officials serving the State and are elected quadrennially (105 ILCS 5/3-1).

Regional Superintendents serve as the chief administrators of each Regional Office of Education and are responsible for overseeing program services, staffing and personnel, providing information to its advisory board, overseeing fiscal accounts, implementing regional improvement plans, and preparing and submitting information to the State Superintendent of Education. The number of counties within a regional office varies from one to as many as eight

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counties (see Exhibit 1-2). Suburban Cook County, not including the City of Chicago, constitutes a single ROE.

ISBE is the ROE for the City of Chicago (105 ILCS 2-3). In this capacity as ROE for the City of Chicago, ISBE's duties include providing GED testing to the City of Chicago and suburban Cook County, issuing teachers' certificates, and conducting bus driver training. The Suburban Cook ROE provides these services for the remainder of Cook County.

The salaries of the Regional Superintendents and Assistant Regional Superintendents are paid by the Illinois State Board of Education. Depending on the population of the area served, Superintendent salaries for fiscal year 2000 ranged from \$73,500 to \$83,500. Assistant Regional Superintendents are paid from 70 percent to 90 percent of the salary of the superintendent that they are serving depending on the amount of education they have received.

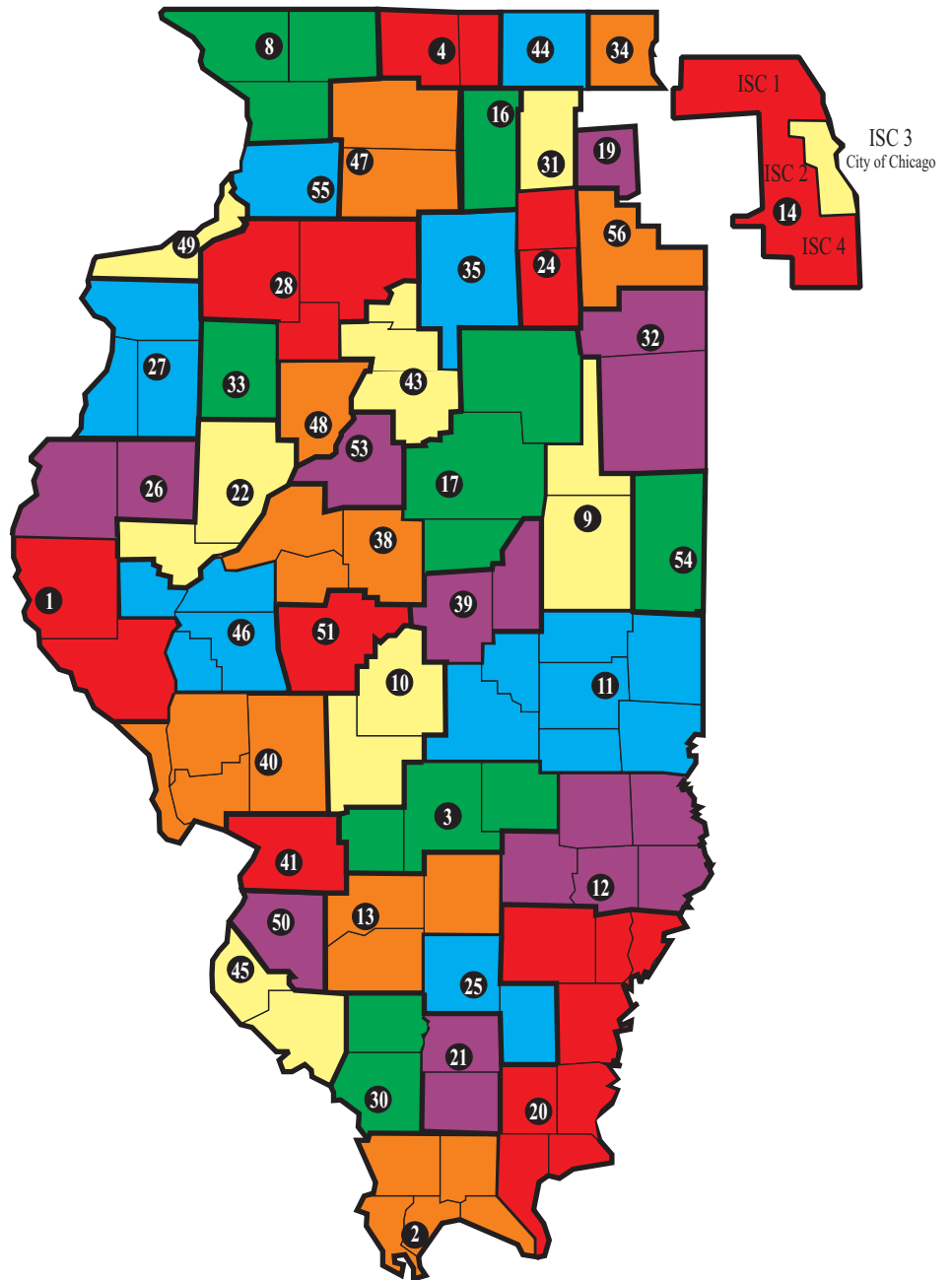
Each of the 45 ROEs has a 13-member advisory board to advise the Regional Superintendent concerning the planning and delivery of programs and services under their control. These boards are comprised of 7 public members selected by the presidents of the region's school parent groups, 4 teachers selected by all the teachers in the region, and 2 administrators selected by all the administrators in the region. Board members serve a 4-year term. By law, the regional advisory board is required to meet six times per year (105 ILCS 5/3A-16 & 17).

Exhibit 1-1 HISTORY OF THE DEVELOPMENT OF REGIONAL OFFICES OF EDUCATION	
Year	Description
1829	Illinois General Assembly requires each County Board to appoint a person to act as commissioner and agent for the county, in the sale of public lands.
1841	Legislation changes the title and duties of the County Commissioner to County Commissioner and Ex-Officio County Superintendent of Schools.
1865	Legislation requires election rather than appointment of the 102 County Superintendents of Schools. The Secretary of State acted as State Superintendent of Schools.
1973	Consolidation mandated by legislation to create 78 Educational Service Regions (ESRs) among 102 counties.
1977	Further consolidation reduced the number of Educational Service Regions to 57 .
1994	Legislation passed that eliminated the office of Regional Superintendent in Cook County as of June 30, 1994. Subsequent law allowed for re-establishment of a suburban Cook County region as of August 7, 1995.
1995	The 57 Educational Service Regions were reduced to 45 and the services of the 14 Educational Service Centers are assumed by the largest Regional Offices of Education.
Source: OAG analysis of Illinois Association of Regional Superintendents of Schools (IARSS) 2000 Annual Report	

Exhibit 1-2
LOCATIONS OF ROEs AND ISCs

Regional Offices by County	
1.	Adams, Pike
2.	Alexander, Johnson, Massac, Pulaski, Union
3.	Bond, Effingham, Fayette
4.	Boone, Winnebago
8.	Carroll, Jo Daviess, Stephenson
9.	Champaign, Ford
10.	Christian, Montgomery
11.	Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, Shelby
12.	Clay, Crawford, Jasper, Lawrence, Richland
13.	Clinton, Marion, Washington
14.	Suburban Cook
16.	Dekalb
17.	Dewitt, Livingston, McLean
19.	DuPage
20.	Edwards, Gallatin, Hardin, Pope, Saline, Wabash, Wayne, White
21.	Franklin, Williamson
22.	Fulton, Schuyler
24.	Grundy, Kendall
25.	Hamilton, Jefferson
26.	Hancock, McDonough
27.	Henderson, Mercer, Warren
28.	Bureau, Henry, Stark
30.	Jackson, Perry
31.	Kane
32.	Iroquois, Kankakee
33.	Knox
34.	Lake
35.	LaSalle
38.	Logan, Mason, Menard
39.	Macon, Piatt
40.	Calhoun, Green, Jersey, Macoupin
41.	Madison
43.	Marshall, Putnam, Woodford
44.	McHenry
45.	Monroe, Randolph
46.	Brown, Cass, Morgan, Scott
47.	Lee, Ogle
48.	Peoria
49.	Rock Island
50.	St. Clair
51.	Sangamon
53.	Tazewell
54.	Vermilion
55.	Whiteside
56.	Will

Cook County's Intermediate Service Centers	
ISC 1	North Cook*
ISC 2	West Cook*
ISC 3	City of Chicago
ISC 4	South Cook*
*ISCs 1,2, and 4 provide services for the same area comprised by ROE 14	



Notes: The map uses ISBE's numbering scheme for ROEs. ISBE serves as the ROE for the City of Chicago. The City of Chicago School District #299 received a waiver from ISBE to assume the responsibilities of ISC #3.
Source: OAG analysis of ROE and ISC locations.

INTERMEDIATE SERVICE CENTERS

In Cook County, there are four Intermediate Service Centers (ISCs) in addition to the Suburban Cook Regional Office of Education. The ISCs were established by administrative rule in 1995 to provide the services required by law of the remaining Cook County Educational Service Centers (23 Ill. Adm. Code 525.10 and 105 ILCS 5/2-3.62). The four Intermediate Service Centers are: North Cook (#1), West Cook (#2), South Cook (#4), and the City of Chicago (#3). The City of Chicago School District #299 applied for and was granted a waiver by ISBE to assume the responsibilities of ISC #3.

The ISCs undertake similar programs and service activities as the ROEs and are required to work in cooperation and consultation with the Suburban Cook Regional Office of Education. The ISCs are responsible for teacher and administrator professional development and the Regional Safe Schools Program.

Each ISC has an 11-member governing board that is responsible for appointing an executive director, reviewing the budget, and reviewing the Regional Improvement Plan. The board is made up of 3 public school teachers nominated by the local bargaining unit and no more than 3 members from each of the following categories to include at least superintendents, school board members and a representative of higher education. The Suburban Cook Regional Superintendent (or designee) also serves on each ISC board. The board members each serve a 4-year term and the board is required to meet at least six times a year (23 Ill. Adm. Code 525.50(c)(4)).

The duties and responsibilities of ISC #3 (City of Chicago) were assumed by the City of Chicago School District #299, because they filed and were granted a waiver by ISBE. Since 1995, the Chicago Public Schools, under the direction of the State Board of Education, have provided those services that are required to be provided by ISC #3. The original waiver was effective August 29, 1995 through September 1, 2000. An additional 5-year waiver was granted on April 20, 2000.

Differences Between Regional Offices and Intermediate Service Centers

Although there are similarities in the services provided by ROEs and ISCs, there are also many differences. ISCs have governing boards that approve their budget and operations. The ISC Boards also hire the Executive Directors that serve at the pleasure of the board. ROEs, in contrast, have an advisory board and the Regional Superintendent is an elected official that serves a 4-year term (see Exhibit 1-3).

Exhibit 1-3 COMPARISON BETWEEN ROE SUPERINTENDENTS AND ISC EXECUTIVE DIRECTORS			
Title	Term	Board	Salaries
ROE Superintendents	Elected to 4-year term	Advisory	Established by Statute (ranging from \$73,500 to \$83,500 in FY 2000)
ISC Executive Directors	Hired under contract by Governing Board	Governing	Established by Governing Board (ranging from \$82,500 to \$95,842 in FY 2000)
<p>Note: Some Regional Superintendents and Assistant Superintendents receive additional compensation (see Chapter Five of this report)</p> <p>Source: OAG analysis of statutes, rules, and ROE/ISC survey information</p>			

Generally, a township treasurer or local school district acts as the fiscal agent for the ISC (they write the checks for the ISC). In contrast, the Regional Superintendents generally act as their own fiscal agent and approve expenditures without consent of a board. ISCs also do not receive funds to pass through to local school districts like ROEs. Many ROEs receive large amounts of passthrough funding.

As far as program activities are concerned, ISCs receive funding for fewer duties and activities than ROEs. ISCs are primarily responsible for School Services, professional development services and the Regional Safe Schools Program (RSSP). ROEs are responsible for these activities plus other regulatory and voluntary activities. Also, ISCs only receive funding from the Illinois State Board of Education (ISBE), whereas ROEs may receive funding and grants from many State and local agencies. In some instances, ROEs co-op services and allocate funding to other ROEs and other local governments.

ILLINOIS STATE BOARD OF EDUCATION’S ROLE

The Illinois State Board of Education (ISBE) provides the majority of funding to ROEs and ISCs, and is responsible for the majority of programs and activities provided through these offices. ISBE is responsible for regulating educational programs, personnel, and financial practices of all public elementary and secondary schools in the State. ISBE administers approximately 170 State and federal grant programs and provides curriculum, financial management information, and oversight to local school districts throughout the State. The number of programs administered by each ROE may vary considerably from one office to another.

ISBE’s organization is very decentralized regarding programs and activities that are administered by ROEs and ISCs. During fiscal year 2000 there were numerous divisions that were involved in program administration and funding of ROEs. ISBE has undergone reorganizations in November 1999 and October 2000; another reorganization is currently underway. Officials stated that monitoring is conducted at the individual program level within ISBE. The organizational structure at ISBE is discussed further in Chapter 4.

OTHER STATE AGENCIES

ROEs may also receive funding from other State agencies. These funds are usually program grants or contracts to provide services. For instance, we identified several grant programs for which ROEs receive funding from the Illinois Department of Human Services. We also identified contracts that ROEs have with the Illinois Department of Corrections. For a further discussion of these agencies and funds see Chapters 3 and 4.

SCOPE AND METHODOLOGY

This audit was conducted in accordance with generally accepted government auditing standards and the audit standards promulgated by the Office of the Auditor General at 74 Ill. Adm. Code 420.310.

We reviewed applicable statutes, administrative rules, and agency procedures to determine the extent to which State agencies providing funding to ROEs have in place management controls to review financial and programmatic aspects of those offices. We met with 12 Regional Superintendents, 2 ISC Executive Directors, and numerous ISBE program officials. We also reviewed the organizational structure between ISBE and ROEs/ISCs to determine reporting mechanisms.

Because all 45 ROEs operate somewhat differently, and reliable information about programs funded by all State agencies was not available through ISBE, cooperation from ROEs was a major factor in attempting to fully answer the determinations in the audit resolution. During the audit, we conducted a survey of all ROEs and ISCs to collect data regarding funding sources, program activities, reporting and any other issues. The survey questions and format were reviewed with ISBE, the President of the Illinois Association of Regional Superintendents of Schools (IARSS), and an ISC executive director to get their input. This survey was sent to all ROEs and ISCs on September 14, 2000. We received responses from all 45 ROEs and 3 of the 4 ISCs. ISC #3 did not respond to the survey. A follow up survey was also conducted in February 2001.

Using information compiled from the A-133 audits of ROEs and ISCs for fiscal year 1999, we were able to identify the State agencies providing funding to ROEs and ISCs. We determined that 87 percent of fiscal year 1999 State funding was received from the Illinois State Board of Education. For the purpose of assessing management controls, we selected State agencies providing more than \$1,000,000 to ROEs and ISCs in fiscal year 1999. These agencies included the Illinois State Board of Education, Illinois Department of Corrections and the Illinois Department of Human Services.

We visited nine selected ROEs and ISCs to conduct detailed expenditure testing. This testing was conducted to determine whether selected program funds were expended in accordance with applicable laws, regulations, and contract and grant requirements for programs. A more detailed description of the testing and analytical methodologies used for this report is included as Appendix B.

While ISBE responses to information requests were generally timely, there were also untimely or incomplete responses which delayed our audit work. For example, ISBE initially denied our request to review the workpapers of an annual audit of a Regional Office of Education conducted by a public accounting firm contracted by ISBE. Approximately seven weeks passed until we were able to review the workpapers. Also, for a response to a question regarding monitoring conducted in accordance with the administrative rules, ISBE took over a month to respond and the response did not provide the information requested.

REPORT ORGANIZATION

The remainder of this report is organized into the following chapters:

CHAPTER TWO – PURPOSE AND FUNCTIONS OF ROEs AND ISCs

CHAPTER THREE – SOURCES OF FUNDING

CHAPTER FOUR – MANAGEMENT CONTROLS AND EXPENDITURE TESTING

CHAPTER FIVE – OTHER ISSUES

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Chapter Two

PURPOSE AND FUNCTIONS OF ROEs AND ISCs

CHAPTER CONCLUSIONS

Generally, Regional Offices of Education (ROEs) act as a program and fiscal intermediary between ISBE and local school districts. There are several types of functions that ROEs perform including School Services (such as staff development and training, education of gifted children, computer technology education etc.), regulatory functions (such as health/life safety school inspections), and other voluntary functions. ISCs perform School Services functions and administer the Regional Safe Schools Program (RSSP) but are not responsible for the regulatory functions that ROEs are statutorily responsible for administering.

When asked what ten activities their offices spent the most time administering, ROEs and ISCs most often listed teacher and administrator certification, training and professional development, health/life safety, and the Regional Safe Schools Program. However, responses varied considerably from one office to another. Some ROEs provide services through cooperative agreements with other ROEs.

OVERVIEW OF ROE/ISC FUNCTIONS

Generally, Regional Offices of Education act as a program and fiscal intermediary between ISBE and local school districts. ROEs are mandated to provide certain School Services and regulatory functions. We identified specific “School Services” functions that are required to be performed by ROEs. ISCs are also required to provide these School Services.

We also identified numerous “school regulatory” functions required to be performed by ROEs directly. ISCs are not required to perform these functions. Regional Superintendents we met with also identified functions performed by ROEs that are required to be performed by ISBE but have been delegated to the ROEs to perform. ROEs may also receive grants from any number of State and local agencies to perform other functions. Because of this, ROEs offer differing types of services.

ROEs differ in many respects, including:

- Size of the geographic area covered - from 1 to as many as 8 counties (ROE #20);
- Number of cities that offices are maintained in - from 1 to as many as 5 cities (ROE #12);
- Number of employees - from 1 (ROE #16) to over 200 employees (ROE #39);
- Number of school districts - from 5 (ROE #33) to 45 (ROE #34);
- Number of students - from 6,096 (ROE #27) to 153,598 (ROE #19);

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- Total fiscal year 2000 funding received - from \$60,811 (ROE #54) to \$8,808,734 (ROE #39); and
- The programs or activities that staff spent the most time administering.

ROEs also provide services unrelated to specific programs. During the course of a year, the Regional Superintendent and his/her staff also receive numerous telephone calls, letters and visits from parents, school personnel, and concerned citizens regarding a multitude of educational concerns. The Regional Superintendent provides service, information, and assistance in these cases.

REQUIRED ROE/ISC FUNCTIONS

There are several types of functions that ROEs perform including School Services, regulatory functions, and other voluntary functions. ISCs, which are located in Cook County, perform School Services functions and administer the Regional Safe Schools Program (RSSP) but are not responsible for the regulatory functions that ROEs are statutorily responsible for administering.

School Services

Each ROE and ISC, with the exception of the Suburban Cook ROE, is required by statute and administrative rule to offer certain core services; referred to as School Services. These may be offered by each ROE/ISC or in cooperation with one or more other ROEs. These services include such activities as providing staff development and training to teachers and administrators, collecting data, and planning, implementing, and evaluating certain programs. The following is a description of each of these required core School Service functions.

- | |
|---|
| <p><u>School Services Functions</u></p> <ul style="list-style-type: none">▪ <i>Education of Gifted Children</i>▪ <i>Computer Technology Education</i>▪ <i>Staff Development Services in Fundamental Learning Areas</i>▪ <i>Illinois Administrators' Academy</i>▪ <i>Directory of Cooperating Consultants</i> |
|---|

- Each ROE/ISC is required to provide for **Education of Gifted Children**. These services are those necessary to support school administrators and teachers in the planning, implementation, and evaluation of the district comprehensive gifted education plans as they relate to school improvement plans. ROEs and ISCs are also to assist ISBE with collection and dissemination of information relative to the implementation of district comprehensive plans, professional development programs, and the completion of special studies as deemed necessary by the State Superintendent of Education.
- Each ROE/ISC is required to provide **Computer Technology Education**. This is to include planning, implementation, and evaluation of services necessary for the establishment of programs designed to achieve computer literacy and high-technology competency. These technology services must include: in-service training

and staff development; use, application, and evaluation of software; technical assistance; and curriculum development.

- Each ROE/ISC is required to provide for **Staff Development Services in Fundamental Learning Areas**, to include at least mathematics, science, and reading resources. These services include planning, implementation, and evaluation services as they relate to continuing education, in-service training, and staff development needs of teachers and administrators in the areas of mathematics, biological and physical sciences, language arts, fine arts, social sciences, and physical development. Activities include assisting in needs assessment activities, providing workshops and in-service training sessions, providing technical assistance, convening study or assessment groups, and acting as a clearinghouse for research materials in fundamental learning areas.
- Each ROE/ISC is required to ensure access for all administrators to continuing professional development offered through the **Illinois Administrators' Academy**. (The purpose of the Administrators' Academy is to provide mandated professional development opportunities for school administrators. Courses are approved by ISBE and the course training is provided on a regional basis by the ROEs and ISCs.) This includes assessing regional needs, acting as a clearinghouse for educational materials and research, and keeping accurate records of attendance at in-service training sessions provided through the Illinois Administrators' Academy.
- Each ROE/ISC is also required to establish and maintain a **Directory of Cooperating Consultants** used by the regional office to provide services to school districts and to make this information available to school districts.

Statutory and Regulatory Functions

In addition to the School Services functions discussed above, ROEs are mandated to perform other statutory and regulatory duties. These include, among others, such functions as:

- **GED** – ROEs are required to provide high school equivalency testing for qualified individuals residing within the region, including testing and issuing the GED certificate (105 ILCS 5/3-15.12).
- **Health/Life Safety** – ROEs are required to inspect and survey all public schools under the Regional Superintendents' supervision annually. They are also required to inspect building plans and specifications, and approve all school construction (105 ILCS 5/3-14.20 & 21).
- **Regional Safe Schools Program** – ROEs and ISCs receive funds to provide alternative learning environments for students to meet their particular needs. The Regional Safe Schools Program (RSSP) was established in 1996 and is an alternative school program for disruptive students from grades six through twelve that have been removed from regular school. Funds can be used by the ROE to operate an alternative school or contracted with a third party (105 ILCS 5/13A *et seq.*).

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- **School Bus Driver Training** - School bus driver initial and refresher training is coordinated through the Regional Offices of Education and taught by school bus driver instructors certified by the State Board of Education (105 ILCS 5/3-14.23).
- **Teacher and Administrator Certification** - Applicants for certification and re-certification are issued an entitlement card that can be presented to a Regional Superintendent of Schools for issuance of a certificate (105 ILCS 5/21-12).
- **Training and Professional Development** – ROEs are required to provide teacher training that meets the requirements for renewal of teaching certificates. Training programs are designed to help teachers instruct students to meet Illinois Learning Standards (105 ILCS 5/2-3.62).
- **Truancy Activities** – The Regional Superintendent is required to appoint a truant officer and collect data concerning truants from local schools and the truant officers as designated by ISBE (105 ILCS 5/3-13 and 105 ILCS 5/26-3(d)).

Other statutory and regulatory functions performed by ROEs include: exercising supervision over all school districts in their region, hearing appeals relating to certificate renewals, conducting teacher in-service programs, issuing work permits for minors, maintaining maps of school districts and boundaries, distributing organ donation information, acting as the ombudsperson for homeless children and families, filling school board vacancies, reviewing and approving school treasury bonds, maintaining a listing of teaching vacancies, and serving as the first resort for resolving controversies arising under school law.

Some functions and activities, although not statutorily required, have been delegated to the ROEs by ISBE. Several Regional Superintendents stated that they are responsible for activities such as grants management, educational programming for the local school districts, recognition of private schools, and distribution of materials to local districts.

Other Activities and Functions

Other functions performed by ROEs are dependent upon the types of grants that each ROE applies for and receives. ROEs receive grants and contracts from several State agencies such as ISBE, Department of Human Services, and Department of Corrections to perform certain activities. However, these are voluntary functions that the ROE has elected to undertake. An example of a voluntary function that is widely undertaken by ROEs is the Truants' Alternative and Optional Education Programs offered through ISBE.

- **Truants' Alternative and Optional Education Program (TAOEP)** - This State-funded program provides grants to local educational agencies, Regional Offices of Education, and community colleges to establish projects which offer modified instruction or other services designed to prevent students from dropping out of school. State law (105 ILCS 5/2-3.66) authorizes ISBE to provide grants for the establishment of pilot Truants' Alternative and Optional Education Programs. These programs, which serve as part-time or full-time options to regular school attendance, offer modified instructional programs or other services designed to prevent students

from dropping out of school. The programs serve dropouts up to and including 21 years old and students identified as potential dropouts, including truants and uninvolved, unmotivated or disaffected students.

ROE/ISC SURVEY RESULTS

We surveyed the 45 ROEs and 4 ISCs to determine the major functions and activities of each office. In the survey we asked each office to identify the top 10 functions on which they spent the most time in fiscal year 2000. We received responses to 48 of the 49 surveys mailed. The ISC #3 did not respond to the survey. Exhibit 2-1 shows the results of the survey regarding the top functions.

Exhibit 2-1 ROE/ISC SURVEY RESULTS TOP TEN ROE/ISC FUNCTIONS			
Rank	Function/Activity	Number of Top Ten Responses	Average Percent of Time
1	Teacher and Administrator Certification	44	13%
2	Training and Professional Development	43	20%
3	Health/Life Safety	39	9%
4	Regional Safe Schools Program	37	12%
5	Reviewing, Approving, and Submitting Information to ISBE	36	6%
6	Enforcing Truancy Laws	34	8%
7	Administering GED Programs	31	5%
8	Distributing Information to Local School Districts	30	5%
9	Computer Technology Education	30	6%
10	Preparing Financial Records for the Annual Audit	25	5%
Source: OAG analysis of survey responses from 48 ROEs and ISCs			

The survey results identified several programs and activities that were common to many offices. The activity that ROEs/ISCs most often listed in the top ten functions of their office was teacher and administrator certification. Forty-four of the 48 offices responding to the survey listed teacher and administrator certification in their top ten functions. This was followed by training and professional development. Third was health/life safety activities which includes inspecting school buildings and approving construction plans and amendments. Teacher and administrator certification and health/life safety functions are not performed by the ISCs. The fourth most common response for top ten functions was the Regional Safe Schools Program.

Many offices responded that they spend a considerable amount of time preparing, approving, and submitting information to ISBE. This includes reviewing school calendars, teacher assignments, grant applications, and other applications and certifications.

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Other functions commonly listed by ROEs and ISCs that take a considerable amount of staff and resources include: truancy activities, GED activities, technology education, distributing information to local school districts, and preparing for their annual audit.

While there were common activities in survey responses, there were also notable differences. Overall, the results of the survey showed that the top ten functions vary from ROE to ROE, especially in the amount of total staff time that it takes to administer an individual activity. For example, the amount of staff time that ROEs reported spending to certify teachers and administrators varied from over 35 percent of total staff time to not considered among the top ten activities of the office. In another case, one ROE designated the Regional Safe Schools Program as 32 percent of total staff time while others did not consider it among the top ten activities of their office.

COOPERATIVE AGREEMENTS

Some ROEs provide services through cooperative agreements. These agreements may be with local school districts, counties, or other ROEs. The survey we conducted showed that there are a large number of cooperative agreements. In total, the 48 offices listed 847 cooperative/intergovernmental agreements. These included both written and informal agreements.

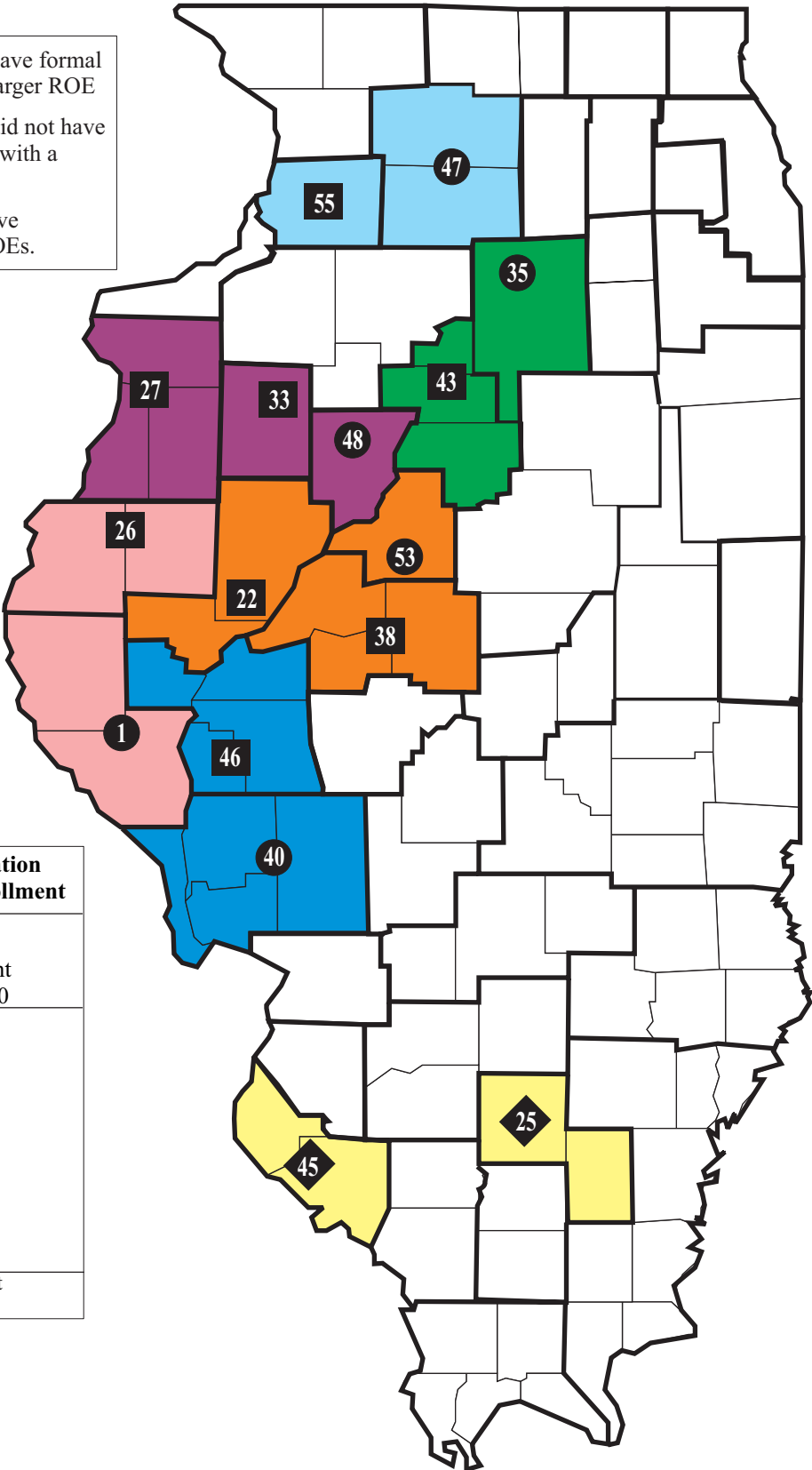
By statute and rule, the 10 ROEs with the smallest populations are required to enter into cooperative agreements with one or more of the 35 larger ROEs to provide the five School Services functions (105 ILCS 5/2-3.62(f) and 23 Ill. Adm. Code 525.110(b)). The map in Exhibit 2-2 shows the School Service Cooperatives that we were able to identify throughout the State. The Exhibit shows whether an office is among the smallest 10 or is one of the larger 35. The Exhibit also details the eight ROEs that provided these services through a formal cooperative agreement in fiscal year 2000 and the two ROEs that did not. ROE cooperatives are also discussed in greater detail in Chapter 4 of this report.

There are also several ROEs, not among the 10 smallest, that give their School Services funding to another ROE. Some of this money is sent directly from ISBE on-behalf of the original ROE. For instance, in fiscal year 2000:

- The Boone/Winnebago ROE received the School Services funding allotted for the DeKalb ROE and the McHenry ROE;
- The Champaign ROE received the School Services funding allotted for the Vermilion ROE; and
- The Will ROE received the School Services funding allotted for the Grundy/Kendall ROE.

Exhibit 2-2
ROE SCHOOL SERVICES COOPERATIVES
 Fiscal Year 2000

- 8 of the 10 smallest ROEs that have formal cooperative agreements with a larger ROE
- ◆ 2 of the 10 smallest ROEs that did not have a formal cooperative agreement with a larger ROE
- Large ROEs that have cooperative agreements with the smallest ROEs.



10 Smallest ROEs by 2000 Population Census and 1999-2000 Student Enrollment

ROE	2000 Population Census	Student Enrollment 1999-2000
46	62,798	9,932
45	61,512	9,368
55	60,653	10,380
38	59,707	10,401
33	55,836	8,234
43	54,735	10,293
26	53,034	8,242
25	48,666	8,194
22	45,439	7,124
27	43,905	6,096

Source: 2000 Census data and ISBE student enrollment data.

Source: OAG analysis of cooperative agreements and ISBE data.

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Chapter Three

SOURCES OF FUNDING

CHAPTER CONCLUSIONS

According to audits contracted by ISBE, the 45 Regional Offices of Education (ROEs) and 3 Intermediate Service Centers (ISCs) received a total of \$110,816,155 in funding from all sources in fiscal year 2000. This does not include funding provided to the City of Chicago School District #299 for the operations of ISC #3. It also does not include the expenses ISBE incurs as the ROE for the City of Chicago. Of the \$110,816,155 in total funding received by the ROEs and ISCs, the State provided \$65,874,005 (59%). The State Board of Education (ISBE) provides the majority of State funding to ROEs and ISCs. This funding is provided for activities including ROE/ISC School Services, alternative schools, and other program activities.

In addition to funding provided to ROEs, ISBE was also appropriated \$6.46 million each year for fiscal years 1999 and 2000 to pay the salaries of Regional Superintendents and Assistant Superintendents. ROEs also receive funding and other non-financial support from the local county or counties in their region. The amount of local support varies from office to office.

OVERVIEW OF ROE/ISC FUNDING

Exhibit 3-1 shows the total funding by source for ROEs and ISCs for fiscal years 1998 through 2000.

Of all ROE/ISC sources of revenues for fiscal year 2000, 59 percent was from the State. ROE funding increased from \$90,116,291 in fiscal year 1998 to \$110,816,155 in fiscal year 2000.

The funding information presented was

Exhibit 3-1 ROE/ISC REVENUES Fiscal Years 1998–2000						
Revenue Source	Fiscal Year 1998	%	Fiscal Year 1999	%	Fiscal Year 2000	%
State	\$56,946,877	63%	\$58,736,401	59%	\$65,874,005	59%
Federal	\$10,299,974	11%	\$15,565,857	16%	\$18,661,089	17%
Local	\$21,395,283	24%	\$22,982,906	23%	\$24,356,602	22%
Other	\$1,474,157	2%	\$1,751,922	2%	\$1,924,459	2%
Total Revenues	<u>\$90,116,291</u>	<u>100%</u>	<u>\$99,037,086</u>	<u>100%</u>	<u>\$110,816,155</u>	<u>100%</u>
Notes:						
1) Excludes block grant funding received by Chicago School District # 299 to perform the operations of ISC #3. Also excludes funding provided to ISBE as the ROE for the City of Chicago that totaled \$870,000 each fiscal year.						
2) Fiscal year 1998 data includes funding information collected from the three ISCs because ISBE did not start conducting A-133 audits of them until fiscal year 1999.						
3) Excludes \$6,461,500 appropriated each fiscal year for Superintendent and Assistant Superintendent salaries.						
4) Excludes passthrough funds received by ROEs that are intended for local schools.						
Source: OAG analysis of A-133 audits, ISC survey data, and ISBE data.						

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taken from the A-133 audits conducted by private accounting firms that contract with ISBE. Federal law requires that A-133 audits be conducted of organizations that expend \$300,000 or more in federal funds annually. In addition to regular financial reporting, these audits report on internal controls and compliance with federal laws. ISBE identified these audits as the primary source of funding information for ROEs/ISCs. However, we found some limitations in the audit information. We identified funds reported on ISBE's disbursement system that had no matching revenue source identified in the audits. Also, we found State funding misclassified as federal funding and federal funding misclassified as State funding in the audits (see Chapter 4).

ROEs also received funding to be passed through to local school districts. In total, ISBE disbursed \$1.83 billion in fiscal year 2000 to ROEs and ISCs, most of which was pass through to local school districts.

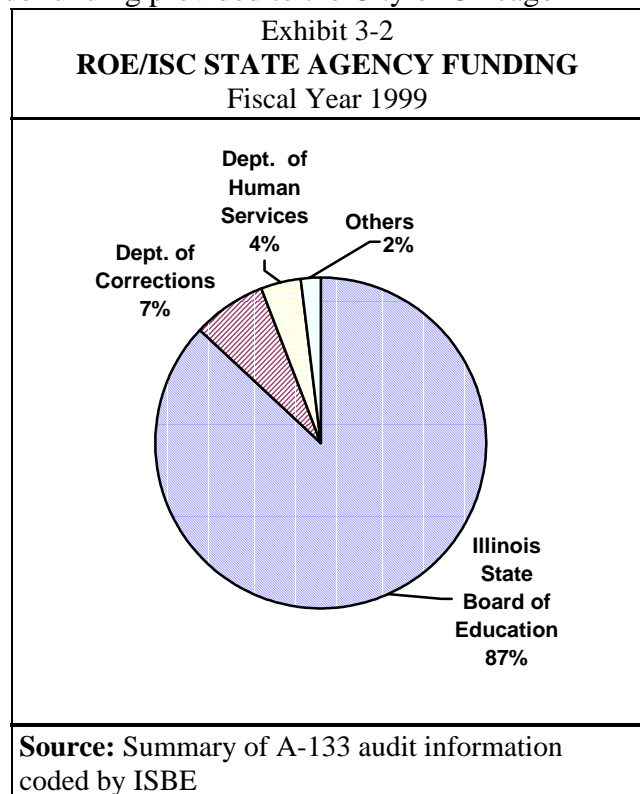
Many ROEs also receive support from the counties in their region. This may include free building space, office supplies, telephone usage, and direct funding of staff. For a summary of each ROE's funding for fiscal years 1998 through 2000, see Appendix C.

The funding information contained in Exhibit 3-1 excludes salaries paid to both Regional Superintendents and Assistant Superintendents. In fiscal year 2000, \$6.46 million was appropriated to ISBE to pay the salaries of the Regional Superintendents and the Assistant Superintendents. The ISC Executive Directors are not paid by ISBE but are paid by the ISCs directly, therefore their salaries are included in Exhibit 3-1. Through our survey we found that these salaries ranged from \$82,500 to \$95,842 for fiscal year 2000.

Additionally, Exhibit 3-1 does not include funding provided to the City of Chicago School District #299. This block grant funding is to perform functions as is directed by a waiver received from ISBE in which District #299 assumed the responsibilities of ISC #3. Exhibit 3-1 also does not include the cost ISBE incurs as the ROE for the City of Chicago. The Chicago District #299 Block Grants and ISBE's cost as the ROE for the City of Chicago are discussed later in this chapter.

SOURCES OF ROE/ISC FUNDING

ROEs receive funding from a variety of sources, including State agencies. We conducted an analysis using information from fiscal year 1999 A-133 audits conducted of Regional Offices of Education and Intermediate Service Centers. Because the audits do not show which State agencies provided funds, ISBE staff coded the data to



identify the State agency providing the funding. Although the coded data had some limitations and errors, we were able to generally identify the State agencies that provide funding to ROEs.

Using this ROE/ISC A-133 audit information coded by ISBE, we determined which State agencies provided funding to ROEs and ISCs in fiscal year 1999. Three State agencies (Illinois State Board of Education, the Illinois Department of Corrections, and the Illinois Department of Human Services) accounted for 98% of the total State funding to ROEs and ISCs. ISBE provided the majority of funding to ROEs from State agencies (87%) during fiscal year 1999 (see Exhibit 3-2). Other State agencies providing funding included, among others, the Department of Commerce and Community Affairs, Secretary of State, and the Department of Children and Family Services.

We gathered detailed funding data for the three State agencies that provided the largest amount of funding to ROEs and ISCs. The following is a discussion of each of these State agencies and the funding they provided to ROEs/ISCs in fiscal years 1999 and 2000.

ILLINOIS STATE BOARD OF EDUCATION FUNDING

ISBE funding data shows that the agency provided \$47,039,334 and \$55,025,367 in State funding to ROEs and ISCs in fiscal years 1999 and 2000 respectively. In addition, ISBE was appropriated \$6.46 million each year for fiscal years 1999 and 2000 to pay the salaries of the Regional Superintendents and Assistant Superintendents.

The Regional Safe Schools Program (RSSP), ROE/ISC School Services (School Services), the Truants' Alternative and Optional Education Program (TAOEP), and General State Aid associated with RSSP and TAOEP accounted for 70 percent of the total State funding provided to ROEs and ISCs by ISBE in fiscal year 2000.

Regional Safe Schools Program

The largest amount of ISBE State funding (22%) to ROEs in fiscal year 2000 was for the Regional Safe Schools Program (RSSP). In fiscal year 2000, a total of 45 ROEs and ISCs received \$12,051,908 for RSSP. The Suburban Cook ROE did not receive funding for this program because RSSP is operated by the ISCs in Cook County. Also, two other ROEs provide this program in cooperation. ROEs and ISCs with a Regional Safe School also receive General State Aid funding for operating the Regional Safe School. This totaled \$5,980,084 for RSSP in fiscal year 2000.

ROE/ISC School Services

ISBE provides each ROE and ISC operations funding to perform the School Services functions discussed in Chapter Two of this report. For fiscal year 2000, ISBE provided 38 ROEs and ISCs a total of \$10,513,993 for operations. Only 38 offices received this funding because some ROEs sent their operations funding to a cooperative or ISBE sent the funding directly to another ROE on their behalf.

**Management Audit of the Illinois State Board of Education and Other State Agencies
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Exhibit 3-3 ROE/ISC FUNDING FROM ISBE State Dollars				
Program Name	Fiscal Year 1999		Fiscal Year 2000	
	No. of ROEs/ISCs	\$ Amount	No. of ROEs/ISCs	\$ Amount
Regional Safe Schools Program (RSSP)	45	\$12,068,654	45	\$12,051,908
ROE/ISC School Services (Operations)	38	\$10,504,958	38	\$10,513,993
General State Aid -(RSSP)	46	\$5,220,495	46	\$5,980,084
Truants' Alternative Optional Ed. Program(TAOEP)	32	\$5,534,389	33	\$5,954,051
General State Aid -(TAOEP)	20	\$3,556,190	19	\$3,843,541
Scientific Literacy	37	\$2,154,090	38	\$2,539,060
State Substance Abuse & Violence Prevention	19	\$280,596	9	\$2,108,862
Statewide Professional Development	-	-	1	\$2,095,000
Early Childhood –At Risk Children	-	-	4	\$1,590,165
ROE/ISC Internal Review Grant	37	\$972,473	37	\$1,094,341
Vocational Ed.-Instructor Practicum	37	\$1,024,424	39	\$1,039,533
Summer Bridges	-	-	4	\$830,074
Career Awareness and Development	46	\$693,702	46	\$682,508
Administrators' Academy	36	\$538,248	37	\$539,041
Early Childhood Prevention Initiative	-	-	5	\$501,131
Early Childhood Parental Training 0-3	-	-	11	\$467,064
Gifted Education	8	\$640,204	8	\$454,298
Adult Ed. -State 3-1	7	\$319,206	6	\$408,000
Academic Early Warning List	-	-	3	\$306,360
ROE/ISC Technology	43	\$298,770	42	\$299,079
Early Childhood Parental Training 3-5	-	-	9	\$288,580
Adult Ed. -State Performance	7	\$250,192	7	\$284,508
Adult Ed. -Public Assistance	5	\$178,713	6	\$165,000
Metro East Consortium	-	-	1	\$128,297
Voc. Ed.-Elem. Career Dev.	1	\$109,231	1	\$111,113
Orphanage Tuition –18-3	1	\$89,946	1	\$105,942
Supervisory Expense	45	\$102,000	45	\$102,000
Voc. Ed. Secondary Program Improvement	-	-	1	\$90,672
Certificate Renewal Admin. Payment –LPDCs	-	-	45	\$90,000
Voc. Ed. Coordination Grant	-	-	1	\$76,946
Learning Improvement & Quality Assurance –QAIP	-	-	1	\$50,000
ROE/ISC Bus Driver Training	45	\$49,920	45	\$49,200
Reading Improvement Block –Reading Rec.	1	\$50,100	1	\$45,900
Voc. Ed. Formula	5	\$21,712	6	\$43,546
Criminal Background Investigations	37	\$30,351	34	\$34,669
K-6 Comprehensive Arts	1	\$22,000	1	\$22,000
Hispanic Student Dropout	1	\$15,000	1	\$15,636
Parent Involvement Campaign	-	-	1	\$11,324
Bilingual Ed. –Downstate T.P.I.	1	\$9,804	1	\$10,677
State Free Lunch & Breakfast	2	\$762	3	\$1,264
Early Childhood Block Grant	12	\$2,244,733	-	-
Adult Ed. Public Assistance -IR&R	5	\$56,810	-	-
Driver Education	1	\$1,661	-	-
Totals		\$47,039,334		\$55,025,367

Note: Does not include funding received by ROEs that is passed through to local schools. Totals may not add due to rounding.

Source: OAG analysis of Illinois State Board of Education data

Truants' Alternative and Optional Education Program

Truants' Alternative and Optional Education Program (TAOEP) funds were provided to 33 offices in fiscal year 2000. In fiscal year 2000, ROEs received \$5,954,051 for TAOEP. ROEs also received \$3,843,541 in General State Aid related to alternative schools for this program. TAOEP is a competitive grant program that is open to public school districts, Regional Offices of Education, community college districts, and public university laboratory schools.

Other ISBE Programs and Funding

According to ISBE funding data, ISBE provided 40 different types of State program funding to ROEs and ISCs in fiscal year 2000. As can be seen in Exhibit 3-3, the number of offices receiving funding and the amount varied somewhat between fiscal year 1999 and 2000. Other common programs receiving funding from ISBE in fiscal years 1999 and 2000 include: Scientific Literacy, Internal Review, Career Awareness, Administrators' Academy, Technology, Supervisory Expense, and Bus Driver Training. Appendix D contains a brief description of these programs.

ISBE also provides large amounts of pass-through funding to ROEs. This funding is intended for local schools and is passed from ISBE to the ROE and then to the local schools. Total ROE/ISC funding from ISBE, including pass through funds, was \$2.15 billion and \$1.83 billion respectively for fiscal year 1999 and 2000. The reason for the decrease in the amount of pass-through funding is primarily due to the use of Electronic Fund Transfers to local school districts. With EFT, the funding is deposited directly to the local schools' accounts and does not pass through the ROE.

CITY OF CHICAGO AND ISBE FUNDING

Exhibit 3-3 does not include the amount that ISBE expends in their duties as the ROE for the City of Chicago. It also does not include the amount that the City of Chicago School District #299 expended in providing the services of ISC #3.

ISBE as the ROE for the City of Chicago

State law requires ISBE to perform the duties of the Regional Superintendent for the City of Chicago (105 ILCS 5/2-3.105). We identified \$870,000 in ISBE's budget books that were appropriated each year for fiscal years 1999 and 2000 for this purpose. These funds support ISBE's responsibilities for carrying out duties otherwise provided by an ROE. These responsibilities consist mainly of GED testing, issuing teachers' certificates, and conducting bus driver training. We requested from ISBE the amount that they expended for these duties for fiscal year 1999 and 2000. ISBE officials responded with the \$870,000 budget figure that is stated above.

District #299 Block Grants

Exhibit 3-3 also does not include funding provided by ISBE to the City of Chicago School District #299 to provide the services as ISC #3. District #299 received a waiver from ISBE to provide the services of ISC #3. ISBE provided ROE/ISC School Services funding to District #299 for these services in the amount of \$1,841,600 each year for fiscal years 1999 and 2000.

District #299 receives funding from two ISBE block grants. The funding provided includes activities usually provided by ROEs and ISCs. District #299 is not required to file any application or other claim to receive these block grants. Because School Services money is included in the block grants, District #299 is not required to file a budget or plan for the programs they are responsible for as the ISC. Because District #299 receives block grant funding, it does not detail the amount for programs that would have been the responsibility of ISC #3. ISC #3 did not respond to our survey.

The General Education Block Grant includes funding for programs such as Professional Development, Reading Improvement, Gifted Education, Scientific Literacy, and Truants' Alternative and Optional Education. In fiscal year 2000, District #299's General Education Block Grant totaled \$102,959,100. The Educational Services Block Grant includes funding for programs such as Administrators' Academy, ROE/ISC School Services, Free Lunch/Breakfast, Transportation and Special Education. In fiscal year 2000, District #299's Educational Services Block Grant totaled \$297,295,900.

FEDERAL FUNDING PROVIDED TO ROES BY ISBE

ISBE also provides funding to ROEs and ISCs in the form of federal program funds. In fiscal years 1999 and 2000 ISBE provided \$11,016,792 and \$9,570,528 respectively to ROEs and ISCs for federal programs (see Exhibit 3-4).

Exhibit 3-4 ROE/ISC FUNDING FROM ISBE Federal Dollars				
Program Name	Fiscal Year 1999		Fiscal Year 2000	
	No. of ROEs/ISCs	\$ Amount	No. of ROEs/ISCs	\$ Amount
Spec. Education IDEA Discretionary	4	\$1,209,814	5	\$1,458,662
School to Work (DOL)	-	-	40	\$1,094,301
Technology Literacy Challenge	2	\$405,000	4	\$855,000
Title I –School Improvement	37	\$773,415	31	\$839,158
Education to Careers –Implementation (DOL)	6	\$2,284,229	3	\$769,275
Title II –Eisenhower –Professional Dev. Formula	22	\$744,516	23	\$698,619
Even Start	6	\$664,874	6	\$630,617
Spec. Education Pre School Discretionary	2	\$599,780	2	\$600,000
Fed. Adult Ed. –Basic	7	\$252,015	10	\$410,300
McKinney Ed. For Homeless Children	11	\$432,351	11	\$401,524
Principles of Effectiveness Demonstration Grants	-	-	1	\$388,537
Goals 2000 Leadership	4	\$388,859	2	\$376,050
Title II -Eisenhower –Leadership Grants	47	\$355,286	42	\$307,064
Other Federal Programs	2	\$298,931	2	\$226,078
V.E. Perkins -Title IIB –Corrections Ed.	-	-	1	\$175,997
Title IV-Safe and Drug Free School Formula	20	\$207,324	13	\$151,728
Learn and Serve America	5	\$44,076	6	\$50,247
Title IV-Safe and Drug Free/Violence Prev.	2	\$235,537	1	\$42,749
Fed. Adult Ed. Special Projects	2	\$84,723	1	\$31,000
SAE Nutrition Ed Loan Library/Services	-	-	1	\$21,000
National School Lunch Program	2	\$10,995	3	\$15,714
V.E. Perkins -Title IIB -Single Parents	2	\$100,000	1	\$10,000
Summer Food Service Program	1	\$9,051	1	\$7,249
Class Size Reduction	-	-	10	\$4,559
Title VI-Formula	3	\$1,490	6	\$3,299
School Breakfast Program	1	\$1,266	1	\$1,801
Goals 2000	7	\$1,016,589	-	-
Title IV -Safe and Drug-Free-State Level Prog.	1	\$400,000	-	-
Academic Early Warning List	6	\$201,885	-	-
V.E. Perkins –Title IIB-Sex Equity	4	\$188,149	-	-
Fed. Adult Ed. Basic—Institutions	4	\$78,108	-	-
Fed. Adult Ed. –Secondary –Institutions	2	\$28,529	-	-
Totals		\$11,016,792		\$9,570,528
Note: Totals may not add due to rounding.				
Source: Illinois State Board of Education				

ILLINOIS DEPARTMENT OF HUMAN SERVICES (DHS)

In our review of fiscal year 1999 A-133 audits contracted by ISBE, the Department of Human Services (DHS) provided one of the three largest amounts of funding to ROEs by State agencies. According to financial data provided by DHS officials, ROEs received \$3,514,212 from DHS in fiscal year 1999 and \$6,311,137 in fiscal year 2000 (see Exhibit 3-5).

Not all of the 45 ROEs receive funding from DHS. According to funding information provided by DHS, a total of 20 ROEs received funding for various DHS programs for either fiscal year 1999 or 2000. The majority of the DHS funding to ROEs is attributable to three programs: Early Intervention, Addiction Prevention, and Project Success. Exhibit 3-5 shows the three programs and the total payments made to ROEs. ROEs also received funding from DHS for case services to individuals, youth programs, teen parent services, and temporary assistance to needy families.

Exhibit 3-5 ROE FUNDING FROM DHS Fiscal Years 1999 and 2000		
Program	FY99	FY00
Early Intervention	\$1,063,000	\$1,743,300
Addiction Prevention	\$1,500,600	\$1,277,200
Project Success	\$559,700	\$743,927
Subtotal	\$3,123,300	\$3,764,427
Other Programs	\$390,912	\$2,546,710
Total For All Programs	\$3,514,212	\$6,311,137
Source: OAG analysis of DHS data		

The increase in DHS funding to ROEs in fiscal year 2000 is largely attributable to a single award of \$1,543,500 to an ROE for DHS federal projects funds. This was a contract to the Monroe/Randolph ROE to be the administrative and accounting agent for several entities and programs for DHS.

Addiction Prevention

DHS's Addiction Prevention program delivers direct prevention services to communities and serves as a link between DHS funded community-based providers, State government, the research community, and local community efforts. Within DHS's Addiction Prevention program there are four smaller programs: Addiction Prevention; Addiction Prevention Comprehensive; Addiction Prevention In Touch; and Communities CAN.

Early Intervention

The Early Intervention Services System Act (325 ILCS 20/2) created programs and services for eligible infants and toddlers with developmental disabilities. The Act was established to, among other things, enhance the development of all eligible infants and toddlers in the State in order to minimize developmental delay and maximize individual potential for adult independence. DHS provides State funds to organizations, such as some ROEs, implementing early intervention programs. DHS's Early Intervention program includes two funded intervention programs: Part C Early Intervention Child and Family Connection, and Early Intervention Public Awareness.

Project Success

Project Success is a program whose goal is to ensure that children come to school prepared to learn and that those children also receive the necessary support to achieve their ultimate potential in school. Project Success has six core service components:

- Preventive and primary health care;
- Proper nutrition and nutrition education;
- Preventive and rehabilitative mental health services;
- Services that protect and promote the health and stability of the family;
- Substance abuse prevention, intervention and treatment; and
- Social activities to enhance positive family interaction.

ILLINOIS DEPARTMENT OF CORRECTIONS (DOC)

In our review of fiscal year 1999 A-133 audits contracted by ISBE, the Department of Corrections provided one of the three largest amounts of funding to ROEs by State agencies (see Exhibit 3-6). The large amount of DOC funding is primarily because of a contract to a single ROE (Macon/Piatt ROE #39). DOC contracts with ROE #39 to administer and operate special education services and programs for the DOC Statewide school district. DOC also provides funding to the Sangamon ROE (#51) for scoring and reporting GED tests. In addition to these contracts, DOC provides small amounts of funding to ROEs in the form of reimbursement for GED certificates issued to inmates and wards of DOC facilities within each ROE’s area.

Exhibit 3-6 ROE FUNDING FROM DOC Fiscal Years 1999 and 2000			
ROE	Purpose	Total Funding	
		FY99	FY00
#39 – Macon/Piatt	Programs and Services for School District #428	*\$4,594,268	*\$4,524,723
#51 – Sangamon	Provide GED Scoring and Reporting Services	\$17,525	\$17,608
Other ROEs	Issue GED Certificates	\$24,869	\$25,651
Total		\$4,636,662	\$4,567,982
<p>*Note: ISBE provided additional funding of \$829,960 for fiscal year 1999 and \$986,250 for fiscal year 2000</p> <p>Source: OAG analysis of Department of Corrections data</p>			

Illinois Department of Corrections School District #428

The Illinois Department of Corrections School District #428 contracts with the Macon-Piatt ROE to provide special education services on-site to inmates under the age of 21 who are incarcerated within the DOC. The Illinois Department of Corrections School District #428 was established by law in 1972 (105 ILCS 5/13-40). By law, the district may establish primary, secondary, vocational, adult, special and advanced educational school programs for the education of inmates and wards within DOC. The district provides kindergarten through grade 12 educational programs at correctional centers throughout the State, including juvenile facilities.

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Under the terms of the fiscal year 2000 contract, the Macon-Piatt ROE provides certified and non-certified staff that deliver special education and related services on-site at 29 specified DOC facilities. These instructional employees must meet qualifications and certification requirements as specified by ISBE in order to provide specialized instruction and diagnostic services to DOC inmates and students in accordance with the Individuals with Disabilities Act. The ROE is responsible for hiring staff and related personnel duties, processing payrolls, purchasing supplies and materials, and writing special education policies and procedures, which comply with State and federal laws and in-servicing staff.

Exhibit 3-7 DOC-ROE #39 CONTRACT BUDGET Fiscal Year 2000	
Personal Services	\$4,191,206
Fringe Benefits	\$904,307
Equipment	\$0
Commodities	\$51,900
Travel	\$48,500
Other Costs	\$315,060
TOTAL COST	\$5,510,973
Less funding from ISBE	(\$986,250)
TOTAL FROM DOC	\$4,524,723
Source: DOC fiscal year 2000 contract with ROE #39	

The contract budget summary in Exhibit 3-7 shows that for fiscal year 2000 the Macon-Piatt ROE was to receive \$5,510,973 to execute the contract. Of this amount \$4,524,723 was from DOC. The majority of funding received from DOC is used to pay the salaries of District #428 employees. The remainder, \$986,250, was received from ISBE in the form of grants, reimbursements, and interest related to these activities.

The contract allowed the ROE administrative expenses of \$928,327. This money is used for costs incurred by the ROE in being the administrative agent for DOC. It is used for personal services, fringe benefits, commodities, travel and "other" costs (contractual, tuition, printing, repair, indirect costs).

Graduate Equivalency Document (GED)

DOC provides education to inmates incarcerated in DOC facilities. DOC contracts with the Sangamon ROE to provide scoring and reporting of GED exams, including the writing Skills Essay taken by residents located at DOC facilities statewide. DOC paid the Sangamon ROE \$17,525 and \$17,608 for these services in fiscal years 1999 and 2000, respectively.

In fiscal year 2000, DOC paid \$3.50 for scoring each test battery and \$3.75 for scoring each writing skills essay for a total of \$7.25 per complete GED test. DOC also paid a total of \$1,200 for administrative costs in fiscal year 2000. Payments are made upon receipt of monthly invoices billed by the ROE. The total cost for supplies and services for the fiscal year 2000 contract with the Sangamon ROE was \$17,608. The Sangamon ROE forwards official test results to the ROE with the jurisdiction in the county in which the correctional facility is located. If the student inmate has passed the GED exam, the jurisdictional ROE issues a GED certificate and sends a copy to ISBE, a copy to correctional facility, a copy to DOC, and retains a copy in the jurisdictional ROE.

DOC reimburses other ROEs for issuing GED certificates. DOC paid 25 ROEs \$24,869 and 26 ROEs \$25,651 for issuing GED certificates in fiscal years 1999 and 2000 respectively.

The jurisdictional ROE pays for the initial issuance of the GED certificate, then DOC reimburses the ROE for this cost.

LOCAL AND OTHER SOURCES OF FUNDING

ISBE's A-133 audits reported that all ROEs received funds from local sources in fiscal year 2000. These funds could include direct or in-kind support from the local county or counties in the region, interest income, or fees charged for activities such as teacher certification or registration fees.

Many ROEs receive funding and other support in the form of direct financial support, on-behalf payments, and in-kind services from the counties within their region. We surveyed the 45 ROEs and 3 ISCs and asked what types of local support and funding they received in fiscal year 2000. The survey results showed that 43 of the 45 ROEs received some form of county financial or in-kind support. The total direct financial support from counties for fiscal year 2000, according to survey results, was almost \$7 million. However, the amount of direct financial support varied from as little as \$41,831 to as much as \$875,418. Other in-kind support includes office space, phone usage, and staff.

FEDERAL FUNDING

ROEs also receive federal funding. A-133 audits of ROEs and ISCs showed that a total of \$18,661,089 in federal funding was received in fiscal year 2000. Exhibit 3-4 shows that ISBE reported providing \$9.57 million in federal funding to ROEs and ISCs in fiscal year 2000. These funds were generally for federal title programs but also included funding for adult education, nutrition and lunch programs, and career and work programs.

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Chapter Four

MANAGEMENT CONTROLS AND EXPENDITURE TESTING

CHAPTER CONCLUSIONS

ISBE lacked a central organizational unit to coordinate and monitor ISBE programs with ROEs/ISCs. Rather, each ISBE program that provided funding to ROEs/ISCs was responsible for its own programmatic monitoring. ISBE has also undergone several reorganizations in recent years that have shifted programs and personnel responsible for programs involving ROEs/ISCs. Several of the ROE/ISC officials we interviewed expressed confusion resulting from the ISBE reorganizations, such as whom to contact with questions. While there is a Division of Regional Offices Support, this Division does not act as a liaison between ROEs/ISCs and ISBE for all programs. Rather it is responsible only for the School Services programs, which comprised only about 20 percent of ISBE funding to ROEs/ISCs in 2000.

Given the decentralized organizational structure, strong management controls need to be in place to ensure that ROE/ISC programs are meeting ISBE's intended goals and are using resources properly. We found that while ISBE had established a system of management controls, several of the controls were not being carried out or needed to be strengthened. Our findings included:

- ISBE's grant agreements and contracts contained few guidelines regarding allowable expenses, program reporting, and fiscal monitoring. While we found that ROE/ISC expenditures sampled were generally spent on ROE/ISC related activities, we had questions on 15 percent of the expenditures sampled, for reasons such as a lack of documentation or whether use of funds was consistent with the purpose of the grant. Our conclusions regarding these expenditures were complicated due to the lack of clear ISBE guidelines as to what were allowable uses of these funds.
- ISBE did not conduct many of the site visits, record reviews, and evaluations of ROEs and ISCs required by administrative rule (23 Ill. Adm. Code 525.140).
- Regional Improvement Plans did not always include all components required by the administrative rule (23 Ill. Adm. Code 525.120).
- ROEs/ISCs did not always use the correct expenditure codes required by the ROE Accounting Manual.
- A-133 audits were inconsistent in reporting of funds and do not express an opinion on compliance for State programs. One of the primary management controls frequently cited by ISBE officials was the annual audit conducted of each ROE/ISC.

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There is an overreliance at ISBE on self-reporting of expenditures by ROEs/ISCs. ISBE approves budgets and monitors overall program expenditures. However, we found that in 156 of 397 (39%) of the expenditures reviewed, ROEs/ISCs did not use function and object codes correctly which may lead to inaccurate expenditure reporting.

We identified interest income earned from State funds being used for purposes other than the principal. The grant agreements reviewed contained no guidelines for use of interest income earned from State funds. The Illinois Grant Funds Recovery Act (30 ILCS 705/10) requires that interest earned on grant funds become part of the grant principal when earned and is to be treated accordingly unless the grant agreement provides otherwise.

We also reviewed funds received by ROEs from the Illinois Department of Human Services (DHS) and the Illinois Department of Corrections (DOC).

MANAGEMENT CONTROLS AT STATE AGENCIES

Legislative Audit Commission Resolution Number 118 asks whether State agencies providing funding to ROEs and any other similar entities have in place adequate management controls to review the financial and programmatic aspects of those offices. Management controls include the plan of organization, methods, and procedures adopted by management to ensure that its goals are met.

During the audit, we assessed State agencies' management controls and reporting requirements for ROEs/ISCs. We reviewed management controls at the three State agencies that provided the largest amounts of funding to ROEs/ISCs in fiscal year 1999 (over \$1,000,000). These agencies included the State Board of Education, Department of Human Services, and Department of Corrections.

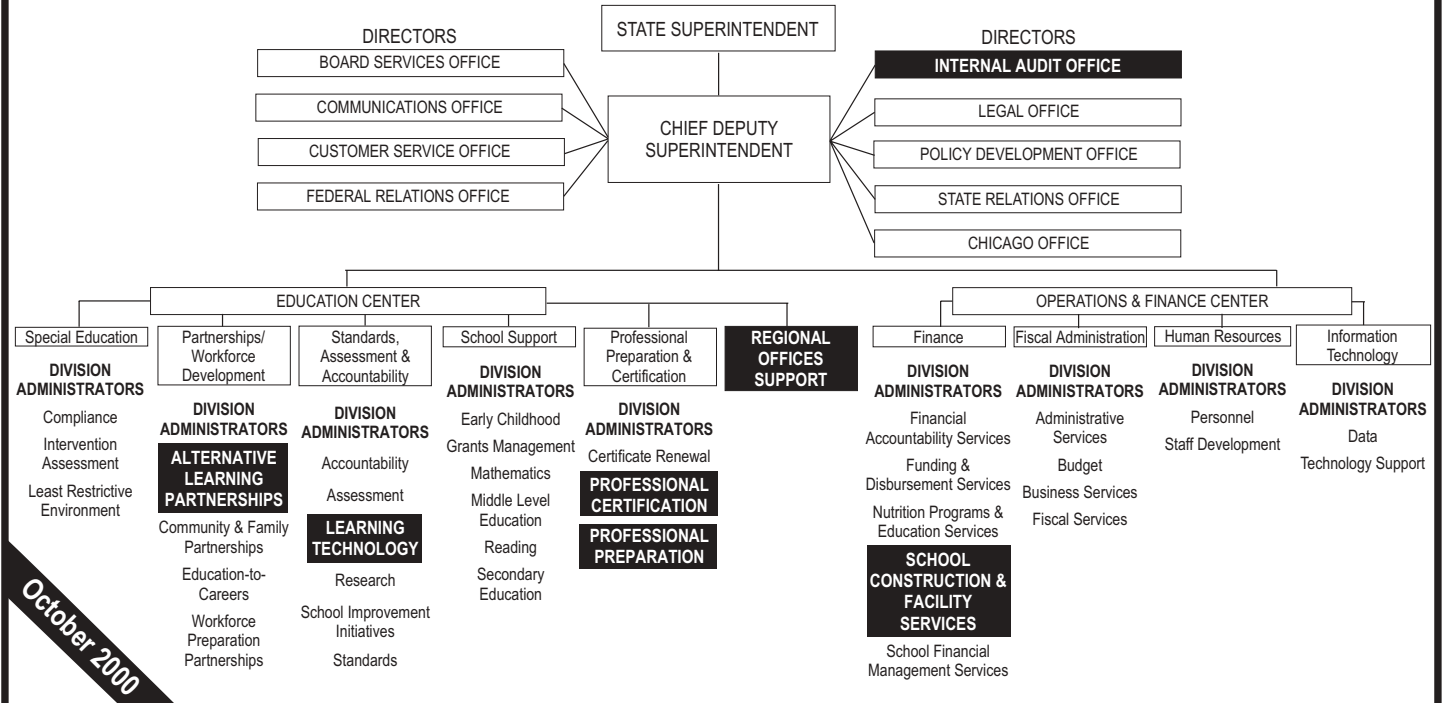
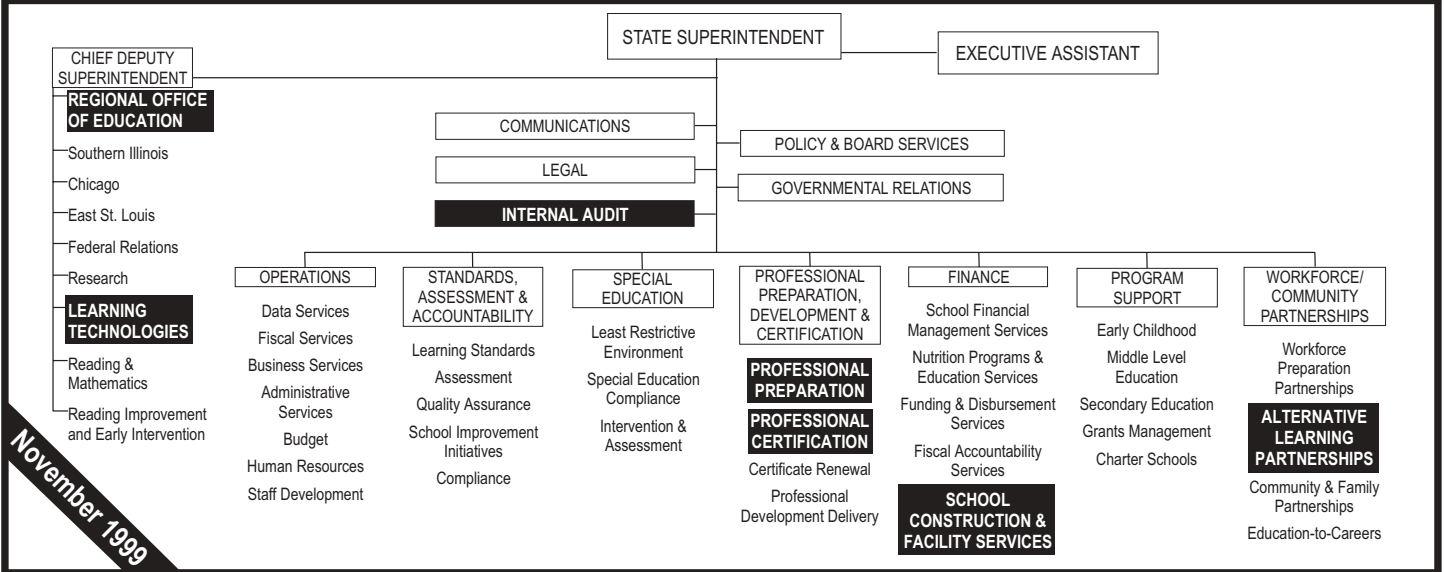
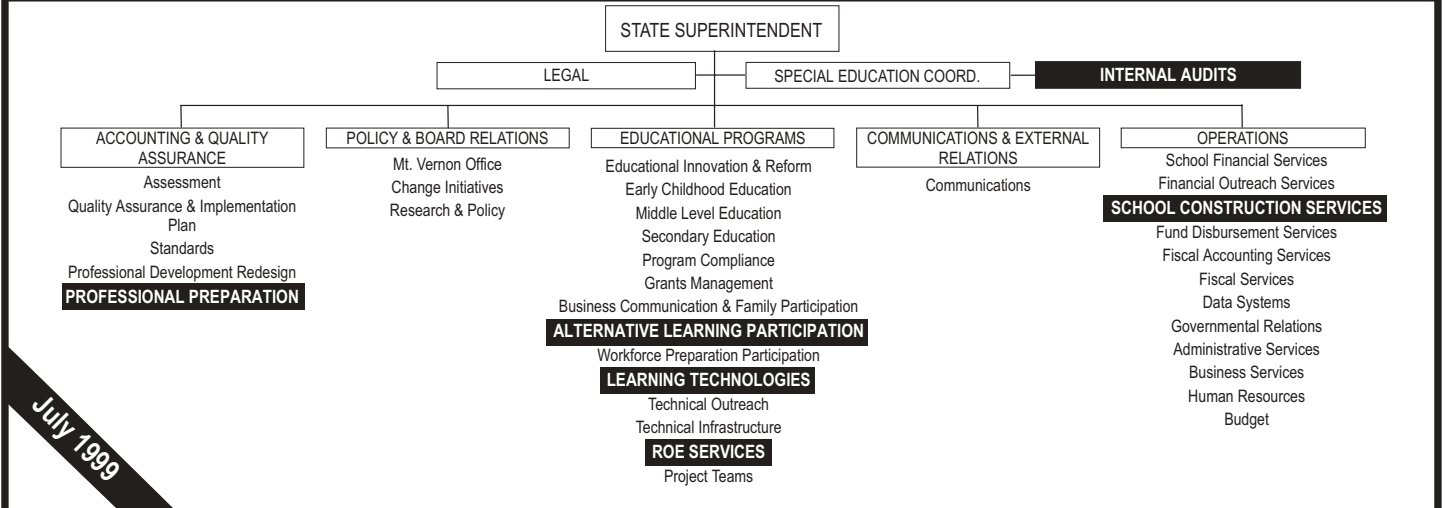
ILLINOIS STATE BOARD OF EDUCATION (ISBE)

The operations and responsibility for monitoring programs and funding provided to ROEs/ISCs are decentralized at ISBE. ISBE provides funding to ROEs and ISCs for many different programs. ROEs also provide some services in cooperation with one another. ISBE officials noted that there are over 100 programs at ISBE that provide funding to ROEs and ISCs and that each program is responsible for program monitoring. The decentralized nature of financial and programmatic responsibilities at ISBE, as they relate to ROEs/ISCs, increases the need for a strong system of management controls. We concluded that ISBE's management controls need to be strengthened.

ISBE had major reorganizations in fiscal years 2000 and 2001, as shown in Exhibit 4-1. There is another reorganization currently underway. The exhibit also tracks a few selected programs related to ROEs/ISCs in order to illustrate the movement within the organization during each of these reorganizations.

Even though the exhibit shows a Division of Regional Offices Support, this Division is only responsible for School Services programs that accounted for approximately 20 percent of

Exhibit 4-1 ILLINOIS STATE BOARD OF EDUCATION ORGANIZATIONAL CHARTS July 1999 through October 2000



Note: Highlights *selected* organizational units that have ROE/ISC program responsibilities.
Source: OAG analysis of ISBE's organizational charts for July 1999, November 1999, and October 2000.

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total ISBE State funding to ROEs/ISCs. ISBE officials have stated that they are responsible for administering over 170 State and federal programs.

For instance, in fiscal year 1999 the entity responsible for ROE School Services programs and funding was located under the Deputy Superintendent of Educational Programs and was called ROE Liaison/ROE Services. In November 1999 this was moved under the Chief Deputy Superintendent and called Regional Office of Education. Finally, in October 2000, the responsibility was moved under the Education Center and called Regional Offices Support.

The reorganizations at ISBE have led to problems related to communication and management of the programs that ROEs/ISCs are responsible for administering. In our meetings with Regional Superintendents and ISC Executive Directors, several expressed confusion resulting from the ISBE reorganizations, such as whom to contact with questions.

ISBE's ORGANIZATION	
RECOMMENDATION 1	<i>The Illinois State Board of Education should establish a central contact responsible for providing guidance to, and addressing questions raised by, ROEs/ISCs.</i>
STATE BOARD OF EDUCATION RESPONSE	The Agency has had a primary unit for ROEs/ISCs with consistent personnel throughout the last several years. Because ROEs are only one type of sub recipient for the Agency, each program provides oversight for service delivery as well. The ROE Liaison, in conjunction with the ROEs, has developed a continuous improvement process that links various deliverables per region. In addition, the ROE Liaison will establish a coordinating council to meet periodically and discuss various ROE/ISC related activities.

Overview of ISBE’s Management Controls

There are two types of management controls that can help ensure that an entity expends funds efficiently and effectively. The first set of controls is implemented prior to the expenditure of funds with the purpose of ensuring that the entity spends funds properly. Included in these pre-expenditure controls would be guidance on what are allowable or unallowable costs, budget review and approval, and program planning documents.

The second set of controls occurs after the funds have been expended. Included in this type of controls would be monitoring and site visits, review of expenditure reports, and audits. Exhibit 4-2 summarizes these controls.

Current management controls at ISBE need to be strengthened to ensure that funds are spent efficiently and effectively, and in compliance with applicable laws, regulations, and grants. ISBE has some financial controls in place regarding funding provided to ROEs/ISCs such as approved program budgets, quarterly expenditure reports, and A-133 audits of ROEs/ISCs (see Exhibit 4-2). However, we identified several management control weaknesses including:

- Grant agreements contain few guidelines regarding allowable expenses, program reporting, and fiscal monitoring;
- ISBE relies on self-reporting of expenditures by ROEs/ISCs;
- ROEs/ISCs did not always use the correct expenditure codes required by the ROE Accounting Manual;
- Regional Improvement Plans did not always contain all required elements;
- ISBE did not conduct site visits, record reviews, and evaluations of Schools Services as is required by the agency’s administrative rules; and
- A-133 audits were inconsistent in reporting of funds and do not express an opinion on compliance for State programs.

We reviewed financial controls for selected programs at ISBE including School Services, Regional Safe Schools (RSSP), and Truants’ Alternative and Optional Education Program (TAOEP) among others. The purpose of our review was to determine the extent to which ISBE had in place controls to review the financial aspects of the ROE/ISC offices. Other ISBE program grants reviewed included Internal Review, Career Awareness, Administrators’ Academy, Scientific Literacy, ROE/ISC Technology, Substance Abuse Prevention, and Supervisory Funds.

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Exhibit 4-2 OVERVIEW OF ISBE'S MANAGEMENT CONTROL STRUCTURE For ROE/ISC Funding	
Pre-Expenditure Management Controls	
Guidance for Expenditures –	Description
<i>State Laws</i>	Not specific about expenditures and only provide program intent.
<i>Agency Administrative Rules</i>	Not specific about expenditures and only provide general guidance for programs.
<i>Grant Agreements</i>	Are general for major programs, such as School Services and Regional Safe Schools. In some cases, such as Career Awareness, there are specific unallowable expenses.
<i>Fiscal Procedures</i>	ISBE has established an ROE Accounting Manual that provides guidance for coding, tracking, and reporting expenditures. However, we found that ROEs/ISCs were not using the required expenditure codes properly.
Expenditure Approval –	
<i>Budget Submission and Review</i>	Most programs require ROEs/ISCs to submit a budget to ISBE program staff. ISBE program staff review and approve initial budgets and budget amendments. However, these budgets only contain general expense categories.
Program Planning –	
<i>Regional Improvement Plans</i>	School Services requires ROEs/ISCs to submit a plan regarding the delivery of these services. These plans do not always include all components required by the administrative rules.
Post-Expenditure Management Controls	
Expenditure Reporting –	Description
<i>Expenditure Reports</i>	ROEs/ISCs are required to submit expenditure reports for some programs. Reporting varies among programs and some funds are tracked only on an annual basis or sometimes no report is required. Report information is self-reported by ROEs/ISCs and is not verified by ISBE. ROEs/ISCs do not always use the expenditure code scheme correctly that is required by ISBE.
Monitoring –	
<i>Site Visits</i>	Some programs such as Regional Safe Schools conduct visits of most sites. However, ISBE's administrative rules require a site visit of every ROE once every two years to review School Services. ISBE did not perform these visits and there is no criteria or documentation for these visits.
<i>Record Reviews and Evaluations</i>	ISBE's administrative rules require a record review of each ROE every year for School Services and a program evaluation. ISBE is not conducting reviews or evaluations. Other programs did receive an evaluation during the audit period.
Expenditure Reviews –	
<i>Audits</i>	ISBE contracts with private accounting firms to conduct financial/A-133 audits of ROEs and ISCs annually. These audits do not express an opinion on compliance with laws, regulations, or grant agreements.
Source: OAG Summary of Management Controls	

Guidelines for Allowable Expenses

Guidelines on how entities can spend funds are an important management control to ensure that the funds are spent efficiently and for the purpose intended by the General Assembly. Such guidelines set parameters as to specific types of allowable expenses, as well as any general restrictions on the use of State funds. Most of the ISBE programs we reviewed did not provide specific guidelines within administrative rules or grant agreements to provide guidance to ROEs regarding what is an allowable or unallowable expenditure.

We reviewed grant agreements for funding of School Services, the Regional Safe Schools Program (RSSP), and the Truants' Alternative and Optional Education Program (TAOEP) which comprise about 70 percent of the total State funding ISBE provides to ROEs/ISCs. None of these programs' grants contained guidelines defining what types of expenses were allowable or unallowable. TAOEP had developed *draft* financial management guidelines that contained a section that delineates what expenses are not allowable unless prior approval is received. One program's grant application we reviewed, Career Awareness, contained a section that detailed unallowable costs. The Illinois Grant Funds Recovery Act (30 ILCS 705/10) requires that all grant agreements specify permissible expenditures of grant funds and the financial controls applicable to the grant.

In our meetings with Regional Superintendents and ISC Executive Directors, several officials commented that there were limited guidelines regarding program expenditures. Others, however, commented that they complete budgets and if ISBE narrowed the budget guidelines it may stifle creativity.

We reviewed laws and agency administrative rules for several programs that ISBE provides funding to ROEs and ISCs. Generally, the laws and rules only contain program intent or general guidance as to fund use. There are no specific guidelines within the administrative rules or laws reviewed that provide guidance to ROEs/ISCs regarding what is an allowable or unallowable expenditure.

We visited selected ROEs and ISCs to conduct detailed expenditure testing to determine whether selected program funds were expended in accordance with applicable laws, regulations, and contract and grant requirements for programs. We selected eight ROEs and one ISC to conduct a detailed review of expenditures. The offices were selected using several criteria including the size/population, geographic location, amount of State funding received in fiscal year 1999, and whether the ROE was a single or multiple county ROE. Our testing focused on the three largest ISBE programs but also included testing of other programs at ISBE and other State agencies. For a more detailed methodology and the locations of ROEs/ISCs selected for testing see Appendix B of this report. In total, we sampled 397 expenditures for a total of \$1,249,121 at 9 ROEs/ISCs throughout the State.

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We generally found that the expenditures tested were consistent with the overall mission and purpose of the ROE/ISC. However, as shown in Exhibit 4-3, for 15 percent (58 of 397) of the expenditures tested, we had some question, such as whether the expenditure was related to the purpose of the specific program to which it was charged, or whether it was the most efficient and effective use of the funds. Our determination of whether these funds were being used in an appropriate, efficient, and effective manner was complicated by the lack of clear criteria from ISBE as to what were allowable or unallowable expenses. The Exhibit also shows cases which were miscoded according to the ROE Accounting Manual expenditure codes. These codes are used by ROEs and ISCs to report expenditures to ISBE.

Exhibit 4-3
EXPENDITURE TESTING BY PROGRAM

Program	Total Cases Tested	Total \$ Amount Tested	Questioned Expenditures			Miscoded Expenditures		
			# of Cases	Percent By Program	\$ Amount	# of Cases	Percent By Program	\$ Amount
School Services	80	\$82,906	24	30.00%	\$26,843	48	60.00%	\$56,712
RSSP	78	\$423,425	7	8.97%	\$6,843	22	28.21%	\$10,078
TAOEP	59	\$386,325	2	3.39%	\$323	15	25.42%	\$8,850
Scientific Literacy	36	\$58,960	5	13.89%	\$14,176	18	50.00%	\$15,214
Internal Review	25	\$33,397	5	20.00%	\$12,419	15	60.00%	\$27,777
Administrators' Academy	21	\$19,012	4	19.05%	\$1,724	10	47.62%	\$3,084
State Substance Abuse	20	\$78,107	1	5.00%	\$590	11	55.00%	\$33,293
Career Awareness	14	\$20,374	1	7.14%	\$499	2	14.29%	\$1,058
Supervisory	13	\$3,370	3	23.08%	\$135	2	15.38%	\$1,274
VIP	10	\$13,169	2	20.00%	\$1,288	6	60.00%	\$10,274
ROE/ISC Technology	8	\$13,225	3	37.50%	\$7,659	5	62.50%	\$10,457
Program Improvement	3	\$4,880	1	33.33%	\$3,540	0	-	-
Other Programs	30	\$111,972	0	-	-	2	6.67%	\$17,573
TOTALS	397	\$1,249,121	58	14.61%	\$76,039	156	39.30%	\$195,643

Note: Totals may not add due to rounding

Source: OAG Analysis of Expenditure Testing.

Reasons we questioned the 58 expenditures included:

- Funds from fiscal year 2000 were used for another fiscal year's expenses (3 for \$13,811);
- Funds from one program were used for the expense of a different program (8 for \$4,268);
- The expense lacked documentation (6 for \$13,461); and
- The efficiency or effectiveness of the expenditure was questioned (41 for \$44,499).

A lack of guidelines also resulted in ROEs/ISCs charging expenditures for the same purpose to different programs. For instance, we sampled expenditures to attend Illinois Association of Regional State Superintendents meetings at different ROEs. One ROE charged this expense to ROE/ISC School Services while another ROE charged it to the Regional Safe Schools Program. In other cases, some ROEs prorate expenses across programs while others did not. ROEs that prorated expenses also allocated these expenses on different bases.

For 41 of the 397 expenditures tested we questioned whether the expenditures were the most efficient and effective use of resources. For example, we tested expenditures in which an ROE purchased food and lodging for participants at a conference held outside the ROE's area. One ROE held a 3-day Internal Review conference at a resort out of their region and more than 100 miles away from the ROE office for a cost of \$7,071.

In a few cases, expenses we tested contained late fees from vendors and credit card companies. They also contained finance charges because the previous balance had not been paid in full or on time. If funds are used for finance charges and late fees it is not the most effective use of funds. ISBE officials responded that this may occur because of cash flow problems. We also found examples of other conditions including paying sales tax on expenditures purchased with State funds.

School Services Funds

As shown in Exhibit 4-3, the School Services funding had a large percentage of questioned expenditures (30%). The administrative rules implementing the School Services program define the five services to be provided. These include Education of Gifted Children, Computer Technology Education, Staff Development Services, access for administrators to continuing professional development offered through the Illinois Administrators' Academy, and the establishment and maintenance of a service provider list for school districts.

In our sample, we found instances where expenditures were not directly related to the five School Services functions for which the funding was received:

- Fencing
- Snow plowing
- Air conditioners
- Finance charges and late fees
- A bronze plaque for the Governing Board

ISBE did not have written guidelines that define how School Services funds should be used. We questioned ISBE officials about School Services expenditures. ISBE officials stated that expenditures are allowed for employee salaries and benefits, facility rental, contracts for professional service, materials and equipment, and any other legal purposes which support work related to mandated activities found at 105 ILCS 5/2-3.62. These mandated activities include education of gifted children, computer technology education, and continuing education, inservice training and staff development in mathematics, science and reading resources for teachers.

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Internal Review Funds

The purpose of Internal Review funds is to facilitate internal review of the quality assurance process with local school districts. Funds may be used for travel, training, technical assistance, school improvement and consultative assistance. We found Internal Review funds being used for:

- Travel expenses for a gifted education workshop
- A newsletter for various programs
- Consulting fee/stipend for an early childhood coordinator

The examples above show Internal Review funds being used for expenses associated with programs which ROEs/ISCs receive other funding to operate such as gifted or early childhood.

ISBE provided no written guidelines regarding what expenses were allowable or unallowable for Internal Review. We questioned ISBE officials about these expenditures. ISBE's response was that Internal Review funds are not limited to any one program.

Supervisory Expenses

ISBE also needs to strengthen controls over supervisory funding. The Illinois Compiled Statutes state that:

“The State Board of Education shall annually request an appropriation from the common school fund for regional office of education expenses, aggregating \$1,000 per county per year for each educational service region. The State Board of Education shall present vouchers to the Comptroller as soon as may be after the first day of August each year for each regional office of education. Each regional office of education may draw upon this fund for the expenses necessarily incurred in providing for supervisory services in the region.” (105 ILCS 5/18-6)

Each Regional Superintendent annually receives from ISBE \$1,000 per county within the ROE area. This ranges from \$1,000 for single county ROEs to \$8,000 for ROE #20 which encompasses 8 counties (Edwards, Gallatin, Hardin, Pope, Saline, Wabash, Wayne, & White Counties).

Exhibit 4-4 contains a comparison of student populations and the amount of supervisory expense funds received by selected ROEs. Because the amount of supervisory funds an ROE receives is based on the number of counties in the region, some single county ROEs with large student populations only receive \$1,000 per year for supervisory expenses.

Exhibit 4-4 STUDENT POPULATION AND SUPERVISORY EXPENSE FUNDS FOR SELECTED ROES Fiscal Year 2000			
ROE	No. of counties in ROE	Student Population	Expense Received
Multiple County ROEs			
Edwards/Gallatin/Hardin/Pope/Saline/ Wabash/Wayne/White	8	15,964	\$8,000
Clark/Coles/Cumberland/Douglas/Edgar/Moultrie/Shelby	7	25,961	\$7,000
Alexander/Johnson/Massac/Pulaski/Union	5	11,240	\$5,000
Single County ROEs			
Kane	1	97,538	\$1,000
Lake	1	122,772	\$1,000
DuPage	1	153,598	\$1,000
Note: Based on student enrollment in Academic Year 99-00.			
Source: OAG Analysis of data provided by ISBE			

Accounting for the use of Supervisory funds varied among ROEs we visited. One ROE wrote a check for \$166.66 almost every month to the Regional Superintendent. Another ROE wrote several checks to the Regional Superintendent for either \$80 or \$100 and a larger check at the end of the fiscal year for \$351.51, the remainder of the \$1,000. Another ROE transferred Supervisory funds to a local account. At five other offices, the ROE’s general ledger contained a description of the expenditures.

ISBE has no guidelines or requirements for how Supervisory funds can be used. We tested 13 expenditures charged to supervisory expense. The three purchases we questioned included a sympathy gift from a flower shop, a charitable donation, and a meal that included the purchase of alcohol. ROEs are not required to submit a budget or expenditure report to show how these funds were expended.

EXPENDITURE GUIDELINES	
RECOMMENDATION 2	<i>The Illinois State Board of Education should develop guidelines for allowable or unallowable expenditures for programs which provide funding to ROEs/ISCs.</i>
STATE BOARD OF EDUCATION RESPONSE	Each program requires the grantor to provide the approach, deliverables, and detailed budget related to the delivery of the services. Before funds are released, ISBE approves these plans. Guidance is given in the request for proposals (rfps), training sessions, and application review. Continuing oversight is provided

	with a review of the actual expenditure reports, a closing grant report, and the annual audit report. The grant recipient is allowed flexibility in spending funds to the extent it is allowed in the enabling legislation. Federal grants provide guidance by fund source as well. The Agency will review various fund sources and consider locating information in one location.
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Budget Submission and Review

ROEs/ISCs are generally required to submit budgets for grant programs. For some programs, such as School Services, RSSP, and TAOEP, ISBE approves a budget submitted by the ROEs/ISCs which delineates in general terms for what functions monies will be spent (such as salaries, travel, equipment, etc.). However, the budget process does not specify the types of expenses that are allowable or unallowable (such as what type of equipment can be purchased, what types or purposes of travel are acceptable, etc.). Budget forms are broken into rows and cells by function and object code. The budget forms have shaded areas that alert ROEs/ISCs to function and object codes to which they cannot charge expenses. However, the forms do not require the ROEs/ISCs to specify in detail how they will spend the funds allocated to the specific functional areas. Furthermore, some ISBE programs and funds reviewed, such as Bus Driver Training and the Supervisory funds, do not require an approved budget.

Fiscal Procedures

ISBE has established a Regional Office of Education Accounting Manual. The purpose of the manual is to provide an overview of fund accounting, explain the ROE Accounting Code Structure, and provide guidance on several accounting and reporting topics of interest to ROEs/ISCs. The manual contains an overview of the function and object codes and a description of each. These codes are used by ROEs and ISCs when budgeting and reporting expenditures. Therefore, if these codes are not used appropriately, the subsequent reporting to ISBE will also be inaccurate. The manual states that the use of these codes is required by ROEs and ISCs.

ISBE has also established administrative rules that require certain fiscal procedures to be followed by ROEs/ISCs. These procedures include requirements such as: maintaining accurate financial records, bidding purchases exceeding a certain amount (\$10,000 – \$20,000 depending on type of contract), maintaining an inventory of equipment purchased with State funds, adopting travel regulations, determining registration fees on a cost recovery basis, establishing a maximum daily rate allowable for consultants, and returning unexpended funds to ISBE within 45 days of the end of the grant period.

Expenditure Reports

From our review of expenditure reports we concluded that, much like the budgets, these reports only show a general level of expenditure categories. ROEs/ISCs are required to submit expenditure reports for most of the funds received from ISBE. These reports are similar to the budgets in that they are broken into rows and columns according to type of function and object code that is appropriate for the expenditure. These reports are input into ISBE's Financial

Reimbursement Information System (FRIS) and management reports are generated from this data. The requirements for expenditure reporting frequency vary by program. For some programs, such as School Services, expenditure reports are required on a quarterly basis. Other programs, however, may only require a year-end report or, in some cases, such as Supervisory funds, no expenditure reports are required. The information in these reports is self-reported by the ROEs and ISCs and is not verified by ISBE.

Miscoded Expenditures

We found in 39 percent of expenditures tested (156 of 397) that ROEs/ISCs were not following the expenditure codes required by the ROE Accounting Manual. We found that expenditure coding was also inconsistent from one ROE/ISC to another. In some cases ROEs with the same type of expenditure coded them differently. For example, one ROE charged computer equipment to the technology grant for “improvement of instruction services” while another charged it to School Services and “operation and maintenance of plant services.”

ROEs/ISCs were not using the proper expenditure codes to classify expenditures as is required in ISBE’s accounting manual. We reviewed the function and object codes to which the expenditures we tested were charged and determined that in many cases the ROEs/ISCs were either not using the codes or were not using the codes correctly. Examples of these include:

- Air conditioners for an office were charged to “Improvement of Instruction Services.” Improvement of Instruction Services is defined as activities designed primarily for assisting instructional staff in planning, developing, and evaluating the instructional process.
- A lunch was charged to “Rentals.” Rentals is defined as expenditures for leasing or renting supplies, land, buildings, and equipment for both temporary and long range use of the ROE.
- Travel was charged to “General Supplies.” General Supplies is defined as all supplies related to the operation of an ROE including workbooks, freight, and cartage.

Some expenses were charged to codes not listed in the ROE Accounting Manual. These expenses included: auditing services, travel, equipment maintenance, phone usage, consultant fees, and postage. Although these were charged to codes not in the ROE Accounting Manual, appropriate codes do exist for these expenses.

We also found inconsistencies from one ROE to another in charging the same types of expenses to different programs. For instance, one ROE charged the cost of attending an Association of Educational Service Agencies (AESAs) conference to School Services while another charged this to Administrators’ Academy. In some instances, ROEs were not using the codes to track expenditures.

ROE Accounting Systems and Policies

In our review of ROE offices, we found that there are different accounting systems throughout the State. ISBE, in an effort to standardize ROE accounting systems, received funding to develop an accounting software package called the Regional Accounting Program or RAP. According to Activity Reports provided by ISBE, expenditures for the RAP project

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development were \$50,000 in fiscal year 1997, \$180,956 in fiscal year 1999, and \$84,250 in fiscal year 2000. As of July 17, 2001, ISBE expended \$35,819 and obligated another \$45,248 toward the development of RAP for fiscal year 2001.

According to a July 29, 1999 ISBE document, 12 ROEs/ISCs were at some stage of implementation and 21 offices were awaiting service. In a follow-up survey of ROEs and ISCs mailed by our office on January 25, 2001, we found that only 13 of the 48 ROE/ISC offices were currently using the Regional Accounting Program system that was developed by ISBE. We asked ROE officials in some cases why they had not converted to the RAP software for accounting in their offices. ROE officials cited the cost of conversion and the fact that the program's payroll system does not function well as reasons why they were reluctant to convert to the RAP software. At one ROE we visited that had implemented the RAP system, we questioned why a woman's name appeared multiple times in their general ledger. ROE officials stated that they did not know who the woman was but the RAP system places her name on the ledger every time there is a fund transfer with a certain code.

Also during our testing visits, we requested any written accounting policies from the nine offices that we visited. These would include policies or procedures for processing expenses, travel, voucher approval, and check signature authority among others. Only one ROE office was able to provide us with written accounting policies for their operations.

We found that the practices and procedures for approval of expenditures, vouchers, and checks vary from one office to the next. Some ROEs had preprinted vouchers indicating allowable function and object codes for the expenditures. Some ROEs/ISCs prorated expenses such as supplies, insurance, postage and rent while others did not. One ROE required two signatures on the checks while most only required one. We also found instances where individuals were allowed to approve vouchers for their own purchases and travel.

ROE ACCOUNTING POLICIES	
RECOMMENDATION 3	<i>The Illinois State Board of Education should work with ROEs/ISCs to improve the use of appropriate expenditure codes as required by the ROE Accounting Manual. In order to achieve consistency, ISBE should consider training ROE/ISC accounting and bookkeeping staff in the appropriate use of these codes.</i>
STATE BOARD OF EDUCATION RESPONSE	The Agency has provided training in previous years to both the ROE staff and CPAs. The Agency has developed accounting software with a uniform numbering system, multiple year program tracking, on-line bank reconciliations, and budget to actual reporting to reduce audit exceptions and improve overall compliance and management information. It has been quite successful in reducing audit issues. The Agency will partner with the ROEs and provide technical assistance as they address their internal training needs.

School Services - Regional Improvement Plans

The administrative rules require Regional Improvement Plans to be developed annually by each ROE and the Chicago Intermediate Service Center (23 Ill. Adm. Code 525.120). The Regional Improvement Plans cover the School Services funding which make up approximately 20 percent of ISBE State funding provided to ROEs and ISCs.

These plans are submitted annually to ISBE and must detail how ROEs and ISCs will carry out the following programs and services: Education of Gifted Children, Computer Technology Education, Staff Development Services, access for administrators to continuing professional development offered through the Illinois Administrators' Academy, and the establishment and maintenance of a service provider list for school districts. ISBE's administrative rules require that each Regional Improvement Plan include a description of the following:

- 1) the scope and content of the programs and services to be provided and whether or not they are being done directly or through a cooperative agreement;
- 2) the services to be provided that address school improvement needs;
- 3) whether services will be delivered by means of on-site consultations, meetings, workshops, conferences, etc.;
- 4) the costs of implementing each activity; and
- 5) the standards and procedures by which the completion of each outcome will be evaluated by the ROE.

We tested Regional Improvement Plans for fiscal year 2000 and found that all 45 ROEs and the 3 ISCs outside the City of Chicago either submitted an individual plan or submitted a plan in conjunction with another ROE. The City of Chicago School District #299 did not submit a plan.

The Regional Improvement Plans submitted to ISBE by the ROEs and ISCs did not always contain the information required by ISBE rule. We reviewed 12 Regional Improvement Plans for fiscal year 2000 and found that their content varied widely. Only 3 of the 12 plans included all the criteria required by ISBE rule. One ROE submitted a Regional Improvement Plan even though the ROE did not provide any of the services required, and therefore, the Regional Improvement Plan did not contain any of the required information. The other eight Regional Improvement Plans contained deficiencies such as they did not adequately document the standards and procedures by which the completion of each outcome will be evaluated or did not specify how the services would be delivered.

Regional Improvement Plans also did not always adequately document whether programs or services were being provided directly or whether they were provided through a cooperative agreement with another ROE or third party. In some instances, the cooperative entity actually submitted the Regional Improvement Plan. However, the Regional Improvement Plan did not document whether specific services were being provided through the cooperative entity or directly by the ROEs. If Regional Improvement Plans are to be used as an effective management control they must include all the components required by ISBE rule.

Annual applications are also required from each ROE and the Chicago Intermediate Service Center (23 Ill. Adm. Code 525.130). These applications are required to include a detailed annual plan for the services to be provided by the ROEs and Chicago ISC pursuant to their Regional Improvement Plan. The Suburban Cook County ROE was required to submit a plan, even though

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the office does not administer any of the School Services programs. These programs are provided by the ISCs in Cook County.

The applications must contain a budget indicating expenditures for the programs and services to be provided. The applications are to be reviewed by ISBE staff, and the State Superintendent shall approve the application and notify the Regional Superintendent. The Regional Improvement Plan and Annual Application are submitted to ISBE as one document.

**Monitoring
(Site Visits, Record Reviews, and Evaluations)**

ROE/ISC School Services

Program monitoring is an important part of any management control framework. Ongoing monitoring can be used to assess whether program goals and objectives are being met. ISBE has management control requirements in their administrative rules related to monitoring program funding provided for School Services. School Services funding is approximately 20 percent of all ISBE State funding provided to ROEs and ISCs. The administrative code (23 Ill. Adm. Code 525.140) requires that the State Board of Education annually evaluate programs for the five School Services functions. The rule requires that this will include at least an annual review of program records. The rule also requires a site visit to be conducted at least every two years for the purpose of reviewing records and on-site operations. Finally, it requires that a resulting report describe the extent to which the ROEs/ISCs have met their objectives.

We found that ISBE is not complying with the ROE/ISC monitoring requirements found in the administrative rules.

- ISBE provided a list of 13 ROE/ISC site visits (27%) conducted in fiscal year 2000, but could not provide any documentation of these visits other than staff travel vouchers;
- ISBE did not produce documentation of record reviews or program evaluations of whether ROEs/ISCs met their objectives covered in the Regional Improvement Plans; and
- ISBE has no policies or procedures governing these site visits.

We requested documentation of these monitoring activities from ISBE on July 27, 2000. One month later, ISBE responded with a memo describing the School Services Grant Activities. There was no mention of an annual evaluation or program record reviews. The memo did, however, state that ROE Support Division staff selects ROEs/ISCs to visit to perform program and activity reviews. We then requested to review the site visit information and found that no written documentation was available to review because ISBE staff did not formally document these visits. The only documentation available was travel vouchers for the visits to the ROEs/ISCs. ISBE officials indicated that these visits only consist of programmatic monitoring and do not include financial monitoring. ISBE officials provided a list of 13 (27%) ROEs/ISCs visited during fiscal year 2000, and related travel vouchers.

ISBE could not provide procedures, guidelines, or policies for the site visits that are conducted. Some ROE officials we visited stated that ISBE Regional Offices staff had never visited their office or it had been several years since they last visited. Finally, there was also no documentation of the required annual evaluations of each office.

Regional Safe Schools Program

Other program monitoring varied at ISBE. The Regional Safe Schools Program (RSSP) requires mid and end of year reports that show the number of students served. RSSP also conducts site visits. In fiscal year 1999 RSSP only conducted visits to 7 ROEs covering 19 locations in the State. However, in fiscal year 2000 this improved to 25 ROEs covering 34 locations. For fiscal year 2000 there were 47 ROEs/ISCs with a total of 126 RSSP program sites. RSSP has also developed a site visit form with 25 questions on it, including student information, services provided, and overall approach to alternative education. In addition they received a statewide program evaluation which was presented on September 10, 1999.

Truants’ Alternative and Optional Education Program

The Truants’ Alternative and Optional Education Program (TAOEP) also requires mid and end of year reports that show the number of students served. The data submitted in these reports is summarized each year in an evaluation report. TAOEP conducts CADRE visits to provide program staff an opportunity to visit other TAOEP programs and to observe how these programs are working with similar students. However, these visits do not assess whether funding is being expended appropriately or whether the grantee is meeting the requirements of the grant. ISBE was only able to provide documentation of CADRE visits to 5 ROEs that received funding in fiscal year 2000.

For another ISBE program, the Gifted Program, staff stated they do not conduct any type of monitoring for funds given to ROEs. Because required monitoring is not being conducted and because it varies among programs, ISBE cannot effectively assess whether program goals and objectives are being met.

MONITORING REQUIREMENTS	
RECOMMENDATION 4	<i>The Illinois State Board of Education should ensure that programs meet requirements set forth in the agency’s administrative rules including ensuring that site visits, record reviews, and annual evaluations are completed and that Regional Improvement Plans contain all required elements.</i>
STATE BOARD OF EDUCATION RESPONSE	The ROE Liaison rewrote the directions for the Regional Improvement plans to ensure they included all aspects of the code, developed a review checklist, used readers to evaluate the grant applications, and will retain site visit documentation.

Cooperative Agreements

In response to our survey, ROEs identified 847 formal and informal cooperative agreements. In our review of cooperative agreements related to School Services between ROEs, we found that agreements were not specific regarding funding and program responsibilities. ISBE could not provide us a list of names and addresses for each cooperative in the State. ISBE also could not provide the amount of funding each co-op received or whether the funding was sent directly from ISBE on behalf of another ROE or whether the funding was first given to one ROE and then sent to another.

In fiscal year 2000, two of the ten smallest ROEs had not entered into a formal cooperative agreement to provide School Services functions in cooperation with a larger ROE, as is required by the administrative rules. The rules require that the 10 Regional Offices of Education with the smallest populations “shall enter into cooperative agreements with one or more of the larger regions” to provide the five services outlined under the programs and services to be provided by ROEs (23 Ill. Adm. Code 525.110(b)).

We found that 8 of the 10 smallest ROEs had formal agreements as required by the administrative rules and were providing services in cooperation with a larger ROE. However, based on our review of the Regional Improvement Plans, cooperative agreements, ROE/ISC survey data, ROE/ISC budgets, and ROE/ISC websites, we concluded that two of the ten smallest ROEs did not have a formal cooperative agreement. When we requested the cooperative agreements for the smallest 10 ROEs from ISBE in June 2000 ISBE could not provide the cooperative agreements for these two offices. ISBE did provide two additional documents for these ROEs but neither constituted a formal cooperative agreement.

Our review of cooperative agreements generally concluded that they are not specific about the assignment of program responsibilities. Monitoring of program services is difficult without direct assignment of responsibilities. Although we found instances in which ROEs provided funding to others to perform certain functions, the agreements reviewed did not specifically discuss the exchange of funding.

ISBE also could not provide the amount of funding each cooperative received for School Services or whether the funding was sent directly from ISBE on behalf of another ROE or whether the funding was first given to one ROE and then sent to another. We surveyed ROEs and identified offices that gave all their State funding to another ROE and/or to local school districts. For example, one ROE gave all of their State funding to a different ROE and/or to local school districts except \$35,000 that they received as part of a cooperative to administer the Truants' Alternative and Operational Education Program (TAOEP). The ROE only listed one contract employee who was paid \$23,000 for Truancy Outreach. Since ISBE does not maintain copies of all cooperative agreements by ROEs, they may not be aware of all ROEs that are providing services in cooperation or that are passing their funds to other ROEs.

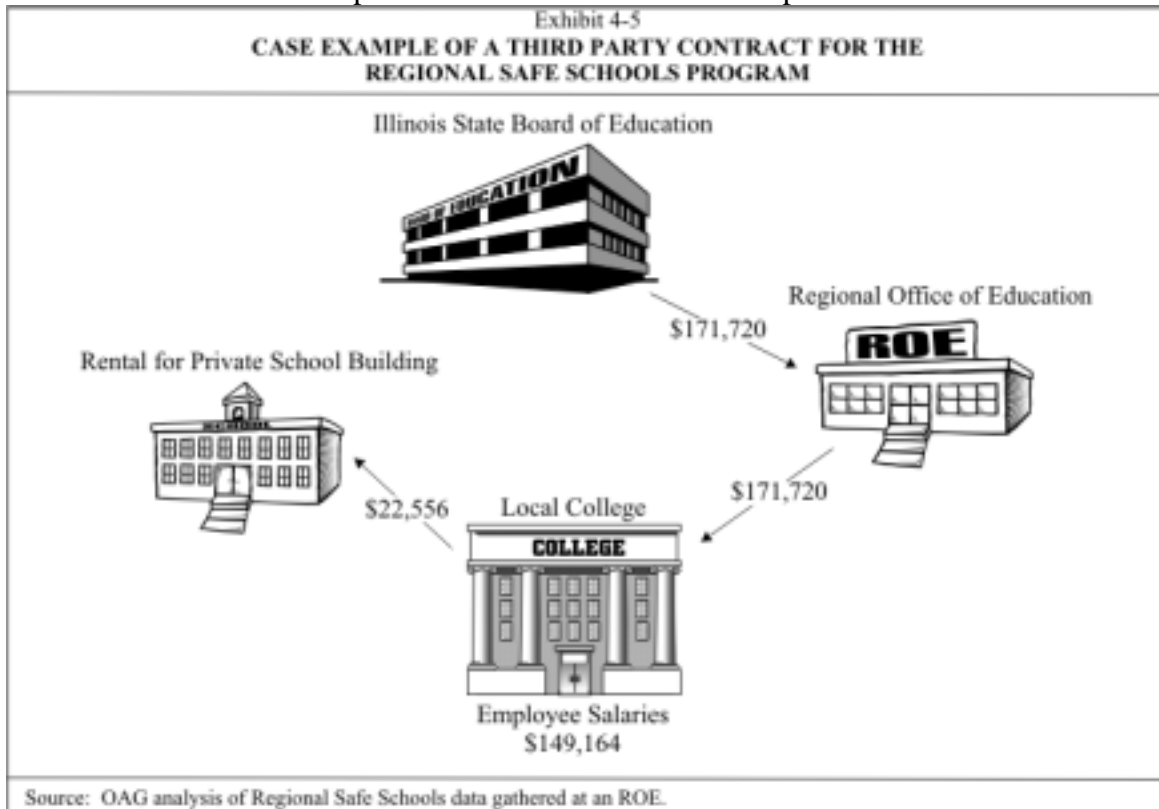
Third Party Transactions

ISBE should strengthen monitoring of third party transactions. During expenditure testing we found that some program funding provided to ROEs by ISBE was expended through

contracts with third parties. These include local school districts or colleges which are then responsible for operating the program.

ISBE does not financially monitor contracts between ROEs and third parties. A case in point is the Regional Safe Schools Program (RSSP). We tested expenditures for RSSP and found that several ROEs passed funding to third parties.

Exhibit 4-5 is an example of one case in which an ROE received \$171,720 in fiscal year 2000 to operate a Regional Safe School. The ROE passed this funding to a local community college to administer the program. In turn, the community college paid the salaries of program staff and contracted with a private school to rent classroom space for the school.



We attempted to obtain a contract or agreement between the ROE and the community college to assess whether it included provisions for monitoring the use of funds. However, the only documentation of an agreement between the ROE and the community college we were able to obtain was a one page administrative agreement that was in the fiscal year 2000 grant agreement. The administrative agreement contained no provisions regarding reporting and monitoring the use of funds given by the ROE to the contractor. The Regional Superintendent stated that the alternative school had existed for some time and that there might not be a formal agreement between the ROE and the community college.

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Although ISBE did conduct a site visit to this RSSP site during fiscal year 2000, these site visits did not test how funds were expended. The RSSP funding was not reported in the fiscal year 2000 annual audit of the ROE. Without a written contract or agreement between the ROE and the provider that contains provisions for reporting and monitoring, it is difficult for ISBE to ensure that the funds provided to third parties are being used appropriately.

COOPERATIVE AGREEMENTS AND THIRD PARTY TRANSACTIONS	
RECOMMENDATION 5	<p><i>The Illinois State Board of Education should:</i></p> <ul style="list-style-type: none"> • <i>Ensure that all of the smallest 10 ROEs provide services through a cooperative agreement with a larger ROE as is required by 23 Ill. Adm. Code 525.110(b);</i> • <i>Maintain cooperative agreements for these 10 offices and ensure that the agreements are current and include sufficient information that details both program delegation and funding to provide the necessary means to monitor program and financial activities; and</i> • <i>Ensure that third party transactions made by ROEs are adequately monitored and that there is a written agreement with provisions for monitoring funding received from the State.</i>
STATE BOARD OF EDUCATION RESPONSE	<p>The Agency does obtain copies of the cooperative agreements required in the statute. However, the statute does not provide specific criteria for the contents. To the extent that there are funds expended, the Agency monitors the activity via the regional improvement plan, expenditure report, etc. and as previously described. The Agency will strongly urge the ROEs to maintain written contracts with their contractors.</p>

ROE/ISC Audits

One of the primary management controls frequently cited by ISBE officials is the annual A-133 audit conducted of each ROE/ISC. Federal law requires that A-133 audits be conducted of organizations that expend \$300,000 or more in federal funds annually. In addition to regular financial reporting, these audits report on internal controls and compliance with federal laws. Annual audits are also required of the financial statements of all accounts, funds and other moneys in the care, custody or control of the Regional Superintendents and educational service centers by law (105 ILCS 5/2-3.17a). These audits are to include the amount of funds received during the

fiscal year by source. Although the audits we reviewed contained general sources of funds such as State, local, or federal funds, they did not detail the sources of funds by State agency. These audits do not express an opinion on compliance with State statutory requirements or monitor specifically if State funding is used in accordance with applicable laws, rules, and grant requirements or in an efficient and effective manner.

All ROEs and ISCs received an audit for fiscal years 1999 and 2000. ISBE was not required to conduct audits of ISCs until fiscal year 1999. By law, ISBE is to notify the Legislative Audit Commission (LAC) by February 15th of each year in writing of the completion or of the reasons for the noncompletion of each audit. Two audits were not completed until after the LAC reporting deadline for fiscal year 1999. For fiscal year 2000, all the audits were completed by the reporting deadline.

There were a total of 57 findings for the 48 offices audited in fiscal year 2000. Exhibit 4-6 summarizes examples of several findings in these audits. Appendix E contains a full listing of the 57 fiscal year 2000 audit findings.

The audits were inconsistent in the reporting of funding and did not express an opinion regarding compliance with statutory requirements or monitor specifically if State funding is used in accordance with applicable laws, rules, and grant requirements or in an efficient and effective manner. In our review of program and agency funding, we noticed that the same program had several different names depending upon which ROE audit was reviewed.

Exhibit 4-6 EXAMPLES OF ROE/ISC AUDIT FINDINGS Fiscal Year 2000	
Internal Control	No. of ROEs/ISCs With Findings
Lack of Segregation of Duties	6
Inaccurate expenditure reports filed with ISBE	6
Expenditure not supported by invoice with management approval	3
Improper classification of expenditures	3
Misallocation of interest based on source of revenue	2
Grant expenditure in excess of budgeted amount	1
Improper fund classification of reimbursements	1
Source: OAG analysis of fiscal year 2000 A-133 audits of ROEs and ISCs	

These audits did not show which State agencies provided funds to ROEs and ISCs. Therefore, for our analysis ISBE staff coded the data to identify the State agencies that provided funding to ROEs and ISC. During our analysis we concluded that ISBE did not always identify the correct State agency providing the funding.

We compared ISBE funding information for fiscal year 2000 with fiscal year 2000 audit reports and concluded that some funding was not reported in the audits. This included funds provided to some ROEs for Regional Safe Schools and Certificate Renewal Administrative Payments. Examples of omissions include:

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- Regional Safe Schools Program Funding of \$171,720 for one ROE and \$128,859 for another; and
- Certificate Renewal Administrative Payments of \$2,000 for several ROEs.

We reviewed five desk reviews conducted by ISBE's internal audit staff of the A-133 audits for fiscal year 1999 audits. We found that ISBE staff checked the federal funding amounts in the audits to ISBE's accounting systems but did not check the State funding amounts to any source documents.

We also found State funding being classified as federal funding and federal funding being classified as State funding in the audits. In one audit, \$45,620 was misclassified in the audit as State funds when it was federal funding. Another audit contained a \$1.23 million error in both the combined financial statement and the program detail because a federal program's funds were reported as State funds.

A-133 AUDITS	
RECOMMENDATION 6	<p><i>The Illinois State Board of Education should:</i></p> <ul style="list-style-type: none"> • <i>Review ISBE funding data presented in the A-133 audits for accuracy; and</i> • <i>Ensure consistency in the reporting of programs and funds in these audits.</i>
STATE BOARD OF EDUCATION RESPONSE	<p>Each draft audit is reviewed using an AICPA recommended checklist and averages six hours per report. Appropriate changes are requested of the CPA firms based on the 100+ pages of guidelines maintained and provided by this Agency. The Agency provides a confirmation of funds sent to each ROE that uses a consistent naming methodology as well as a fund source number system. Unfortunately, this Agency cannot address the methodologies of other funding organizations. The two exceptions were created via those other organizations.</p>

Interest Income

The Illinois Grant Funds Recovery Act (30 ILCS 705/10) requires that interest earned on grant funds become part of the grant principal and is to be treated accordingly unless the grant agreement provides otherwise. ISBE grants did not contain guidelines for the use of interest earned on grant funds. ISBE provided no guidelines specifying the use of interest earned from State funds.

Of the 9 ROEs/ISCs tested, 7 did not account for an allocation of their interest earnings based on the source of funds in their general ledger. These 7 received a total of \$8,650,249 in State funding for fiscal year 2000. We contacted four offices and requested documentation regarding how they allocated the interest earned from different State programs. Two of the four offices were

unable to provide this information. Two ROEs provided a detailed list by program for interest income earned. However, there was no evidence that the interest income was allocated back to each program or fund.

We reviewed the general ledgers of eight ROEs and an ISC and found that some offices were not using interest earned from State funds for the same purpose as the principal, as required by the Illinois Grant Funds Recovery Act. For example, one ROE earned a total of \$24,866 in interest from a variety of State programs and funds. The interest was then deposited into a separate fund/account and used for such purposes as festivals, photo processing, dining, hotel expenses, and charitable donations.

Of the 9 ROEs/ISCs tested, only one had a finding in their fiscal year 2000 annual audit regarding use of interest income. For one ROE that did allocate the interest back to the respective program funds, their annual audit found that the ROE did not spend all of the interest earned.

According to the Regional Office of Education Accounting Manual, the ROE must allocate a portion of the interest earned on a bank account in which two or more sources of funds are combined using a reasonable basis.

INTEREST INCOME	
RECOMMENDATION 7	<i>The Illinois State Board of Education should monitor the use of interest income earned on State funds to ensure that these funds are used for the same purpose as the principal unless otherwise stated in the grant.</i>
STATE BOARD OF EDUCATION RESPONSE	The Agency continues to stress the appropriate compliance with the Grants Recovery Act. The annual audits clearly identify findings regarding interest income and the Agency resolves those with the ROEs/ISCs. The accounting software makes tracking and spending the interest income substantially easier than other available options. In addition, the Agency will review grant agreements to determine if any language changes will strengthen the guidance.

ILLINOIS DEPARTMENT OF HUMAN SERVICES (DHS)

As discussed in Chapter Three of this report, ROEs received State funds from DHS for several different programs. During the audit we met with DHS officials, and reviewed grant agreements and other management controls for the Addiction Prevention Program, Early Intervention Program, and Project Success Program. Generally, the grant agreements provided controls to ensure that funds were used appropriately.

DHS officials stated that part of the financial monitoring performed for these programs is through the A-133 audits contracted by ISBE. DHS and ISBE officials stated that they have an agreement, which allows DHS to meet federal reporting guidelines by having ISBE audits

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include DHS program information. This agreement, however, is only verbal. Programmatic monitoring conducted by DHS differs depending upon the DHS program.

DHS Financial Management Controls

Each DHS program provider signs a standard provider agreement with the Department. The standard agreement contains boilerplate language regarding certifications and provisions required in the Illinois Procurement Code. Unlike the ISBE agreements we reviewed, the DHS standard provider agreements for fiscal year 2000 contained provisions that allow the Auditor General access to records and a statement that any interest earned on the grant funds becomes part of the principal and must be used for the same purpose. There is an agreement attachment for each program that the provider receives funding for and these attachments describe the reporting requirements, scope of services, and payment schedules. We reviewed the agreement attachments for the three DHS programs discussed in Chapter Three of this report which are Addiction Prevention, Early Intervention, and Project Success.

In fiscal year 2000, DHS implemented a provider review system in which each provider, including ROEs, is required to complete a Fiscal/Administrative Checklist. The checklist includes questions regarding Accounting/Recordkeeping, Cash Receipts/Revenues, Cash Disbursements/Expenses, Personnel/Payroll, Property/Equipment, and Agency Governance. DHS officials indicated that they perform fiscal reviews of all providers that receive over \$1,000,000 about every third year. DHS officials also indicated that they perform financial reviews in which “red flags” are identified during program reviews. DHS provided us with an example of an ROE that was reviewed. In addition, DHS also performs end of year grant reconciliation and performs desk reviews of ROE audits.

DHS monitors the Early Intervention program by requiring providers to submit quarterly expenditures reports. DHS also conducts site visits and has developed a protocol for conducting these visits that includes a review of the fiscal agent’s policies and procedures. Legislative Audit Commission Resolution Number 122 requires the Auditor General to conduct a performance audit of the Early Intervention program in which we will further review DHS’s monitoring of the Early Intervention program.

DHS monitors Addiction Prevention program providers by requiring the provider to submit an annual provider plan and operations budget. The provider is required to submit quarterly summary documentation of expenditure reports. The DHS Contract Administration Division stipulates that the provider must also complete an end of year fiscal report. The agreement attachment for the Addiction Prevention program contains guidelines regarding what is an unallowable expense.

DHS monitors Project Success providers by requiring the providers to submit expenditure reports, which are broken down by line item categories, recording the grant dollars expended during a specific time period. The fiscal department within the Division of Community Health & Prevention receives the expenditure reports. DHS auditors also conduct random audits of various providers. DHS also has a general administrative rule that contains allowable and unallowable program expenses.

During our expenditure testing we found that an ROE that received Project Success funding from DHS prorated expenses to the program for general operations. These expenses included supplies, telephone usage, and insurance. Another ROE prorated rent expenses to the program. While the grant agreement does not preclude the ROE from expending funding for these purposes, we questioned whether these expenses are within the intent of the program. Project Success is a program to ensure that children come to school prepared to learn and that those children also receive the necessary support to achieve their ultimate potential in school.

DHS Programmatic Management Controls

Like ISBE, program monitoring and controls at DHS vary by program. The Addiction Prevention program monitoring by DHS involves requiring annual work plan submissions, which outline specific program activities within required hour commitments. Service providers are required to submit quarterly reports documenting service hours delivered specific to the work plan. A semi-annual progress report on the work plans is also required. DHS Regional staff and provider agencies have face-to-face follow up meetings to discuss the progress reports. DHS also conducts compliance site visits and completes a document tool for each of those visits. DHS uses a statewide evaluation contractor to provide evaluation and outcome measurement assistance.

Early Intervention program monitoring is completed yearly. A monitoring team consisting of regional representatives from the Bureau of Technical Assistance and Monitoring, nurses from the Bureau of Community Nursing and staff from the Bureau of Early Intervention conduct on-site reviews. DHS has established guidelines for these site reviews.

Project Success service providers are programmatically monitored several ways by DHS. Providers are required to submit Activity Reports, which provide detailed information of all Project Success related activities. Providers are also required to submit a Community Action Plan. Site visits are conducted by the Division of Community Health & Prevention Technical Assistance and Monitoring staff. These visits are both fiscal and programmatic in nature. Attendance records are kept of all Project Success training events. Training events are also a requirement of the grant. Project coordinators are required to complete the Project Success Annual Coordinator Survey.

DEPARTMENT OF CORRECTIONS (DOC)

The Illinois Department of Corrections (DOC) has contracts with ROEs and also reimburses ROEs for the cost of issuing GEDs. During the audit we met with DOC officials to discuss the contracts that they had with ROEs during fiscal year 2000. We obtained copies of two agreements for fiscal year 2000 and reviewed management controls. These agreements were for services to be provided by the ROEs. The larger of the two agreements is with the Macon/Piatt ROE. The contract, which is for over \$5 million, requires the Macon/Piatt ROE to administer and operate special education programs for the DOC School District #428. The second contract is with the Sangamon ROE and provides that the ROE score and report GED tests for the department. Generally, the two contracts contained controls to ensure that funds are spent appropriately.

DOC Financial Management Controls

The contract between DOC and the Macon/Piatt ROE for School District #428 contained basic financial controls that restrict: (1) exceeding the total amount of the contract, (2) setting a +/- 10% variance limit on total contract line items, excluding personal services, equipment, etc. , (3) setting a +/- variance limit on individual program totals. Conditions which exceed any of these three restrictions must be approved in advance through a formal contract amendment. There were three such amendments to the fiscal year 2000 contract provided by DOC.

As part of the terms and conditions of the contract, fiscal records must be provided by the ROE that report income and expenditures. The ROE is required to provide DOC with a financial accounting report following the conclusion of the contract year. The second financial payment of the next contractual year may be withheld until this final report has been received. DOC requires quarterly reports of income and expenditures to be submitted to DOC School District #428 by each special education program. Examples of these monitoring reports were provided by DOC.

The contract with the Sangamon ROE for GED scoring and reporting service establishes the per unit cost of Test Batteries, Writing Skills Essays, Sub-Tests and Writing Skills Re-tests. DOC also fixed the total cost of administrative services at \$1,200. The contract does require invoices for reimbursement be sent to the DOC Chief GED Examiner for expense verification and permanent record maintenance.

Both contracts contained language concerning audit/retention of records as required by 30 ILCS 500/20-65 which states that "...all books, records and supporting documents related to the contract shall be available for review or audit by the Agency and the Auditor General; and that the vendor agrees to cooperate fully with any audit by the Auditor General and to provide full access to all relevant materials."

DOC Programmatic Management Controls

The contract between DOC and the Macon/Piatt ROE to be the administrative agent for School District #428 specifically identifies requirements for each program at the 29 DOC facilities funded by the contract. Instructors and staff are identified and verified as meeting the qualification requirements of ISBE by the contract coordinator. Other requirements identified include instructor/staff working hours, location of services, program cycle, enrollment period, average daily class enrollment, and program daily contact hours.

Each program is monitored on-site monthly by the correctional facility's Educational Facility Administrator and on a quarterly basis by on-site visits from DOC School District #428 administrative teams. Contract Monitoring Monthly reports include a summary of problems identified and what corrective action has been or will be implemented. Examples of this monitoring were provided by DOC.

The contract with the Sangamon ROE for GED services provides for program controls by identifying qualification requirements for GED test readers and specifies additional responsibilities by the ROE for reporting, distribution and notification of test results.

Chapter Five

OTHER ISSUES

CHAPTER CONCLUSIONS

ROE Advisory Boards are not meeting the required 6 times per year. Only 5 of the 45 offices surveyed reported meeting the required number of times.

Some Regional Superintendents and Assistant Superintendents receive compensation in addition to their statutory salaries. For fiscal year 2000, this ranged from as little as \$99 to more than \$20,000 annually.

During our review of statutory provisions related to Regional Offices of Education, we found that the State laws contain outdated references and confusing language caused by the historical reduction in the number of offices. The outdated provisions have raised uncertainty over the succession process and responsibilities associated with operations funding for the Suburban Cook County ROE.

In our review we found that ISBE contracts did not contain specific language as required by 30 ILCS 500/20-65 which gives the Auditor General access to records. We reviewed contracts with private accounting firms to conduct the A-133 audits of Regional Offices of Education and noted that these contracts did not contain the required language.

ADVISORY BOARDS

Each ROE is required to have an advisory board. ROE advisory boards are required by law to meet 6 times per year for the purpose of advising the superintendent concerning the planning and delivery of programs and services under the control of the Regional Superintendent (105 ILCS 5/3A-16 & 17). This would include, among others, School Services programs covered by the ROE's Regional Improvement Plan.

ISCs are required to have governing boards are also required by administrative rule to meet 6 times per year (23 Ill. Adm. Code 525.50). Governing board responsibilities include:

- Selecting a chairperson, vice-chairperson, and secretary;
- Reviewing the budget for School Services programs;
- Reviewing the regional improvement plan; and
- Adopting a calendar and submitting information and reports requested by the State Superintendent.

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In a follow up survey with ROEs and ISCs we found that many of the ROE advisory boards do not meet at all and others do not meet the required number of times. Of the 45 ROEs, only 5 reported that they met the required number of times. Fourteen ROEs reported that their advisory boards did not meet at all during fiscal year 2000. The governing boards for the ISC all met the required number of times.

In the responses to our survey and during interviews and site visits, ROEs provided reasons why their advisory boards did not meet. The reasons cited included lack of a quorum and the composition of the boards themselves. In some cases scheduled meetings were cancelled.

There were no findings in the A-133 audits concerning failure of ROE boards to meet. One way ISBE could monitor whether these boards are meeting is by requiring the auditors to report on this issue.

REGIONAL OFFICE OF EDUCATION ADVISORY BOARDS	
RECOMMENDATION 8	<i>The Illinois State Board of Education should monitor to ensure that advisory boards meet six times per year as is required by law.</i>
STATE BOARD OF EDUCATION RESPONSE	Meetings of this advisory board are required by law. However, the monitoring of compliance is not and this Agency has no authority to monitor or effect change in this area. We suggest that the Regional Superintendent's Association consider reviewing this issue with its membership.

ADDITIONAL COMPENSATION

As was discussed in Chapter One of this report, Regional Superintendents and Assistant Superintendents receive a statutory salary from the Illinois State Board of Education. Some Superintendents and Assistant Superintendents are also receiving additional compensation.

In a follow up survey of ROEs and ISCs, we identified a total of \$105,552 in additional compensation paid to 17 Superintendents and Assistant Superintendents. This compensation ranged from \$99 to \$20,673 annually. Three ROEs accounted for over 60 percent of all additional compensation (#19 DuPage - \$32,173, #25 Hamilton/Jefferson - \$10,000, and #31 Kane - \$23,000). Most of the remaining additional compensation reported by ROEs was received from the local county. By law, county boards may provide for additional compensation for the Regional Superintendent or the Assistant Regional Superintendents, or for each of them, to be paid quarterly from the county treasury (105 ILCS 5/3-2.5).

We identified one ROE in which the Superintendent and Assistant Superintendent received additional compensation in fiscal year 2000 to perform other job duties. The Superintendent appointed herself the local truant officer and received \$2,202 for these duties. By

law, Regional Superintendents are to appoint the local truant officer. Although the law does not preclude them from appointing themselves as the local truant officer, it raises the question of whether a superintendent who receives a statutory salary for an elected position should also hold another appointed position for additional salary. The Superintendent noted that the county boards and state’s attorneys of both counties approved this appointment.

The Superintendent also received additional compensation for serving as the Secretary Ex-Officio of a non-high school district (\$2,947). A non-high school district is the territory of each county not included in a district maintaining a recognized four year high school. The Superintendent noted that State law requires the Regional Superintendent to serve as the Secretary Ex-Officio of any non-high school district in the State.

The Assistant Superintendent of the same ROE received additional compensation for holding the position of Program Coordinator (\$824). Although State law allows Regional Superintendents to receive additional compensation from the local county or counties they serve, it is not clear whether it is a conflict of interest for Regional Superintendents and Assistant Superintendents to receive compensation for holding other positions while serving as an elected official.

ADDITIONAL COMPENSATION	
RECOMMENDATION 9	<i>The Illinois State Board of Education should review additional compensation being received by Regional Superintendents and Assistant Superintendents to ensure that no conflicts of interest exist and should consider setting guidelines for additional compensation.</i>
STATE BOARD OF EDUCATION RESPONSE	Considerable controls and monitoring over Agency funds have been previously described. As there is no prohibition to additional compensation, any known expenditures for superintendent services would have been reviewed to ensure that additional services were rendered. Since ROEs are separate legal entities directed by elected officials, this Agency has no access to compensation information outside of our funding sources nor does it have the authority to act. However, as elected officials, the Regional Superintendents are required by law to file economic interest statements annually with the county clerk in the county of their administrative offices. This provides comparable oversight to that of state employees and legislators.

ROE-RELATED STATUTES

During our review of statutory provisions related to Regional Offices of Education we found that the State laws contain references to entities that no longer exist. These include references to County Superintendents and Educational Service Centers that no longer exist.

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Because of the changes that took place in reducing the number of Superintendents from 102 to the current 45, there is also outdated and confusing language contained in the statutes.

Statutory changes have also led to administrative uncertainty at the Suburban Cook ROE. In 1994, the office was eliminated from the School Code by adding language to many sections that stated that the current law no longer pertained to counties of more than 2,000,000. The office was subsequently reestablished in 1995 but some language remained the same in the law. When the Regional Superintendent for Suburban Cook died while in office, there was no process in the law for appointment of a new or acting superintendent. This led the Assistant Superintendent to request a legal opinion from ISBE in which the State Superintendent allowed the Assistant Superintendent to assume the duties of the office. The new acting Superintendent only receives the Assistant Superintendent salary.

Another problem administratively with the Suburban Cook ROE is with the School Services functions. Every ROE and ISC receives funding to provide these services and is required to submit a Regional Improvement Plan to ISBE. However, since the ISCs (successor offices to the Education Service Centers) provide these services for Cook County, the Suburban Cook ROE is currently submitting a Regional Improvement Plan and receiving funding for programs for which it has limited responsibility for providing. For fiscal year 2000, the Suburban Cook ROE's approved budget was \$114,867 for these activities and functions. According to the Regional Improvement Plan, the Suburban Cook ROE uses this funding to coordinate the School Services functions with the three ISCs in Cook County.

On April 20, 2001 the Governor signed Executive Order 01-7 establishing a commission to rewrite the School Code of Illinois. According to the executive order, the commission was formed because the Illinois School Code contains outdated and inconsistent language, obsolete, overlapping and conflicting provisions and a confusing organizational structure.

STATUTORY CHANGES	
RECOMMENDATION 10	<i>The Illinois State Board of Education should consider requesting the General Assembly delete outdated and confusing language from State laws caused by the historical reduction in the number of Superintendent's offices.</i>
STATE BOARD OF EDUCATION RESPONSE	The Agency had requested and the Governor has appointed a commission to address school code changes. We expect this item to be included in that extremely large task.

AUDIT ACCESS

In our review of ISBE's contracts with private accounting firms to conduct the A-133 audits of Regional Offices of Education, we found that ISBE's contracts did not contain specific language as required by 30 ILCS 500/20-65. Illinois law specifies that every contract and subcontract shall provide that all books and records shall be available for review and audit by the

Auditor General. We reviewed contracts and found that there is no reference to access to records by the Auditor General’s Office or the Procurement Code as it pertains to audit access.

ISBE initially denied our request to review the workpapers of an annual audit of a regional office of education conducted by a public accounting firm contracted by ISBE. ISBE officials stated that we would have to provide a good reason why we wanted to review this information. Approximately seven weeks passed until we were able to review the workpapers.

We reviewed the contracts and agreements with ROEs from the Illinois Department of Human Services and Illinois Department of Corrections and found that they contain language required by the Illinois Procurement Code that allows the Auditor General access to records.

AUDIT ACCESS	
RECOMMENDATION 11	<i>The Illinois State Board of Education should include a clause in every contract and subcontract that allows the Auditor General access to records as required by the Illinois Procurement Code (30 ILCS 500/20-65).</i>
STATE BOARD OF EDUCATION RESPONSE	<p>The Agency’s contracts provide for access by ISBE, its representatives, and state and federal regulatory agencies. The language has been in place for more than a decade. The Agency believes this meets the requirement of law. However, as multiple-year contracts are re-bid, the Agency will consider a language change.</p> <hr style="border-top: 1px dashed black;"/> <p>AUDITOR COMMENT: <i>The contracts between ISBE and private CPA firms state that, “Working papers will be available for examination by the Illinois State Board of Education, its authorized representatives and, when applicable, the authorized representatives of the cognizant federal audit agency and the General Accounting Office.” It does not make reference to State regulatory agencies or the Auditor General.</i></p>

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APPENDICES

APPENDIX A
LAC Resolution Number 118

Legislative Audit Commission

RESOLUTION NO. 118

Presented by Senator Demuzio

WHEREAS, there are 45 Regional Offices of Education in the state headed by elected Regional Superintendents and state-supported assistants; and

WHEREAS, the State Board of Education expends funds each year for the purpose of conducting annual financial audits of the Regional Office of Education and Intermediate Service Centers; and

WHEREAS, there have recently been instances of audits submitted to the State Board of Education by the Regional Offices in an untimely manner; and

WHEREAS, in Fiscal Year 1999, Regional Offices of Education expended approximately \$89 million in federal, state, and local funds; and

WHEREAS, Regional Offices of Education receive funds from a number of State agencies, local, and other sources; and

WHEREAS, the General Assembly must play a strong financial oversight role in guaranteeing that tax dollars appropriated for education are used in the most prudent and efficient manner possible; and

WHEREAS, it is in the greatest interest of the people of Illinois that public education is supported by all of the necessary financial tools and resources available to maintain a quality public education system to benefit all; therefore, be it

RESOLVED, BY THE LEGISLATIVE AUDIT COMMISSION of the State of Illinois, that the Auditor General is directed to conduct a management audit of the State Board of Education and any other State agency providing funding to Illinois regional offices of education or any other similar entity serving as an educational agent for the State responsible for administering programs and/or distributing State moneys to local school districts (collectively referred to as "ROEs"); and be it further

RESOLVED, that the audit shall include, but need not be limited to, the following determinations:

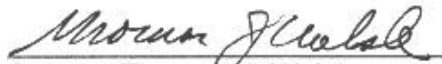
- The sources of funds for the ROEs;
- The major purposes and functions of the ROEs;
- The extent to which State agencies providing funding to the ROEs have in place management controls to review the financial and programmatic aspects of those offices; and

- Whether a review of selected expenditures by ROEs demonstrates that controls are sufficient to ensure that the services provided by those offices are performed in an efficient and effective manner and in compliance with applicable laws, regulations, contracts and grants; and be it further

RESOLVED, that the State Board of Education, Regional Offices of Education and any other entities having information relevant to this audit shall cooperate fully and promptly with the Office of the Auditor General in the conduct of this audit; and be it further

RESOLVED, that the Auditor General shall commence this audit immediately and report his findings and recommendations as soon as possible in accordance with the provisions of the Illinois State Auditing Act.

Adopted this 25th day of May, 2000.



Senator Thomas J. Walsh
Co-chair



Representative Julie Curry
Co-chair

APPENDIX B
Audit Methodology

APPENDIX B AUDIT METHODOLOGY

On May 25, 2000, the Legislative Audit Commission adopted Resolution Number 118. The resolution directed the Auditor General to conduct a management audit of the State Board of Education and any other State agency providing funding to Illinois Regional Offices of Education or any other similar entity serving as an educational agent for the State responsible for administering programs and/or distributing State moneys to local school districts. Appendix A contains Resolution Number 118. The following information is an overview of the methodology used in the audit.

Analytical Methodology

During the audit we reviewed applicable statutes, administrative rules, and agency procedures to determine the extent to which State agencies providing funding to ROEs have in place management controls to review financial and programmatic aspects of those offices. We met with several Regional Superintendents, ISC Executive Directors, and ISBE program officials. We collected financial and programmatic information for fiscal year 2000 in several ways.

We conducted an initial survey of all Regional Offices of Education (ROEs) and Intermediate Service Centers (ISCs). The survey contained questions regarding sources of funding, major purposes and function, management controls and reporting, and revenue and expenditure information for fiscal year 2000. We also conducted a follow-up survey that contained issues identified during the survey phase of the audit. The results of these surveys were then compiled and analyzed for use in the audit report.

During the audit we reviewed A-133 audits that were conducted of ROEs for fiscal years 1998 through 2000. ISBE was not responsible for ISC audits until fiscal year 1999. The fiscal year 1999 financial data from these reports was compiled and analyzed to determine which State agencies provided funding to ROEs. It also showed the amount of funding ROEs and ISCs received from all sources including State, federal, and local government sources. Although the data contained in these audits had certain limitations, it was the only source of data available to show all revenues received by ROEs and all the sources of those funds (see Chapter 4 for a further discussion of funding data limitations). This data was used initially to determine State agencies that provide funding to ROEs.

Management Controls at State Agencies

Using information compiled from the A-133 audits of ROEs and ISCs for fiscal year 1999, we identified the State agencies providing funding to ROEs and ISCs. We determined that 87 percent of fiscal year 1999 State funding was received from the Illinois State Board of Education. For testing management controls, we selected State agencies providing more than \$1,000,000 to ROEs and ISCs. This included the Illinois

State Board of Education, Illinois Department of Corrections and the Illinois Department of Human Services.

Expenditure Testing Methodology

We selected a total of eight ROEs and one ISC to conduct a detailed review of expenditures. The ROEs were selected using several criteria including the size/population, geographic location, amount of State funding received in fiscal year 1999, and whether the ROE was a single or multiple county ROE. Using these criteria we selected the following ROEs (see exhibit).

The sites selected include three multiple county ROEs, four single county ROEs, one partial county ROE, and an ISC. In all, we tested three offices in the northern part of the State, three in the central part of the State, and three offices in the southern part of the State.

Sampling Selected Expenditures

The expenditure testing methodology was designed to test the programs for which the ROEs receive the largest amount of funding from ISBE and also to capture information regarding funding provided for other State programs including ISBE programs. We tested the Regional Safe Schools Program (RSSP), Truants' Alternative and Optional Education Program (TAOEP), and School Services Funds because these were the three largest programs funded according to fiscal year 1999 data compiled from the A-133 audits. These three programs were also the most common to all offices. We selected 10 expenditures or the entire population of expenditures if it was less than 10, for each of these three programs for testing. These expenditures were selected by using ledgers obtained from each of the offices and by identifying the source of funds and purpose using the ROE accounting manual and ISBE function codes. Offices tested in some instances did not have one or more of these programs. All offices receive operations funds. However, one office gave their operations funding to a cooperative. The only ROE that did not receive RSSP was Suburban Cook. TAOEP funds were not received by 3 of the 9 offices tested. In these cases we did not add cases from other programs. We also selected an additional 20 expenditures from all other funds for testing at each site.

<u>ROEs/ISCs Selected for Testing</u>
<i>Champaign/Ford (ROE #9)</i>
<i>DuPage (ROE #19)</i>
<i>Franklin/Williamson (ROE #21)</i>
<i>Hamilton/Jefferson (ROE #25)</i>
<i>Madison (ROE #41)</i>
<i>Suburban Cook (ROE #14)</i>
<i>Tazewell (ROE #53)</i>
<i>Vermilion (ROE #54)</i>
<i>South Cook ISC (#4)</i>

For each expenditure sampled we completed a data collection instrument, obtained a copy of the cancelled check, and any voucher, invoices or related receipts. In some cases the expenditure involved an electronic fund transfer (EFT). For these cases, we collected information from computer generated reports or screen prints to verify that the funds were transferred, the date, amount, and organization or person receiving the funds.

For program expenditures sampled we attempted to obtain the grant agreements for those programs from the ROE or ISC. We also attempted to obtain copies of any related monitoring and expenditure reports for these expenditures. In cases that the ROE

contracted a program (i.e., RSSP) with a third party we attempted to obtain a copy of the contract or agreement for services.

APPENDIX C
Funding and Expenditures for
Regional Offices of Education and
Intermediate Service Centers
Fiscal Years 1998 through 2000

APPENDIX C
ROE/ISC REVENUES AND EXPENDITURES
Fiscal Year 1998

ISBE ROE No.	ROE/ISC	Local Revenue	State Revenue	Federal Revenue	*Other Revenue	Total Revenue	Total Expenditures
1	Adams, Pike	\$0	\$1,054,104	\$135,356	\$92,029	\$1,281,489	\$1,186,638
2	Alexander, Johnson, Massac, Pulaski, Union	217,832	1,673,802	637,416	110,726	2,639,776	2,604,091
3	Bond, Effingham, Fayette	128,229	674,983	119,294	0	922,506	974,693
4	Boone, Winnebago	697,722	2,424,252	321,150	102,352	3,545,476	3,468,744
8	Carroll, Jo Daviess, Stephenson	1,284,944	1,140,773	117,185	0	2,542,902	2,644,488
9	Champaign, Ford	723,235	1,630,614	480,003	0	2,833,852	2,859,197
10	Christian, Montgomery	100,998	534,206	139,713	19,051	793,968	861,907
11	Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, Shelby	437,130	830,028	74,382	0	1,341,540	1,394,755
12	Clay, Crawford, Jasper, Lawrence, Richland	484,521	990,445	561,693	138,502	2,175,161	2,120,020
13	Clinton, Marion, Washington	845,952	1,535,694	186,658	44,253	2,612,557	2,447,528
14	Suburban Cook	455,075	138,253	6,653	0	599,981	560,840
16	DeKalb	30,017	41,644	64,502	13,154	149,317	135,707
17	DeWitt, Livingston, McLean	2,778,652	1,138,342	371,049	35,397	4,323,440	4,352,899
19	Dupage	682,647	3,611,609	222,251	0	4,516,507	4,563,991
20	Edwards, Hardin, Gallatin, Pope, Saline, Wabash, Wayne, White	408,676	973,368	571,000	0	1,953,044	1,954,760
21	Franklin, Williamson	376,104	1,080,237	509,893	52,441	2,018,675	2,046,234
22	Fulton, Schuyler	184,541	365,594	40,374	6,563	597,072	607,242
24	Grundy, Kendall	66,983	1,074,374	341,125	0	1,482,482	1,488,649
25	Hamilton, Jefferson	911,643	1,247,731	577,507	0	2,736,881	2,727,740
26	Hancock, McDonough	222,799	1,008,299	268,798	29,250	1,529,146	1,539,232
27	Henderson, Mercer, Warren	43,431	223,400	189,950	0	456,781	447,363
28	Bureau, Henry, Stark	102,508	616,916	26,481	0	745,905	878,008
30	Jackson, Perry	109,244	1,495,793	130,295	44,388	1,779,720	1,742,400
31	Kane	1,109,792	1,539,779	69,731	0	2,719,302	2,556,812
32	Iroquois, Kankakee	187,988	1,099,839	104,703	35,837	1,428,367	1,530,362
33	Knox	22,060	174,362	30,333	5,569	232,324	250,005
34	Lake	838,542	2,065,877	198,303	0	3,102,722	3,111,087
35	LaSalle	369,185	1,472,556	140,732	95,347	2,077,820	1,980,516
38	Logan, Mason, Menard	105,479	374,651	6,114	18,226	504,470	504,394
39	Macon, Piatt	974,730	6,098,401	505,330	338,280	7,916,741	8,108,070
40	Calhoun, Greene, Jersey, Macoupin	350,358	1,033,572	321,067	40,994	1,745,991	1,605,106
41	Madison	1,425,127	1,158,008	136,192	26,557	2,745,884	2,919,089
43	Marshall, Putnam, Woodford	21,592	61,263	0	543	83,398	77,698
44	McHenry	80,356	91,464	23,579	0	195,399	195,570
45	Monroe, Randolph	216,700	802,610	189,917	32,298	1,241,525	1,238,625
46	Brown, Cass, Morgan, Scott	168,323	627,523	91,729	33,294	920,869	826,218
47	Lee, Ogle	179,211	530,768	87,029	0	797,008	741,757
48	Peoria	186,391	1,664,394	240,156	35,514	2,126,455	2,124,929
49	Rock Island	234,863	757,461	85,295	0	1,077,619	1,047,116
50	St. Clair	546,118	2,135,456	1,153,816	115,135	3,950,525	4,045,166
51	Sangamon	225,296	1,299,212	41,718	8,457	1,574,683	1,704,632
53	Tazewell	164,387	611,921	149,425	0	925,733	904,064
54	Vermilion	48,270	143,598	24,852	0	216,720	252,855
55	Whiteside	150,316	503,849	121,454	0	775,619	785,077
56	Will	737,489	1,475,023	111,243	0	2,323,755	2,695,739
ISC #1	North Cook ISC	1,271,931	1,942,119	69,297	0	3,283,347	3,347,446
ISC #2	West Cook ISC	222,701	1,459,366	128,407	0	1,810,474	2,131,228
ISC #4	South Cook ISC	265,195	2,319,344	176,824	0	2,761,363	2,556,114
	Totals	\$21,395,283	\$56,946,877	\$10,299,974	\$1,474,157	\$90,116,291	\$90,846,801

Notes: Regional Superintendent and Asst. Superintendent salaries are not included. In FY98 those salaries totaled \$6,461,500.

*Other includes on behalf revenue, interest, registration fees, membership dues, and other revenue

Source: A-133 Audits conducted by ISBE for FY98

APPENDIX C
ROE/ISC REVENUES AND EXPENDITURES
 Fiscal Year 1999

ISBE ROE No.	ROE/ISC	Local Revenue	State Revenue	Federal Revenue	*Other Revenue	Total Revenue	Total Expenditures
1	Adams, Pike	\$4,302	\$1,246,935	\$101,282	\$157,682	\$1,510,201	\$1,356,048
2	Alexander, Johnson, Massac, Pulaski, Union	209,447	1,696,270	642,478	148,054	2,696,249	2,640,371
3	Bond, Effingham, Fayette	236,496	623,088	69,000	0	928,584	893,712
4	Boone, Winnebago	1,040,784	2,555,517	380,972	0	3,977,273	3,709,388
8	Carroll, Jo Daviess, Stephenson	1,440,455	1,170,871	93,340	0	2,704,666	2,811,883
9	Champaign, Ford	929,169	1,706,958	526,151	0	3,162,278	3,059,499
10	Christian, Montgomery	83,265	562,183	296,282	0	941,730	954,289
11	Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, Shelby	523,842	992,582	116,006	0	1,632,430	1,583,341
12	Clay, Crawford, Jasper, Lawrence, Richland	556,785	916,529	928,963	151,716	2,553,993	2,451,161
13	Clinton, Marion, Washington	857,405	1,277,555	667,423	64,093	2,866,476	2,698,861
14	Suburban Cook	393,600	203,041	11,347	0	607,988	636,396
16	DeKalb	63,185	53,014	59,837	3,523	179,559	154,395
17	DeWitt, Livingston, McLean	2,883,290	1,539,327	488,782	35,744	4,947,143	4,950,285
19	Dupage	914,084	2,529,168	225,104	0	3,668,356	3,410,209
20	Edwards, Hardin, Gallatin, Pope, Saline, Wabash, Wayne, White	346,853	817,956	894,549	0	2,059,358	2,055,672
21	Franklin, Williamson	418,761	1,252,517	1,374,159	82,442	3,127,879	3,188,108
22	Fulton, Schuyler	236,789	375,168	3,008	12,756	627,721	587,904
24	Grundy, Kendall	62,026	1,177,888	391,483	0	1,631,397	1,655,627
25	Hamilton, Jefferson	802,038	1,643,301	707,463	1,468	3,154,270	2,917,938
26	Hancock, McDonough	375,969	1,198,623	211,639	36,179	1,822,410	1,769,230
27	Henderson, Mercer, Warren	40,327	292,201	178,901	0	511,429	480,025
28	Bureau, Henry, Stark	113,024	567,332	69,494	0	749,850	718,617
30	Jackson, Pery	99,199	1,172,860	127,285	39,468	1,438,812	1,376,712
31	Kane	1,298,454	1,721,302	92,544	0	3,112,300	2,410,173
32	Iroquois, Kankakee	135,756	1,172,148	146,860	72,763	1,527,527	1,616,335
33	Knox	56,029	186,238	18,697	7,527	268,491	218,683
34	Lake	1,229,192	1,890,594	150,892	0	3,270,678	3,075,726
35	LaSalle	114,663	1,461,461	107,437	29,516	1,713,077	1,619,025
38	Logan, Mason, Menard	111,361	360,607	0	19,084	491,052	489,169
39	Macon, Piatt	1,001,465	6,339,528	638,739	406,313	8,386,045	8,478,129
40	Calhoun, Greene, Jersey, Macoupin	344,432	873,100	336,712	22,157	1,576,401	1,515,840
41	Madison	1,364,838	1,108,996	1,463,965	27,527	3,965,326	3,758,302
43	Marshall, Putnam, Woodford	17,089	89,095	0	2,165	108,349	103,511
44	McHenry	53,633	24,069	137,412	0	215,114	212,219
45	Monroe, Randolph	263,953	1,013,875	191,053	62,738	1,531,619	1,490,466
46	Brown, Cass, Morgan, Scott	196,095	954,523	53,794	39,595	1,244,007	1,051,873
47	Lee, Ogle	141,359	457,467	36,466	0	635,292	644,611
48	Peoria	264,750	1,815,231	260,011	58,897	2,398,889	2,319,422
49	Rock Island	361,518	851,003	183,556	0	1,396,077	1,327,491
50	St. Clair	541,648	2,136,842	1,566,545	0	4,245,035	4,160,111
51	Sangamon	309,079	1,206,692	234,833	27,350	1,777,954	1,621,830
53	Tazewell	104,578	673,258	173,589	0	951,425	931,217
54	Vermilion	52,438	8,224	0	0	60,662	76,819
55	Whiteside	140,445	552,186	120,296	0	812,927	767,342
56	Will	806,889	1,590,278	584,322	0	2,981,489	2,768,662
ISC #1	North Cook ISC	842,505	2,089,063	42,889	0	2,974,457	3,364,105
ISC #2	West Cook ISC	364,313	2,171,782	422,951	0	2,959,046	2,188,466
ISC #4	South Cook ISC	235,329	2,417,955	37,346	243,165	2,933,795	3,515,253
	Totals	\$22,982,906	\$58,736,401	\$15,565,857	\$1,751,922	\$99,037,086	\$95,784,451

Notes: Regional Superintendent and Asst. Superintendent salaries are not included. In FY99 those salaries totaled \$6,461,500.

*Other includes on behalf revenue, interest, registration fees, membership dues, and other revenue

Source: A-133 Audits conducted by ISBE for FY99

APPENDIX C
ROE/ISC REVENUES AND EXPENDITURES
Fiscal Year 2000

ISBE ROE No.	ROE/ISC	Local Revenue	State Revenue	Federal Revenue	*Other Revenue	Total Revenue	Total Expenditures
1	Adams, Pike	10,570	1,300,257	108,970	171,796	1,591,593	1,453,763
2	Alexander, Johnson, Massac, Pulaski, Union	160,611	1,956,263	868,518	184,078	3,169,470	2,952,162
3	Bond, Effingham, Fayette	279,953	749,486	36,568	0	1,066,007	1,100,328
4	Boone, Winnebago	867,228	2,824,247	374,866	0	4,066,341	3,851,374
8	Carroll, Jo Daviess, Stephenson	1,502,798	1,219,344	400,929	0	3,123,071	3,220,523
9	Champaign, Ford	854,581	2,097,393	973,108	0	3,925,082	3,847,590
10	Christian, Montgomery	21,373	639,438	124,098	0	784,909	765,040
11	Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, Shelby	543,773	937,312	105,817	0	1,586,902	1,589,584
12	Clay, Crawford, Jasper, Lawrence, Richland	876,731	884,304	1,013,836	137,866	2,912,737	2,838,169
13	Clinton, Marion, Washington	732,213	1,607,873	359,167	66,583	2,765,836	2,618,079
14	Suburban Cook	470,771	554,930	26,000	31,150	1,082,851	1,009,492
16	DeKalb	34,088	211,610	0	805	246,503	239,721
17	DeWitt, Livingston, McLean	3,285,658	1,613,953	581,317	48,995	5,529,923	5,369,288
19	Dupage	787,556	2,584,569	403,200	0	3,775,325	3,615,435
20	Edwards, Hardin, Gallatin, Pope, Saline, Wabash, Wayne, White	445,002	996,950	1,130,182	0	2,572,134	2,511,853
21	Franklin, Williamson	420,252	1,270,151	2,189,513	164,505	4,044,421	4,006,383
22	Fulton, Schuyler	217,143	375,949	2,267	14,552	609,911	609,674
24	Grundy, Kendall	112,965	1,897,777	359,226	0	2,369,968	2,282,212
25	Hamilton, Jefferson	757,285	1,750,229	379,979	0	2,887,493	2,906,862
26	Hancock, McDonough	453,774	1,489,875	101,337	26,456	2,071,442	2,043,576
27	Henderson, Mercer, Warren	47,458	272,523	74,710	0	394,691	445,033
28	Bureau, Henry, Stark	159,876	583,603	78,458	0	821,937	818,505
30	Jackson, Perry	93,444	1,227,986	192,316	56,083	1,569,829	1,499,471
31	Kane	1,629,301	1,640,317	169,781	0	3,439,399	3,019,671
32	Iroquois, Kankakee	265,881	2,066,075	334,478	45,829	2,712,263	2,587,790
33	Knox	111,286	179,001	25,483	16,085	331,855	324,329
34	Lake	1,071,568	1,989,991	109,909	0	3,171,468	3,302,714
35	LaSalle	180,639	1,625,409	114,051	41,970	1,962,069	1,868,503
38	Logan, Mason, Menard	114,622	472,855	3,498	20,642	611,617	608,632
39	Macon, Piatt	1,103,896	6,290,665	966,872	447,301	8,808,734	8,545,533
40	Calhoun, Greene, Jersey, Macoupin	353,193	807,470	231,137	14,821	1,406,621	1,362,386
41	Madison	1,057,638	1,889,678	1,997,736	39,048	4,984,100	4,901,620
43	Marshall, Putnam, Woodford	19,270	51,984	0	2,419	73,673	66,145
44	McHenry	112,598	11,266	271,190	0	395,054	345,954
45	Monroe, Randolph	314,527	903,259	429,475	58,374	1,705,635	1,581,964
46	Brown, Cass, Morgan, Scott	218,639	927,447	115,133	40,721	1,301,940	1,162,243
47	Lee, Ogle	231,948	631,324	63,095	0	926,367	908,016
48	Peoria	355,925	2,024,243	159,410	53,967	2,593,545	2,528,751
49	Rock Island	346,102	904,175	445,475	0	1,695,752	1,674,936
50	St. Clair	549,909	2,464,812	1,489,987	0	4,504,708	4,433,680
51	Sangamon	388,220	1,175,890	384,487	32,970	1,981,567	1,879,664
53	Tazewell	138,870	666,436	125,811	18,351	949,468	995,904
54	Vermilion	59,103	1,708	0	0	60,811	78,025
55	Whiteside	144,166	534,082	160,317	0	838,565	825,548
56	Will	933,636	2,157,895	725,087	0	3,816,618	3,848,364
ISC #1	North Cook ISC	778,047	2,466,239	63,717	101,083	3,409,086	3,395,647
ISC #2	West Cook ISC	459,560	2,636,360	238,279	55,391	3,389,590	3,063,094
ISC #4	South Cook ISC	282,955	2,309,402	152,299	32,618	2,777,274	2,551,565
	Totals	\$24,356,602	\$65,874,005	\$18,661,089	\$1,924,459	\$110,816,155	\$107,454,795

Notes: Regional Superintendent and Asst. Superintendent salaries are not included. In FY00 \$6,461,500 was appropriated for the salaries.

*Other includes on behalf revenue, interest, registration fees, membership dues, and other revenue

Source: A-133 Audits conducted by ISBE for FY00

APPENDIX D
Regional Offices of Education
Selected Major Programs and Descriptions

**APPENDIX D
REGIONAL OFFICES OF EDUCATION
SELECTED MAJOR PROGRAMS AND DESCRIPTIONS**

Program	Description
Administrators' Academy	Provides professional development opportunities for school administrators. Primary activities are to train administrators in evaluation of certified personnel, school improvement, and school accountability (105 ILCS 2-3.53).
Career Awareness and Development	Helps students make a smooth transition from education to the workplace by providing them with the necessary life planning skills.
GED Testing	ROEs are required to provide High School Equivalency Testing for qualified individuals residing within the region (105 ILCS 5/3-15.12). This includes testing and issuing the GED certificate.
Health/Life Safety	ROEs are required to inspect and survey all public schools under his/her supervision annually. ROEs are also required to inspect building plans and specifications, approve all school construction (105 ILCS 5/3-14.20 & 21).
Internal Review	ROEs provide training and technical assistance to local schools regarding the quality review process. Includes workshops regarding school improvement, teaching and learning, and student achievement.
Learning Improvement and Quality Assurance	Funds support the quality review portion of the existing school accreditation system. Process centers on professional development as a means of improving teacher and student performance (105 ILCS 5/2-3.25 & 2-3.63).
Regional Safe Schools Program (RSSP)	ROEs receive funds to provide alternative learning environments for students to meet their particular needs. Funds can be used by the ROE to operate an alternative school or to contract with a third party (105 ILCS 5/13A <i>et seq.</i>).
ROE/ISC Supervisory Expense Fund	Regional Superintendents receive \$1,000 per county in the ROE on an annual basis for expenses incurred for supervisory duties (105 ILCS 5/18-6).
ROE/ISC School Services	ROEs and ISCs are required to provide programs and services in the following areas: <ul style="list-style-type: none"> • Education for Gifted Children • Computer Technology Education • Staff Development Services in Fundamental Learning Areas • Administrators' Academy • Directory of Cooperating Consultants The above programs include services necessary to

	support school administrators and teachers in the planning, implementation, and evaluation of those programs. (105 ILCS 5/2-3.62).
ROE/ISC Technology	Funding is used by ROEs and ISC to support learning technology services to public schools and to implement statewide technology initiatives. (105 ILCS 5/2-3.62)
Scientific Literacy	Provides grants on a competitive basis to develop and pilot curriculum, instruction, and assessment in scientific literacy in order to improve K-12 student literacy levels in science and mathematics or to support staff development projects for K-12 public school teachers to improve their literacy leveling in science, mathematics and educational technology (105 ILCS 5/2-3.94).
School Bus Driver Training	School bus driver initial and refresher training is coordinated through the Regional Offices of Education and taught by school bus driver instructors certified by the State Board of Education (105 ILCS 5/3-14.23).
Substance Abuse and Violence Prevention	Grant provides support to school and community personnel for drug and violence prevention programs. May also be used to provide training to complete Crisis Plans for schools involved in violent or natural disasters.
Truants' Alternative and Optional Education Program (TAOEP)	Program offers part-time or full-time options to regular school attendance to prevent students from becoming truant or dropping out of school (105 ILCS 5/2-3.66).
Teacher and Administrator Certification	Applicants for certification and recertification are issued an entitlement card that can be presented to a regional superintendent of schools for issuance of a certificate (105 ILCS 5/21-12).
Professional Development	Funding is used to support teacher training that meets the requirements for renewal of teaching certificates. Training programs are designed to help teachers instruct students to meet Illinois Learning Standards (105 ILCS 5/2-3.62).
Vocational Instructor Practicum	Integrates technologies into the teaching and learning process through internships that assist educators to use the most up-to-date technology available (105 ILCS 5/2-3.68).
Source: OAG analysis of selected programs	

APPENDIX E
Findings in A-133 Audits of
Regional Offices of Education and
Intermediate Service Centers

Fiscal Year 2000

**APPENDIX E
FINDINGS IN A-133 AUDITS OF REGIONAL OFFICES OF EDUCATION AND
INTERMEDIATE SERVICE CENTERS
Fiscal Year 2000**

Finding	Number of ROEs with Finding in FY 2000
Lack of adequate FDIC coverage for cash balances at banks	6
Lack of segregation of duties	6
Not filing accurate expenditure reports with ISBE	6
Not maintaining separate fixed asset account groups	6
Reconciliation of bank accounts either not done or not completed in a timely fashion	5
Incomplete accounting in general ledger including transactions not accounted for and instances where additional transactions had to be recorded to balance	4
Invoices supporting expenditures did not contain management approval	3
Not classifying expenditures properly	3
Financial activity not entered in accounting system	2
Lack of a method for allocating interest based on the source of revenues	2
Not allocating common costs for grants which reimburse for common costs	2
Not returning unexpended funds to State Board at end of fiscal year or grant period	2
Grant expenditures in excess of budgeted amounts	1
Interfund loans without statutory authority for the source of funds from which loans are made	1
Lack of adequate subsidiary records for distributions made through Distributive Funds	1
Maintaining more than one set of accounting records for an entity	1
Not classifying reimbursements to proper funds	1
Not distributing flow-through money in a timely fashion	1
Not including all programs and funds in financial statements	1
Not maintaining separate bank accounts for grants	1
Not monitoring grant expenditures	1
Transactions in cash accounts not reviewed and accounted for on an on-going basis	1
Total number of findings	57
Note: 19 ROEs and 3 ISCs had no findings.	
Source: OAG analysis of FY 2000 A-133 audits	

APPENDIX F
**Fiscal Year 2000 Data Summary Sheet for Each
Regional Office of Education and
Intermediate Service Center**

This appendix shows fiscal year 2000 funding by State agency and program, top functions, and other selected demographic data for each of the 45 ROEs and 3 ISCs. The data was compiled using ISBE, DHS and DOC financial data and information provided by each ROE/ISC in a survey conducted by the Illinois Office of the Auditor General.

Adams/Pike (ROE # 1)

Quincy

Regional Superintendent: Honorable Raymond A. Scheiter
Assistant Superintendent: Wilfred K. Flesner
Number of Payroll Employees: 33
Number of School Districts: 10
County Support: (Dec. 99 – Nov. 00) \$107,098



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-General State Aid	-	-	\$173,476
-ROE/ISC School Services	-	-	\$159,145
-Regional Safe Schools Program	-	-	\$119,418
-Truants' Alternative Optional Ed.	-	-	\$73,920
-Scientific Literacy	-	-	\$20,114
-School to Work	-	-	\$20,000
-Title IV Safe & Drug Free Formula	-	-	\$17,784
-Vocation Ed. Instructor Practicum	-	-	\$14,870
-Title I School Improvement	-	-	\$12,000
-Administrators' Academy	-	-	\$8,676
-ROE/ISC Technology	-	-	\$6,164
-Career Awareness	-	-	\$6,023
-Title II Leadership	-	-	\$5,542
-Supervisory Expense	-	-	\$2,000
-Certificate Renewal Admin.	-	-	\$442
-ROE School Bus Driver Training	-	-	\$360
• Funds Received from ROE #26			
-ROE/ISC School Services	-	\$133,789	-
-Internal Review Grant	-	\$25,408	-
-Administrators' Academy	-	\$4,595	-
Total ISBE Funding		\$163,792	\$639,934
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$450
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Early Intervention	-	-	\$501,400
-Project Success	-	-	\$11,500
Total DHS Funding	-	-	\$512,900
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

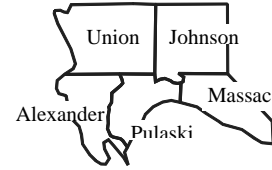
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #1		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development *	29.4%	✓
Child and Family Connections	25%	
Regional Safe Schools Program	14.5%	✓
Dropout Reports and Dropout Retrieval Efforts	5%	
Enforcing Truancy Laws	5%	✓
Administering GED Programs	4%	✓
Teacher and Administrator Certification	4%	✓
Computer Technology Education	4%	✓
Advisory/Governing Boards	1%	
Develop Regional Improvement Plan	1%	
Distributing Information to Local School Districts	1%	✓
Gifted Education	1%	
Health/Life Safety	1%	✓
Preparing Financial Records for the Annual Audit	1%	✓
Reviewing, Approving, and Submitting Information to ISBE	1%	✓
School Bus Driver Training	1%	
<p>Notes: * ROE #1 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.</p> <p>Eight functions were ranked 10th with 1%.</p> <p>Does not include functions other than the top ten, therefore, these may not add up to 100%.</p>		

Alexander/Johnson/Massac/Pulaski/Union (ROE # 2)

Cario/Vienna/Metropolis/Ullin/Anna

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (July 99 – June 00)

Honorable Andrea Brown
 Dan Anderson
 173
 19
 \$89,225



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Fed. Sp. Ed.-IDEA-Discretionary	-	-	\$436,000
-Technology Literacy Challenge	-	-	\$225,000
-General State Aid 92	-	-	\$210,333
-Truants' Alternative Optional Ed.	-	-	\$164,948
-ROE/ISC School Services	-	-	\$151,653
-General State Aid 93	-	-	\$114,312
-Regional Safe Schools Program	-	-	\$106,210
-Even Start	-	-	\$100,000
-Title I School Improvement	-	-	\$55,000
-State Substance Abuse & Violence Prevention	-	-	\$49,226
-McKinney Ed. for Homeless	-	-	\$25,000
-K-6 Comprehensive Arts	-	-	\$22,000
-School to Work	-	-	\$20,000
-Scientific Literacy	-	-	\$18,737
-Vocation Ed. Instructor Practicum	-	-	\$16,790
-Internal Review Grant	-	-	\$12,808
-Learn and Serve Grant	-	-	\$9,000
-Administrators' Academy	-	-	\$8,341
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Summer Bridges	-	-	\$5,769
-Career Awareness	-	-	\$5,062
-Supervisory Expense	-	-	\$5,000
-Certificate Renewal Admin.	-	-	\$2,000
-Criminal Background Investigations	-	-	\$821
-ROE School Bus Driver Training	-	-	\$720
-Class Size Reduction	-	-	\$354
-Title VI-Formula	-	-	\$343
-Title IV Safe & Drug Free Formula	-	-	\$334
-Title II Professional Development	-	-	\$193
Total ISBE Funding	-	-	\$1,778,204
DEPARTMENT OF CHILDREN AND FAMILY SERVICES			
• Funds Received Directly by ROE			
-Flexible Wraparound Funding Initiative	-	-	\$15,881
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$3,016
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Illinois Job Advantage	-	-	\$167,627
-Kids in School	-	-	\$15,000
Total DHS Funding	-	-	\$182,627
ILLINOIS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Safe to Learn	-	-	\$5,553
SECRETARY OF STATE			
• Funds Received Directly by ROE			
-Community Literacy	-	-	\$43,200
-New Chapters	-	-	\$23,000
-Family Literacy	-	-	\$19,400
Total SOS Funding	-	-	\$85,600
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

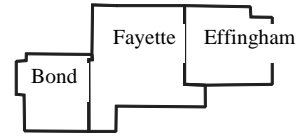
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #2		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development	24%	✓
Enforcing Truancy Laws	10%	✓
Regional Safe Schools Program	10%	✓
Filling School Board Vacancies	5%	
Health/Life Safety	5%	✓
Participating in Recognition/Registration of Non-public/Public Schools	5%	
Teacher and Administrator Certification	5%	✓
Preparing Financial Records for the Annual Audit	3%	✓
Reviewing, Approving, and Submitting Information to ISBE	3%	✓
Administering GED Programs	2%	✓
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Bond/Effingham/Fayette (ROE # 3)

Vandalia

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (Dec. 99 – Nov. 00)

Honorable Delbert L. Maroon
 William D. Donaldson
 25
 11
 \$144,600



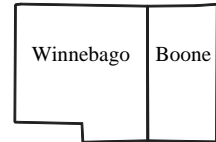
FUNDING RECEIVED FROM STATE AGENCIES			
Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-ROE/ISC School Services	-	-	\$154,120
-Regional Safe Schools Program	-	-	\$115,552
-Truants' Alternative Optional Ed.	-	-	\$112,937
-General State Aid 92	-	-	\$66,237
-Scientific Literacy	-	-	\$39,262
-General State Aid 93	-	-	\$31,978
-Early Childhood 01	-	-	\$30,245
-School to Work	-	-	\$20,000
-Early Childhood 02	-	-	\$18,521
-Internal Review Grant	-	-	\$13,119
-Vocation Ed. Instructor Practicum	-	-	\$12,830
-Fed.-Adult Ed.-Basic	-	-	\$10,000
-Administrators' Academy	-	-	\$8,491
-ROE/ISC Technology	-	-	\$6,250
-Title I School Improvement	-	-	\$6,000
-Title II Leadership	-	-	\$6,000
-Supervisory Expense	-	-	\$3,000
-Career Awareness	-	-	\$2,056
-ROE School Bus Driver Training	-	-	\$600
-Certificate Renewal Admin.	-	-	\$323
-Class Size Reduction	-	-	\$68
-Criminal Background Investigations	-	-	\$30
Total ISBE Funding	-	-	\$657,619
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$2,225
ILLINOIS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Safe to Learn	-	-	\$80,000
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #3		
Function	%	Listed in Top Ten for all ROEs
Regional Safe Schools Program	18%	✓
Training and Professional Development *	16%	✓
Teacher and Administrator Certification	14%	✓
Enforcing Truancy Laws	10%	✓
Dropout Reports and Dropout Retrieval Reports	10%	
Preparing Financial Records for the Annual Audit	5%	✓
Computer Technology Education	5%	✓
Reviewing, Approving, and Submitting Information to ISBE	5%	✓
Resolving District Disputes	2%	
Notes: * ROE #3 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Boone/Winnebago (ROE # 4)

Loves Park

Regional Superintendent:	Honorable Richard L. Fairgrievies
Assistant Superintendent:	Donald L. Morrison
Number of Payroll Employees:	113
Number of School Districts:	13
County Support: (FY 2000)	\$402,973



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Truants' Alternative Optional Ed.	-	-	\$532,640
-General State Aid	-	-	\$517,746
-Regional Safe Schools Program	-	-	\$362,613
-State Substance Abuse & Violence Prevention	-	-	\$340,947
-Education to Careers - Implementation	-	-	\$306,425
-ROE/ISC School Services	-	-	\$283,176
-General State Aid	-	-	\$110,962
-Internal Review Grant	-	-	\$73,495
-Title II Professional Development	-	-	\$66,787
-School to Work	-	-	\$60,000
-Title I School Improvement	-	-	\$52,000
-Scientific Literacy	-	-	\$43,079
-Career Awareness	-	-	\$23,982
-Vocation Ed. Instructor Practicum	-	-	\$23,811
-Title II Leadership	-	-	\$18,000
-Administrators' Academy	-	-	\$15,301
-School Breakfast/Lunch	-	-	\$11,276
-ROE/ISC Technology	-	-	\$6,250
-Gifted Education	-	-	\$3,026
-Criminal Background Investigations	-	-	\$2,071
-Supervisory Expense	-	-	\$2,000
-ROE School Bus Driver Training	-	-	\$1,320
-Certificate Renewal Admin.	-	-	\$700
-Class Size Reduction	-	-	\$621
-Title VI-Formula	-	-	\$603
-Title IV Safe & Drug Free Formula	-	-	\$587
• Funds Received from ROE #16			
-ROE/ISC School Services	-	\$162,751	-
-Scientific Literacy	-	\$20,923	-
-Administrator's Academy	-	\$8,948	-
-ROE/ISC Technology	-	\$6,250	-
-Title II Professional Development	-	\$6,000	-
• Funds Received from ROE #44			
-ROE/ISC School Services	-	\$246,978	-
-Scientific Literacy	-	\$37,172	-
-Administrators' Academy	-	\$13,613	-
-ROE/ISC Technology	-	\$6,250	-
-Title II Professional Development	-	\$6,000	-
Total ISBE Funding	-	\$514,885	\$2,859,418
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

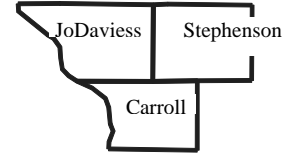
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #4		
Function	%	Listed in Top Ten for all ROEs
Truants' Alternative and Optional Ed.	33.6%	
Training and Professional Development	20.5%	✓
Regional Safe Schools Program	12.27%	✓
Enforcing Truancy Laws	7%	✓
Delivery of Career Education and Employability Skills	4.62%	
Computer Technology Education	3.95%	✓
Reviewing, Approving, and Submitting Information to ISBE	2.94%	✓
Preparing Financial Records for the Annual Audit	2.59%	✓
Teacher and Administrator Certification	2%	✓
Health/Life Safety	1.97%	✓
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Carroll/JoDavieess/Stephenson (ROE # 8)

Stockton

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (FY 1999 – 2000)

Honorable John B. Lang
 Gordon A. Appel
 52
 16
 \$101,225



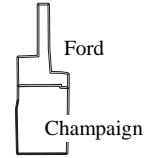
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Early Childhood 00	-	-	\$394,950
-Truants' Alternative Optional Ed.	-	-	\$187,912
-ROE/ISC School Services	-	-	\$163,261
-General State Aid	-	-	\$150,454
-Regional Safe Schools Program	-	-	\$132,812
-Early Childhood 03	-	-	\$124,120
-Early Childhood 01	-	-	\$48,000
-Title II Professional Development	-	-	\$44,198
-Title IV Safe & Drug Free Formula	-	-	\$30,539
-Early Childhood 02	-	-	\$30,000
-Scientific Literacy	-	-	\$20,871
-School to Work	-	-	\$20,000
-Vocation Ed. Instructor Practicum	-	-	\$14,800
-Internal Review Grant	-	-	\$14,700
-Administrators' Academy	-	-	\$8,952
-Title I School Improvement	-	-	\$8,000
-Career Awareness	-	-	\$6,755
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Math Training to Teachers	-	-	\$5,000
-Supervisory Expense	-	-	\$3,000
-Learn and Serve America	-	-	\$2,000
-Certificate Renewal Admin.	-	-	\$1,217
-Criminal Background Investigations	-	-	\$1,209
-ROE School Bus Driver Training	-	-	\$480
Total ISBE Funding	-	-	\$1,425,480
DEPARTMENT OF CHILD AND FAMILY SERVICES			
• Funds Received Directly by ROE			
-LAN Program	-	-	\$86,411
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Early Intervention	-	-	\$306,000
ILLINIOS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Safe to Learn	-	-	\$11,400
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #8		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	20.8%	✓
Training and Professional Development *	15.7%	✓
Distributing Information to Local School Districts	13.7%	✓
Bookkeeping	10.6%	
Reviewing, Approving, and Submitting Information to ISBE	10%	✓
Computer Technology Education	9.8%	✓
Supervision of Public Schools	7.1%	
Grant Program Management	6.2%	
Network Maintenance	6.1%	
Notes: * ROE #8 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.		

Champaign/Ford (ROE # 9)

Rantoul

Regional Superintendent:	Honorable Martin Barrett
Assistant Superintendent:	Judith B. Pacey
Number of Payroll Employees:	138 (12 shared with Vermilion, ROE #54)
Number of School Districts:	17
County Support: (FY00 Budget)	\$162,887



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Fed. Sp. Ed.-IDEA-Discretionary	-	-	\$441,374
-Early Childhood Block Grant 00	-	-	\$368,300
-Goals 2000-Leadership	-	-	\$286,050
-Regional Safe Schools Program	-	-	\$215,906
-ROE/ISC School Services	-	-	\$201,162
-State Substance Abuse & Violence Prevention	-	-	\$174,488
-School to Work 01	-	-	\$156,615
-General State Aid	-	-	\$150,597
-Truants' Alternative Optional Ed.	-	-	\$76,870
-Early Childhood Block Grant 02	-	-	\$71,992
-Scientific Literacy 02	-	-	\$71,163
-Early Childhood Block Grant 01	-	-	\$62,322
-Title II Professional Development	-	-	\$47,789
-Vocation Ed. Instructor Practicum	-	-	\$44,420
-McKinney Ed. For Homeless	-	-	\$39,773
-Scientific Literacy 00	-	-	\$27,838
-Gifted Planning	-	-	\$25,000
-Internal Review Grant	-	-	\$20,325
-School to Work 00	-	-	\$20,000
-Career Awareness	-	-	\$11,834
-Administrators' Academy	-	-	\$10,944
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Math Workshop	-	-	\$5,000
-Title I School Improvement	-	-	\$4,000
-Supervisory Expense	-	-	\$2,000
-ROE School Bus Driver Training	-	-	\$1,680
-Certificate Renewal Admin.	-	-	\$1,139
-Criminal Background Investigations	-	-	\$640
• Funds Received from ROE #54			
-ROE/ISC School Services	-	\$161,535	-
-Title I School Improvement	-	\$24,000	-
-Scientific Literacy 00	-	\$20,553	-
-School To Work 00	-	\$20,000	-
-Internal Review Grant	-	\$14,368	-
-Administrators' Academy	-	\$8,861	-
-ROE/ISC Technology	-	\$6,250	-
-Title II Leadership	-	\$6,000	-
Total ISBE Funding	-	\$261,567	\$2,551,471
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Case Services to Individuals	-	-	\$45,681
-Project Success	-	-	\$36,750
Total DHS Funding	-	-	\$82,431
DEPARTMENT OF CHILDREN & FAMILY SERVICES			
• Funds Received Directly by ROE			
-Education Advisor	-	-	\$118,376
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

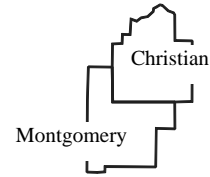
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #9		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development *	31%	✓
Regional Safe Schools Program **	20%	✓
Enforcing Truancy Laws ***	15%	✓
ISBE ITAN / DCFS	10%	
Administering GED Programs	10%	✓
Advisory / Governing Boards	5%	
Distributing Information to Local School Districts	2%	✓
Health/Life Safety	2%	✓
Reviewing, Approving, and Submitting Information to ISBE	2%	✓
Preparing Financial Records for the Annual Audit	1%	✓
School Bus Driver Training	1%	
Notes:		
* The ROEs survey response combined Training and Professional Development with the following six functions: Annually Developing a Regional Improvement Plan, Computer Technology Education, Gifted Education Services, Maintaining a Directory of Cooperating Consultants, Staff Development and PBIS.		
** The ROEs survey response combined the Regional Safe Schools Program with the following two functions: Youth Detention and Juvenile Delinquency Prevention.		
*** The ROEs survey response combined Enforcing Truancy Laws with the following two functions: Dropout and Retrieval Efforts and Ombudsman to Public.		
Two functions were ranked 10th with 1%. Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Christian/Montgomery (ROE # 10)

Taylorville/Hillsboro

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (Dec. 99 – Nov. 00)

Honorable Greg Springer
 Marsha Blackman
 34
 9
 \$82,019



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-ROE/ISC School Services	-	-	\$148,322
-Early Childhood	-	-	\$133,943
-Regional Safe Schools Program	-	-	\$104,736
-General State Aid	-	-	\$71,218
-School to Work	-	-	\$23,761
-Scientific Literacy	-	-	\$18,550
-Learn and Serve America	-	-	\$16,347
-Internal Review Grant	-	-	\$9,606
-Title II Professional Development	-	-	\$9,261
-Administrators' Academy	-	-	\$8,288
-Vocation Ed. Instructor Practicum	-	-	\$6,470
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$5,801
-Career Awareness	-	-	\$4,855
-National School Lunch Program	-	-	\$3,271
-Supervisory Expense	-	-	\$2,000
-School Breakfast Program	-	-	\$1,801
-State Free Lunch & Breakfast	-	-	\$473
-ROE School Bus Driver Training	-	-	\$240
-Certificate Renewal Admin.	-	-	\$114
Total ISBE Funding	-	-	\$575,307
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$1,930
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Project Success	-	-	\$31,138
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

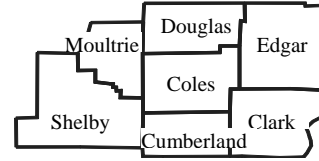
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #10		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development *	30.26%	✓
Enforcing Truancy Laws	9.07%	✓
Preparing Financial Records for the Annual Audit	8.31%	✓
Teacher and Administrator Certification	7.08%	✓
Computer Technology Education	4.63%	✓
Administering GED Programs	4.44%	✓
Reviewing, Approving, and Submitting Information to ISBE	3.58%	✓
Advisory / Governing Boards	2.08%	
Distributing Information to Local School Districts	1.84%	✓
Notes: * ROE #10 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Clark/Coles/Cumberland/Douglas/Edgar/Moultrie/Shelby (ROE # 11)

Charleston

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (Dec. 99 - Nov. 00)

Honorable John McNary
 Sharon L. Brinkmeyer
 27
 27
 \$217,220



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Statewide Professional Development 01	-	-	\$2,000,000
-Regional Safe Schools Program	-	-	\$211,213
-ROE/ISC School Services	-	-	\$200,830
-General State Aid 93	-	-	\$132,418
-General State Aid 92	-	-	\$129,531
-Truants' Alternative Optional Ed.	-	-	\$111,080
-Statewide Professional Development 00	-	-	\$95,000
-Scientific Literacy 02	-	-	\$69,050
-Title II Professional Development	-	-	\$37,586
-Vocation Ed. Instructor Practicum	-	-	\$33,030
-Scientific Literacy 00	-	-	\$27,779
-Title IV Safe & Drug Free Formula	-	-	\$22,222
-Internal Review Grant	-	-	\$20,439
-School to Work	-	-	\$20,000
-Career Awareness	-	-	\$14,465
-Administrators' Academy	-	-	\$10,927
-Supervisory Expense	-	-	\$7,000
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Title I School Improvement	-	-	\$2,000
-Certificate Renewal Admin.	-	-	\$2,000
-Criminal Background Investigations	-	-	\$1,245
-ROE School Bus Driver Training	-	-	\$1,080
-Class Size Reduction	-	-	\$354
Total ISBE Funding	-	-	\$3,161,499
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Substance Abuse	-	-	\$13,800
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

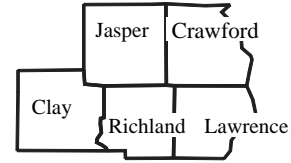
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #11		
Function	%	Listed in Top Ten for all ROEs
Regional Safe Schools Program	28%	✓
Training and Professional Development	18%	✓
Enforcing Truancy Laws	12%	✓
Participating in Recognition/Registration of Non-public / Public Schools	9%	
Computer Technology Education	5%	✓
Administering GED Programs	4%	✓
Health/Life Safety	4%	✓
Reviewing, Approving, and Submitting Information to ISBE	4%	✓
Teacher and Administrator Certification	4%	✓
School Bus Driver Training	2%	
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Clay/Crawford/Jasper/Lawrence/Richland (ROE # 12)

Louisville/Robinson/Newton/Lawrenceville/Olney

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (1999 – 2000)

Honorable Samuel T. White
 Troy Hickey
 40
 12
 \$234,000



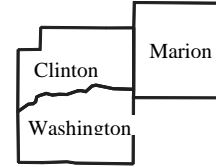
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Principles of Effectiveness Demonstr. Grants	-	-	\$400,000
-Truants' Alternative Optional Ed.	-	-	\$375,026
-Fed. Sp. Ed.-IDEA-Discretionary	-	-	\$175,000
-ROE/ISC School Services	-	-	\$159,365
-Regional Safe Schools Program	-	-	\$124,752
-Scientific Literacy 01	-	-	\$52,250
-General State Aid 93	-	-	\$51,642
-Vocation Ed. Instructor Practicum	-	-	\$20,290
-Scientific Literacy 00	-	-	\$20,155
-School to Work	-	-	\$20,000
-Internal Review Grant	-	-	\$14,071
-Title I School Improvement	-	-	\$12,000
-Administrators' Academy	-	-	\$8,747
-ROE/ISC Technology	-	-	\$6,250
-Career Awareness	-	-	\$6,240
-Title II Leadership	-	-	\$6,000
-Supervisory Expense	-	-	\$5,000
-General State Aid 92	-	-	\$4,028
-Certificate Renewal Admin.	-	-	\$2,000
-Criminal Background Investigation	-	-	\$812
-ROE School Bus Driver Training	-	-	\$360
Total ISBE Funding	-	-	\$1,463,988
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$460
ILLINOIS STATE POLICE			
• Funds Received Directly by ROE			
-Regional School Safety Resource Center	-	-	\$200,000
ILLINOIS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Technical Assistance to Qualified Schools	-	-	\$75,000
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #12		
Function	%	Listed in Top Ten for all ROEs
Truants' Alternative and Optional Ed.	15%	
Training and Professional Development *	12%	✓
Regional Safe Schools Program	8%	✓
Teacher and Administrator Certification	7%	✓
Reviewing, Approving, and Submitting Information to ISBE	5%	✓
Health/Life Safety	5%	✓
Computer Technology Education	4%	✓
Distributing Information to Local School Districts	4%	✓
Administering GED Programs	3%	✓
Notes: * ROE #12 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Clinton/Marion/Washington (ROE # 13)

Carlyle/Salem/Nashville

Regional Superintendent:	Honorable Danny Garrett
Assistant Superintendent:	David L. Erlinger
Number of Payroll Employees:	40
Number of School Districts:	33
County Support: (2000 Approved)	\$99,164



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Early Childhood 00	-	-	\$457,510
-Education to Careers-Implementation	-	-	\$255,054
-Truants' Alternative Optional Ed.	-	-	\$168,928
-ROE/ISC School Services	-	-	\$168,504
-Regional Safe Schools Program	-	-	\$142,823
-General State Aid 92	-	-	\$102,373
-Gifted Education	-	-	\$63,349
-General State Aid 93	-	-	\$55,749
-Title II Professional Development	-	-	\$48,791
-Other Federal Programs	-	-	\$45,792
-Early Childhood 02	-	-	\$27,000
-Title IV Safe & Drug Free Formula	-	-	\$25,043
-Scientific Literacy	-	-	\$21,835
-School to Work	-	-	\$20,000
-Title I School Improvement	-	-	\$16,000
-Internal Review Grant	-	-	\$15,437
-Vocation Ed. Instructor Practicum	-	-	\$14,150
-Administrators' Academy	-	-	\$9,227
-Career Awareness	-	-	\$7,199
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Early Childhood 01	-	-	\$5,000
-Supervisory Expense	-	-	\$3,000
-Certificate Renewal Admin.	-	-	\$2,000
-Criminal Background Investigations	-	-	\$699
-ROE School Bus Driver Training	-	-	\$600
Total ISBE Funding	-	-	\$1,688,313
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$590
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Early Intervention	-	-	\$281,000
ILLINOIS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Violence Prevention	-	-	\$16,000
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #13		
Function	%	Listed in Top Ten for all ROEs
Compliance and Recognition Review	15%	✓
Health/Life Safety	15%	✓
Teacher and Administrator Certification	15%	✓
Training and Professional Development	15%	✓
Enforcing Truancy Laws	10%	✓
Administering GED Programs	5%	✓
Distributing Information to Local School Districts	5%	✓
Gifted Education	5%	
Notes: ROE's survey response only listed eight functions.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Source: OAG analysis of ROE Survey and State Agency Data.

Suburban Cook (ROE # 14)

Westchester

Regional Superintendent:	Honorable Joe Kaczanowski
Assistant Superintendents:	Candy V. Cash and Robert Ingraffia
Number of Payroll Employees:	10
Number of School Districts:	143
County Support:	\$0

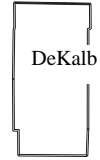
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-State Substance Abuse & Violence Prevention	-	-	\$298,450
-ROE/ISC School Services	-	-	\$114,867
-Truants' Alternative Optional Ed.	-	-	\$82,359
-Learn Improve & Quality Assurance	-	-	\$50,000
-School to Work	-	-	\$20,000
-ROE School Bus Driver Training	-	-	\$8,040
-ROE/ISC Technology	-	-	\$5,828
-Title II Leadership	-	-	\$1,411
-Certificate Renewal Admin.	-	-	\$2,000
-Supervisory Expense	-	-	\$1,000
Total ISBE Funding	-	-	\$583,955
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$120
DEPARTMENT OF PUBLIC HEALTH			
• Funds Received Directly by ROE			
-Women's (Eating Disorder) Health Grant	-	-	\$11,577
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #14		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	35.1%	✓
Reviewing, Approving, and Submitting Information to ISBE	10.3%	✓
Health/Life Safety	9.1%	✓
Enforcing Truancy Laws	8.8%	✓
Training and Professional Development	8.8%	✓
Distributing Information to Local School Districts	7.2%	✓
Preparing Financial Records for the Annual Audit	4.6%	✓
School Bus Driver Training	3.4%	
Maintaining and Updating Monthly Listing of Unfilled Teaching Positions	2.6%	
Reviewing and Approving School Treasurer Bonds	0.3%	
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

DeKalb (ROE # 16)

Sycamore

Regional Superintendent:	Honorable Thomas R. Weber
Assistant Superintendent:	Richard J. Stipher
Number of Payroll Employees:	1
Number of School Districts:	9
County Support:	\$78,150



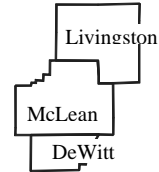
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Regional Safe Schools Program	-	-	\$133,221
-General State Aid	-	-	\$82,867
-Early Childhood 02	-	-	\$38,490
-Early Childhood 01	-	-	\$16,118
-Vocation Ed. Instructor Practicum	-	-	\$9,760
-Career Awareness	-	-	\$6,913
-National School Lunch Program	-	-	\$3,464
-Supervisory Expense	-	-	\$1,000
-ROE School Bus Driver Training	-	-	\$960
-State Free Lunch & Breakfast	-	-	\$145
-Certificate Renewal Admin.	-	-	\$109
• Funds Passed to ROE #4			
-ROE/ISC School Services	\$162,751	-	-
-Scientific Literacy	\$20,923	-	-
-Administrator's Academy	\$8,948	-	-
-ROE/ISC Technology	\$6,250	-	-
-Title II Professional Development	\$6,000	-	-
Total ISBE Funding	\$204,872	-	\$293,047
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Case Services to Individuals	-	-	\$211,729
-Youth Programs	-	-	\$150,000
-SCAND LekoTech Play Library	-	-	\$29,130
-Addiction Prevention Programs	-	-	\$5,000
Total DHS Funding	-	-	\$395,859
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #16		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	29%	✓
Training and Professional Development	18%	✓
Enforcing Truancy Laws	10%	✓
Reviewing, Approving, and Submitting Information to ISBE	10%	✓
School Bus Driver Training	10%	
Administering GED Programs	5%	✓
Health/Life Safety	5%	✓
Regional Safe Schools Program	5%	✓
Participating in Recognition/Registration of Non-public / Public Schools	2%	
Advisory/Governing Boards	1%	
Computer Technology Education	1%	✓
Develop Regional Improvement Plan	1%	
Distributing Information to Local School Districts	1%	✓
Resolving District Legal Disputes	1%	
Notes: Five functions were ranked 10th with 1%.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Dewitt/Livingston/McLean (ROE # 17)

Normal

Regional Superintendent:	Honorable Eugene P. Jontry
Assistant Superintendent:	Nicki Rosenbaum
Number of Payroll Employees:	108
Number of School Districts:	25
County Support: (FY 2000)	\$286,796



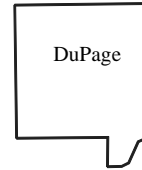
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Regional Safe Schools Program	-	-	\$267,440
-Education to Careers-Implementation	-	-	\$245,591
-ROE/ISC School Services	-	-	\$226,312
-General State Aid 93	-	-	\$163,159
-Even Start	-	-	\$99,777
-Fed.-Adult Ed.-Basic	-	-	\$99,300
-Truants' Alternative Optional Ed.	-	-	\$92,685
-Adult Ed.-State 3-1	-	-	\$90,000
-Adult Ed.-State Performance	-	-	\$85,154
-Adult Ed.-Public Assistance	-	-	\$45,000
-Early Childhood 03	-	-	\$41,139
-Title II Professional Development	-	-	\$40,200
-General State Aid 92	-	-	\$35,941
-Scientific Literacy	-	-	\$32,717
-Early Childhood 01	-	-	\$27,348
-Vocation Ed. Instructor Practicum	-	-	\$24,790
-Internal Review Grant	-	-	\$23,873
-School to Work	-	-	\$17,937
-Career Awareness	-	-	\$15,884
-National School Lunch Program 00	-	-	\$15,808
-Early Childhood 02	-	-	\$14,393
-Administrators' Academy	-	-	\$12,339
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Supervisory Expense	-	-	\$3,000
-Title I School Improvement	-	-	\$2,000
-Certificate Renewal Admin.	-	-	\$2,000
-National School Lunch Program 99	-	-	\$1,865
-ROE School Bus Driver Training	-	-	\$1,440
-State Free Lunch and Breakfast	-	-	\$1,268
Total ISBE Funding	-	-	\$1,740,610
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$540
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Step Program	-	-	\$54,638
-Case Services to Individuals	-	-	\$51,272
Total DHS Funding	-	-	\$105,910
SECRETARY OF STATE			
• Funds Received Directly by ROE			
-Family Literacy	-	-	\$64,350
-Penny Severns	-	-	\$4,500
Total SOS Funding	-	-	\$68,850
ILLINOIS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Safe to Learn Training	-	-	\$30,000
-SAVE School	-	-	\$25,000
Total IVPA Funding	-	-	\$55,000
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #17		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development *	20%	✓
Health/Life Safety	19.6%	✓
Teacher and Administrator Certification	19.6%	✓
Regional Safe Schools Program	15%	✓
Participating in Recognition/Registration of Non-public / Public Schools	9.7%	
Administering GED Programs	7%	✓
Resolving District Disputes	2%	
Reviewing, Approving, and Submitting Information to ISBE	1.5%	✓
School Bus Driver Training	1.5%	
<p>Notes: * ROE #17 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.</p> <p>Does not include functions other than the top ten, therefore, these may not add up to 100%.</p>		

DuPage (ROE # 19)

Wheaton

Regional Superintendent:	Honorable Berardo J. DeSimone
Assistant Superintendent:	Alan Medwick
Number of Payroll Employees:	44
Number of School Districts:	43
County Support:	\$616,757



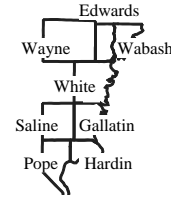
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Regional Safe Schools Program	-	-	\$1,070,751
-ROE/ISC School Services	-	-	\$606,847
-General State Aid	-	-	\$225,430
-Truants' Alternative Optional Ed.	-	-	\$136,331
-Vocational. Education-Elementary Career Development Program	-	-	\$111,113
-Scientific Literacy	-	-	\$101,982
-Early Childhood Block Grant	-	-	\$82,441
-Internal Review Grant	-	-	\$80,057
-Career Awareness	-	-	\$61,301
-Vocation Ed. Instructor Practicum	-	-	\$38,700
-Administrators' Academy	-	-	\$32,569
-McKinney Ed. For Homeless	-	-	\$30,000
-School to Work	-	-	\$17,664
-Learn and Serve America	-	-	\$6,400
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$5,825
-Voc. Ed.-Formula	-	-	\$3,211
-ROE School Bus Driver Training	-	-	\$3,000
-Criminal Background Investigations	-	-	\$1,373
-Supervisory Expense	-	-	\$1,000
-Title I School Improvement	-	-	\$19
Total ISBE Funding	-	-	\$2,622,264
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$280
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #19		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	22.68%	✓
Training and Professional Development *	12.61%	✓
Preparing Financial Records for the Annual Audit	11.13%	✓
Health/Life Safety	6.17%	✓
Computer Technology Education	5.73%	✓
Regional Safe Schools Program	5.09%	✓
Distributing Information to Local School Districts	4.22%	✓
Enforcing Truancy Laws	4.07%	✓
Ombudsman to Public	3.63%	
<p>Notes: * ROE #19 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.</p> <p>Does not include functions other than the top ten, therefore, these may not add up to 100%.</p>		

Edwards/Gallatin/Hardin/Pope/Saline/Wabash/Wayne/White (ROE # 20)

Albion/Harrisburg/Mt. Carmel/Fairfield/Carmi

Regional Superintendent: Honorable Linda L. Blackman
Assistant Superintendent: Sandra Ward
Number of Payroll Employees: 97
Number of School Districts: 22
County Support: \$207,000



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Fed. Sp. Ed.-IDEA-Discretionary	-	-	\$370,717
-Truants' Alternative Optional Ed.	-	-	\$266,176
-Federal Special Education-Pre-School-Discretionary	-	-	\$250,000
-ROE/ISC School Services	-	-	\$167,282
-Regional Safe Schools Program	-	-	\$141,574
-General State Aid 93	-	-	\$84,035
-General State Aid 92	-	-	\$54,236
-Vocation Ed. Instructor Practicum	-	-	\$38,200
-Gifted Education	-	-	\$25,635
-Scientific Literacy	-	-	\$21,611
-School to Work	-	-	\$20,000
-Title I School Improvement	-	-	\$18,000
-Internal Review Grant	-	-	\$15,309
-Administrators' Academy	-	-	\$9,163
-National School Lunch Program	-	-	\$8,979
-Supervisory Expense	-	-	\$8,000
-Career Awareness	-	-	\$7,163
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Certificate Renewal Admin.	-	-	\$2,000
-ROE School Bus Driver Training	-	-	\$960
-State Free Lunch & Breakfast	-	-	\$647
-Criminal Background Investigations	-	-	\$354
Total ISBE Funding	-	-	\$1,522,291
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$1,520
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Early Intervention	-	-	\$200,000
-Comprehensive Community Service	-	-	\$46,000
-Project Success	-	-	\$22,550
Total DHS Funding	-	-	\$268,550
ILLINOIS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Safe to Learn	-	-	\$8,300
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #20		
Function	%	Listed in Top Ten for all ROEs
Regional Safe Schools Program	20%	✓
Training and Professional Development	15%	✓
Teacher and Administrator Certification	10%	✓
Participating in Recognition/Registration of Non-public/Public Schools	5%	
Preparing Financial Records for the Annual Audit	5%	✓
Enforcing Truancy Laws	3%	✓
Health/Life Safety	3%	✓
Reviewing, Approving, and Submitting Information to ISBE	3%	✓
Administering GED Programs	2%	✓
Distributing Information to Local School Districts	1%	✓
School Bus Driver Training	1%	
Notes: Two functions were ranked 10th with 1%.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Franklin/Williamson (ROE # 21)

Benton/Marion

Regional Superintendent: Honorable Barry Kohl
Assistant Superintendent: Kenneth Lewis
Number of Payroll Employees: 45
Number of School Districts: 16
County Support: \$34,177



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-General State Aid	-	-	\$492,618
-ROE/ISC School Services	-	-	\$167,137
-Regional Safe Schools Program	-	-	\$143,877
-Scientific Literacy 01	-	-	\$101,000
-Gifted Education	-	-	\$69,320
-Title II Professional Development	-	-	\$57,851
-McKinney Ed. For Homeless	-	-	\$50,000
-General State Aid	-	-	\$47,527
-Title I School Improvement	-	-	\$42,000
-Scientific Literacy 00	-	-	\$21,584
-Vocation Ed. Instructor Practicum	-	-	\$21,313
-SAE Nutrition Ed Loan Library/Services	-	-	\$21,000
-School to Work	-	-	\$20,000
-Internal Review Grant	-	-	\$15,287
-Administrators' Academy	-	-	\$9,155
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Criminal Background Investigations	-	-	\$5,329
-Career Awareness	-	-	\$4,638
-Supervisory Expense	-	-	\$2,000
-Certificate Renewal Admin.	-	-	\$678
-ROE School Bus Driver Training	-	-	\$600
-Class Size Reduction	-	-	\$345
-Title VI – Formula	-	-	\$334
-Title IV Safe & Drug Free Formula	-	-	\$325
• Funds Received from ROE #30			
-Truants' Alternative Optional Ed.	-	\$59,497	-
Total ISBE Funding	-	\$59,497	\$1,306,168
DEPARTMENT OF CHILDREN AND FAMILY SERVICES			
• Funds Received Directly by ROE			
-C & A LAN 3	-	-	\$36,000
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Addiction Prevention	-	-	\$150,100
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

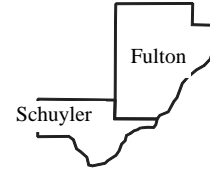
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #21		
Function	%	Listed in Top Ten for all ROEs
Obtaining, Implementing and Evaluating State/Federal Grants	10%	
Administering GED Programs	8%	✓
Computer Technology Education	7%	✓
Health/Life Safety	5%	✓
Regional Safe Schools Program	5%	✓
Reviewing, Approving, and Submitting Information to ISBE	5%	✓
Develop Regional Improvement Plan	5%	
Training and Professional Development	5%	✓
Teacher and Administrator Certification	5%	✓
Distributing Information to Local School Districts	4%	✓
Scientific Literacy	4%	
Notes: Two functions were ranked 10th with 4%. Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Fulton/Schuyler (ROE # 22)

Lewistown

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (1999 – 2000)

Honorable Gary L. Grzanich
 Alan L. Coleman
 18
 8
 \$118,634



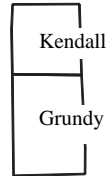
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Truants' Alternative Optional Ed.	-	-	\$91,048
-Regional Safe Schools Program	-	-	\$80,314
-General State Aid 93	-	-	\$62,281
-General State Aid 92	-	-	\$54,582
-Gifted Education	-	-	\$46,238
-Career Awareness	-	-	\$3,269
-Supervisory Expense	-	-	\$2,000
-Certificate Renewal Admin.	-	-	\$1,607
-ROE School Bus Driver Training	-	-	\$360
-Criminal Background Investigation	-	-	\$264
• Funds Passed to ROE #53			
-ROE/ISC School Services	\$129,689	-	-
-School to Work	\$20,000	-	-
-Scientific Literacy	\$19,000	-	-
-Internal Review Grant	\$11,475	-	-
-ROE/ISC Technology	\$6,250	-	-
-Title II Leadership	\$6,000	-	-
-Vocation Ed. Instructor Practicum	\$5,010	-	-
-Administrators' Academy	\$4,442	-	-
-Title I School Improvement	\$4,000	-	-
Total ISBE Funding	\$205,866	-	\$341,963
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$1,090
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Case Services to Individuals	-	-	\$21,552
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #22		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	20%	✓
Compliance and Recognition Review	20%	
Health/Life Safety	10%	✓
Ombudsman to Public	8%	
Enforcing Truancy Laws	7%	✓
Administering GED Programs	6%	✓
Distributing Information to Local School Districts	6%	✓
Preparing Financial Records for the Annual Audit	6%	✓
Regional Safe Schools Program	6%	✓
Reviewing, Approving, and Submitting Information to ISBE	6%	✓
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Grundy/Kendall (ROE # 24)

Morris/Yorkville

Regional Superintendent:	Honorable Thomas J. Centowski
Assistant Superintendent:	Marvin Maaske (Temporary)
Number of Payroll Employees:	3
Number of School Districts:	18
County Support:	\$100,608



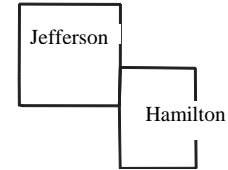
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Truants' Alternative Optional Ed.	-	-	\$424,021
-Regional Safe Schools Program	-	-	\$156,331
-General State Aid	-	-	\$122,830
-Early Childhood Block Grant	-	-	\$53,789
-Title IV Safe & Drug Free	-	-	\$42,749
-Early Childhood Block Grant	-	-	\$17,929
-Career Awareness	-	-	\$7,939
-ROE/ISC Technology	-	-	\$6,250
-Supervisory Expense	-	-	\$2,000
-Criminal Background Investigations	-	-	\$1,152
-ROE School Bus Driver Training	-	-	\$480
-Certificate Renewal Admin.	-	-	\$34
• Funds Passed to ROE #56			
-ROE/ISC School Services	\$171,765	-	-
-Scientific Literacy	\$22,712	-	-
-School to Work	\$20,000	-	-
-Internal Review Grant	\$15,672	-	-
-Title II Professional Development	\$14,209	-	-
-Administrators' Academy	\$9,478	-	-
-Title II Leadership	\$6,000	-	-
Total ISBE Funding	\$259,836	-	\$835,504
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Addiction Prevention	-	-	\$408,500
-Project Success	-	-	\$162,034
-Youth Programs	-	-	\$80,000
Total DHS Funding	-	-	\$650,534
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #24		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	35%	✓
Health/Life Safety	20%	✓
Responding to Request for Information and Assistance	8%	
Administering GED Programs	5%	✓
Distributing Information to Local School Districts	5%	✓
Enforcing Truancy Laws	5%	✓
Reviewing and Approving School Treasurer Bonds	5%	
Legal Research for LEA's	5%	
Reviewing, Approving, and Submitting Information to ISBE	3%	✓
Issuing Work Permits to Minors	2%	
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Hamilton/Jefferson (ROE # 25)

McLeansboro/Mt. Vernon

Regional Superintendent:	Honorable P.E. Cross
Assistant Superintendent:	Steve Morris
Number of Payroll Employees:	57
Number of School Districts:	18
County Support: (1999 - 2000)	\$59,573



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Early Childhood Block Grant 01	-	-	\$369,405
-General State Aid 92	-	-	\$336,283
-Technology – Literacy Challenge	-	-	\$180,000
-Truants’ Alternative Optional Ed.	-	-	\$144,096
-ROE/ISC School Services	-	-	\$133,152
-State Substance Abuse & Violence Prevention	-	-	\$131,986
-Scientific Literacy 00	-	-	\$106,000
-Regional Safe Schools Program	-	-	\$87,967
-Gifted Education	-	-	\$59,852
-General State Aid 93	-	-	\$31,097
-Title II Professional Development	-	-	\$28,803
-Title II Leadership	-	-	\$26,000
-Early Childhood Block Grant 02	-	-	\$22,115
-School to Work	-	-	\$20,000
-Scientific Literacy 01	-	-	\$16,831
-Vocation Ed. Instructor Practicum	-	-	\$11,471
-Internal Review Grant	-	-	\$11,251
-Title I School Improvement	-	-	\$10,000
-V.E. – Perkins – Title IIB – Single Parents	-	-	\$10,000
-Summer Food Service Program	-	-	\$7,249
-ROE/ISC Technology	-	-	\$6,250
-Early Childhood Block Grant 01	-	-	\$5,519
-Administrators’ Academy	-	-	\$4,625
-Career Awareness	-	-	\$3,715
-Certificate Renewal Admin.	-	-	\$2,000
-Supervisory Expense	-	-	\$2,000
-ROE School Bus Driver Training	-	-	\$360
-Vocation Ed. Formula	-	-	\$217
-Criminal Background Investigations	-	-	\$120
Total ISBE Funding	-	-	\$1,768,364
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$420
DEPARTMENT OF CHILDREN & FAMILY SERVICES			
• Funds Received Directly by ROE			
-LANS 8	-	-	\$17,055
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Project Success	-	-	\$60,850
ILLINOIS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Safe Schools	-	-	\$25,000
ILLINOIS COMMUNITY COALITION			
• Funds Received Directly by ROE			
-Youth Who Care	-	-	\$20,000
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #25		
Function	%	Listed in Top Ten for all ROEs
Early Childhood Block Grant	18%	
Training and Professional Development	12%	✓
Alternative Education	8%	
Teacher and Administrator Certification	6%	✓
Regional Safe Schools Program	4%	✓
Health/Life Safety	3%	✓
Administering GED Programs	2%	✓
Advisory / Governing Boards	2%	
Distributing Information to Local School Districts	2%	✓
Reviewing, Approving, and Submitting Information to ISBE	2%	✓
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

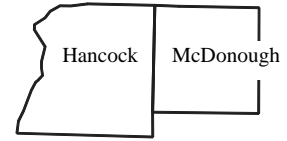
Source: OAG analysis of ROE Survey and State Agency Data.

Hancock/McDonough (ROE # 26)

Carthage/Macomb

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (Dec. 99 – Nov. 00)

Honorable Robert Baumann
 Gary Eddington
 55
 12
 \$65,167



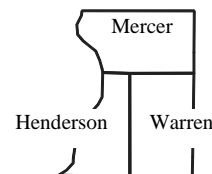
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Early Childhood Block Grant	-	-	\$159,136
-Truants' Alternative Optional Ed.	-	-	\$146,940
-General State Aid 92	-	-	\$121,231
-Truants' Alternative Optional Ed.– Training	-	-	\$110,931
-State Substance Abuse and Violence Prevention	-	-	\$100,665
-Regional Safe Schools Program	-	-	\$88,542
-Scientific Literacy 00	-	-	\$78,695
-Gifted Education	-	-	\$36,610
-Title IV – Drug Free Schools	-	-	\$32,470
-McKinney Ed. For Homeless	-	-	\$30,000
-State Sub Abuse & Violence Prevention. – Reimb.	-	-	\$21,000
-General State Aid 93	-	-	\$20,992
-School to Work	-	-	\$20,000
-Scientific Literacy 01	-	-	\$16,966
-Training School Health Personnel	-	-	\$15,750
-Scientific Literacy – Admin	-	-	\$10,900
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Vocation Ed. Instructor Practicum	-	-	\$5,810
-Career Awareness	-	-	\$3,762
-Supervisory Expense	-	-	\$2,000
-Criminal Background Investigations	-	-	\$910
-ROE School Bus Driver Training	-	-	\$360
• Funds Passed to ROE #1			
-ROE/ISC School Services	\$133,789	-	-
-Internal Review	\$25,408	-	-
-Administrators' Academy	\$4,595	-	-
Total ISBE Funding	\$163,792	-	\$1,035,920
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Early Intervention	-	-	\$454,900
-Teen Parent Services	-	-	\$41,100
Total DHS Funding	-	-	\$496,000
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #26		
Function	%	Listed in Top Ten for all ROEs
Obtaining, Implementing and Evaluating State/Federal Grants	19%	
Training and Professional Development	16%	✓
Ombudsman to Public	10%	
Teacher and Administrator Certification	9.56%	✓
Regional Safe Schools Program	5.5%	✓
Enforcing Truancy Laws	5%	✓
Preparing Financial Records for the Annual Audit	5%	✓
Computer Technology Education	4.5%	✓
Health/Life Safety	4%	✓
Participating in Recognition/Registration of Non-Public/Public Schools	4%	
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Henderson/Mercer/Warren (ROE # 27)

Aledo/Monmouth

Regional Superintendent: Honorable R. Bruce Hall
Assistant Superintendent: Glen W. Braden, Jr.
Number of Payroll Employees: 5
Number of School Districts: 9
County Support: \$76,110



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Regional Safe Schools Program	-	-	\$73,435
-Adult Ed.-State 3-1	-	-	\$59,000
-Fed.-Adult Ed.-Basic	-	-	\$32,000
-Adult Ed.-Public Assistance	-	-	\$30,000
-General State Aid 92	-	-	\$28,109
-School to Work	-	-	\$20,000
-Adult Ed.-State Performance	-	-	\$19,489
-General State Aid 93	-	-	\$19,093
-McKinney Ed. For Homeless	-	-	\$17,000
-State Substance Abuse & Violence Prevention	-	-	\$11,130
-Vocation Ed. Instructor Practicum	-	-	\$7,190
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Learn and Serve America	-	-	\$3,000
-Supervisory Expense	-	-	\$3,000
-Career Awareness	-	-	\$2,820
-Certificate Renewal Admin.	-	-	\$2,000
-ROE School Bus Driver Training	-	-	\$600
-Criminal Background Investigations	-	-	\$256
• Funds Passed to ROE #48			
-ROE/ISC School Services	\$128,022	-	-
-Scientific Literacy 00	\$15,503	-	-
-Internal Review	\$10,189	-	-
-Title I School Improvement	\$8,000	-	-
-Administrator's Academy	\$4,245	-	-
Total ISBE Funding	\$165,959	-	\$340,372
DEPARTMENT OF TRANSPORTATION			
• Funds Received Directly by ROE			
-Youth Alcohol			\$2,635
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

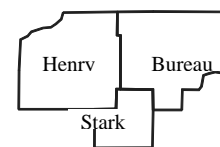
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #27		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development *	19%	✓
Ombudsman to Public	12%	
Reviewing, Approving, and Submitting Information to ISBE	9%	✓
Administering GED Programs	8%	✓
Advisory / Governing Boards	8%	
Dropout Reports and Dropout Retrieval Reports	8%	
Teacher and Administrator Certification	7%	✓
Maintain Directory of Cooperating Consultants	5%	
Preparing Financial Records for the Annual Audit	5%	✓
Notes: * ROE #27 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Bureau/Henry/Stark (ROE # 28)

Annawan

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (Adjusted FY 2000)

Honorable Bruce Dennison
 William Kested
 12
 26
 \$106,300



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-ROE/ISC School Services	-	-	\$171,127
-Regional Safe Schools Program	-	-	\$150,936
-General State Aid	-	-	\$128,630
-Truants' Alternative Optional Ed.	-	-	\$73,205
-Title II Professional Development	-	-	\$36,850
-Scientific Literacy	-	-	\$22,318
-School to Work	-	-	\$20,000
-Internal Review Grant	-	-	\$15,952
-Administrators' Academy	-	-	\$9,365
-Career Awareness	-	-	\$7,912
-ROE/ISC Technology	-	-	\$6,250
-Summer Bridges	-	-	\$6,090
-Title I School Improvement	-	-	\$6,000
-Title II Leadership	-	-	\$6,000
-Regional Safe Schools – MG	-	-	\$5,000
-Supervisory Expense	-	-	\$3,000
-Certificate Renewal Admin.	-	-	\$2,000
-Criminal Background Investigations	-	-	\$678
-ROE School Bus Driver Training	-	-	\$480
Total ISBE Funding	-	-	\$671,793
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #28		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development *	35%	✓
Teacher and Administrator Certification	12%	✓
Health/Life Safety	11%	✓
Reviewing, Approving, and Submitting Information to ISBE	10%	✓
Enforcing Truancy Laws **	8%	✓
Responding to Request for Information and Assistance	8%	
Preparing Financial Records for the Annual Audit ***	5%	✓
Resolving District Legal Disputes	2%	
Regional Safe Schools Program	2%	✓
Computer Technology Education	2%	✓
Notes:		
* The ROE's survey response combined Training and Professional Development with Staff Development Services, School Bus Driver Training and Maintain Directory of Cooperating Consultants.		
** The ROE's survey response combined Enforcing Truancy Laws with Dropout Reports and Retrieval Efforts and Home School Issues.		
*** The ROEs survey response combined Preparing Financial Records for the Annual Audit with Grants Management.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Jackson/Perry (ROE # 30)

Murphysboro/Pinckneyville

Regional Superintendent:	Honorable Don Brewer
Assistant Superintendent:	John E. Hawkins
Number of Payroll Employees:	27
Number of School Districts:	13
County Support: (1999 – 2000)	\$102,661



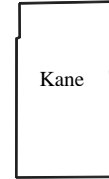
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-ROE/ISC School Services	-	-	\$150,842
-Regional Safe Schools Program	-	-	\$107,364
-Truants' Alternative Optional Ed.	-	-	\$80,526
-General State Aid	-	-	\$37,238
-Title I School Improvement	-	-	\$28,000
-McKinney Ed. For Homeless	-	-	\$25,000
-Goals 2000	-	-	\$20,000
-School to Work	-	-	\$20,000
-Scientific Literacy	-	-	\$18,662
-Internal Review Grant	-	-	\$12,612
-Vocation Ed. Instructor Practicum	-	-	\$10,960
-Adult Education – Basic	-	-	\$10,000
-Administrators' Academy	-	-	\$8,308
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Career Awareness	-	-	\$4,957
-Adult Education – State Performance	-	-	\$2,131
-Certificate Renewal Admin.	-	-	\$2,000
-Supervisory Expense	-	-	\$2,000
-ROE School Bus Driver Training	-	-	\$360
• Funds Passed to ROE #21			
-Truants' Alternative Optional Ed.	\$59,497	-	-
Total ISBE Funding	\$59,497	-	\$553,210
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$2,060
DEPARTMENT OF COMMERCE & COMMUNITY AFFAIRES			
• Funds Received Directly by ROE			
-Job Training Partnership Act	-	-	\$22,268
-Crosswalk	-	-	\$15,852
Total DCCA Funding	-	-	\$38,120
ILLINOIS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Safe to Learn	-	-	\$3,900
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #30		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	15%	✓
Training and Professional Development *	13%	✓
Computer Technology Education	8%	✓
Regional Safe Schools Program	8%	✓
Reviewing, Approving, and Submitting Information to ISBE	7%	✓
Health/Life Safety	5%	✓
Distributing Information to Local School Districts	4%	✓
Administering GED Programs	3%	✓
Advisory / Governing Boards	2%	
Notes: * ROE #30 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Kane (ROE # 31)

Geneva

Regional Superintendent:	Honorable Clem Mejia
Assistant Superintendent:	Julie Vallejo
Number of Payroll Employees:	33
Number of School Districts:	9
County Support:	\$267,735



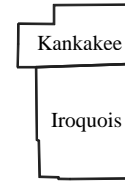
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Regional Safe Schools Program	-	-	\$563,855
-ROE/ISC School Services	-	-	\$417,551
-Truants' Alternative Optional Ed.	-	-	\$281,805
-General State Aid	-	-	\$90,487
-Scientific Literacy	-	-	\$69,183
-Vocation Ed. Instructor Practicum	-	-	\$62,400
-Internal Review Grant	-	-	\$51,454
-Career Awareness	-	-	\$43,234
-Title I School Improvement	-	-	\$34,100
-Adult Education – Special Projects	-	-	\$24,495
-Administrators' Academy	-	-	\$22,766
-School to Work	-	-	\$20,000
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Certificate Renewal Admin.	-	-	\$2,000
-ROE School Bus Driver Training	-	-	\$1,200
-Supervisory Expense	-	-	\$1,000
Total ISBE Funding	-	-	\$1,697,780
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$1,020
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #31		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	20%	✓
Enforcing Truancy Laws	15%	✓
Health/Life Safety	15%	✓
Training and Professional Development *	15%	✓
Administering GED Programs	10%	✓
Computer Technology Education	10%	✓
Dropout Reports and Dropout Retrieval Efforts	5%	
Regional Safe Schools Program	5%	✓
Resolving District Disputes	5%	
Notes: * ROE #31 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.		

Iroquois/Kankakee (ROE # 32)

Kankakee

Regional Superintendent:	Honorable Kay Pangle
Assistant Superintendent:	Vicki Hensley
Number of Payroll Employees:	142
Number of School Districts:	22
County Support: (Dec. 99 – Nov. 00)	\$147,773



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-ROE/ISC School Services	-	-	\$195,056
-Regional Safe Schools Program	-	-	\$194,215
-Summer Bridges	-	-	\$189,315
-General State Aid	-	-	\$138,754
-Truants' Alternative Optional Ed.	-	-	\$125,982
-McKinney Ed. For Homeless	-	-	\$50,000
-Title I School Improvement	-	-	\$34,000
-Vocation Ed. Instructor Practicum	-	-	\$29,520
-Scientific Literacy	-	-	\$26,716
-School to Work	-	-	\$20,000
-Internal Review Grant	-	-	\$19,202
-State Substance Abuse & Violence Prevention	-	-	\$18,600
-Parent Involvement Campaign	-	-	\$11,324
-Career Awareness	-	-	\$10,988
-Administrators' Academy	-	-	\$10,623
-National School Lunch	-	-	\$7,655
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Math Workshop	-	-	\$5,000
-Certificate Renewal Admin.	-	-	\$2,000
-Supervisory Expense	-	-	\$2,000
-Criminal Background Investigations	-	-	\$1,773
-ROE School Bus Driver Training	-	-	\$1,200
-Regional Safe Schools – Professional Development	-	-	\$750
-State Free Lunch	-	-	\$470
Total ISBE Funding	-	-	\$1,107,393
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Addiction Prevention Programs	-	-	\$387,300
-Youth Programs	-	-	\$250,000
-Project Success	-	-	\$235,255
-Juvenile Justice	-	-	\$217,757
Total DHS Funding	-	-	\$1,090,312
ILLINIOS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Safe to Learn-Reg.	-	-	\$70,000
-Safe to Learn	-	-	\$25,000
Total IVPA Funding	-	-	\$95,000
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #32		
Function	%	Listed in Top Ten for all ROEs
Health/Life Safety	15%	✓
Training and Professional Development	15%	✓
Teacher and Administrator Certification	15%	✓
Participating in Recognition/Registration of Non-Public/Public Schools	15%	
Distributing Information to Local School Districts	5%	✓
Enforcing Truancy Laws	5%	✓
Reviewing, Approving, and Submitting Information to ISBE	5%	✓
Obtaining, Implementing and Evaluating State/Federal Grants	5%	
Serve on Local and State Boards, Task Forces	5%	
Computer Technology Education	5%	✓
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Knox (ROE # 33)

Galesburg

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (FY 00-01)

Honorable Robert O. Johnson
 Timothy R. Halloran
 17
 5
 \$42,000

Knox

FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Regional Safe Schools Program	-	-	\$87,858
-General State Aid	-	-	\$72,271
-Title II Professional Development	-	-	\$14,661
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Career Awareness	-	-	\$3,802
-Certificate Renewal Admin.	-	-	\$2,000
-Supervisory Expense	-	-	\$1,000
-Criminal Background Investigations	-	-	\$384
-ROE School Bus Driver Training	-	-	\$120
-Title IV - Formula	-	-	\$79
-Title IV Safe & Drug Free Formula	-	-	\$77
• Funds Passed to ROE #48			
-ROE/ISC School Services	\$133,486	-	-
- School to Work	\$20,000	-	-
-Scientific Literacy 00	\$16,903	-	-
-Internal Review Grant	\$11,278	-	-
-Title I School Improvement	\$10,000	-	-
-Administrators' Academy	\$4,646	-	-
Total ISBE Funding	\$196,313	-	\$194,502
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$840
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

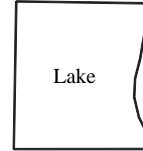
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #33		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	20%	✓
Training and Professional Development	18%	✓
Regional Safe Schools Program	17%	✓
Administering GED Programs	9%	✓
Health/Life Safety	7%	✓
Preparing Financial Records for the Annual Audit	6%	✓
Operational Compliance	5%	
Ombudsman to Public	4%	
Enforcing Truancy Laws	3%	✓
Reviewing and Approving School Treasurer Bonds	1%	
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Lake (ROE # 34)

Grayslake

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (Fiscal Year 2000)

Honorable Edward J. Gonwa
 Roycealee Wood
 31
 45
 \$543,806



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Regional Safe Schools Program	-	-	\$826,288
-ROE/ISC School Services	-	-	\$496,106
-General State Aid	-	-	\$168,286
-Truants' Alternative Optional Ed.	-	-	\$162,763
-Scientific Literacy – Scientific Alliance	-	-	\$160,000
-Scientific Literacy	-	-	\$84,045
-Internal Review Grant	-	-	\$61,546
-Reading Improvement Block Grant	-	-	\$45,900
-Vocation Ed. Instructor Practicum	-	-	\$39,700
-Career Awareness	-	-	\$35,342
-Administrators' Academy	-	-	\$27,016
-Title I School Improvement	-	-	\$25,500
-School to Work	-	-	\$20,000
-Hispanic Student Dropout Program	-	-	\$15,636
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-ROE School Bus Driver Training	-	-	\$4,200
-Supervisory Expense	-	-	\$1,000
-Certificate Renewal Admin.	-	-	\$357
-Criminal Background Investigations	-	-	\$23
Total ISBE Funding	-	-	\$2,185,958
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #34		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development *	25.34%	✓
Computer Technology Education	12.34%	✓
Dropout Reports and Dropout Retrieval Efforts	11.68%	
Distributing Information to Local School Districts	10.6%	✓
Teacher and Administrator Certification	5.97%	✓
Preparing Financial Records for the Annual Audit	4.72%	✓
Health/Life Safety	3.95%	✓
Administrative Services	3.49%	
Reviewing, Approving, and Submitting Information to ISBE	2.91%	✓
Notes: * ROE #34 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

LaSalle (ROE # 35)

Ottawa

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (Dec. 99 – Nov. 00)

Honorable William G. Novotney
 Richard A. Myers
 34 (16 shared with ROE #43)
 28
 \$128,471



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-General State Aid	-	-	\$194,319
-ROE/ISC School Services	-	-	\$172,147
-Regional Safe Schools Program	-	-	\$146,362
-Truants' Alternative Optional Ed.	-	-	\$113,156
-Orphanage Tuition 18-3	-	-	\$105,942
-McKinney Ed. for Homeless	-	-	\$50,000
-Title II Professional Development	-	-	\$37,462
-School to Work	-	-	\$35,357
-Scientific Literacy	-	-	\$22,524
-Vocational Ed. Instructor Practicum	-	-	\$16,060
-Internal Review Grant	-	-	\$15,730
-Career Awareness	-	-	\$12,584
-Administrators' Academy	-	-	\$9,424
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Title I School Improvement	-	-	\$6,000
-Certificate Renewal Admin.	-	-	\$2,000
-Supervisory Expense	-	-	\$1,000
-Criminal Background Investigations	-	-	\$512
-ROE School Bus Driver Training	-	-	\$480
• Funds Received from ROE #43			
-ROE/ISC School Services	-	\$140,150	-
-Regional Safe Schools	-	\$110,000	-
-Scientific Literacy	-	\$18,135	-
-Internal Review Grant	-	\$12,260	-
-ROE/ISC Technology	-	\$6,250	-
-Title II Leadership	-	\$6,000	-
-Administrators' Academy	-	\$4,998	-
-Vocation Ed. Instructor Practicum	-	\$4,900	-
-School To Work	-	\$4,643	-
Total ISBE Funding	-	\$307,336	\$953,309
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$750
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

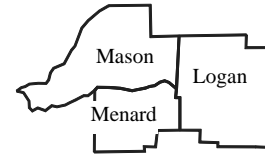
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #35		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development	15%	✓
Teacher and Administrator Certification	15%	✓
Health/Life Safety	15%	✓
Participating in Recognition/Registration of Non-Public/Public Schools	10%	
Develop Regional Improvement Plan	5%	
Enforcing Truancy Laws *	5%	✓
Obtaining, Implementing and Evaluating State/Federal Grants	5%	
Preparing Financial Records for the Annual Audit	5%	✓
Computer Technology Education	5%	✓
Administering GED Programs	5%	✓
Notes: * The ROE's survey response combined Enforcing Truancy Laws with Dropout Reports and the Regional Safe Schools Program. Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Logan/Mason/Menard (ROE # 38)

Lincoln/Havana

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (Dec. 99 – Nov. 00)

Honorable George D. Janet
 Robert Turk
 24
 13
 \$91,000



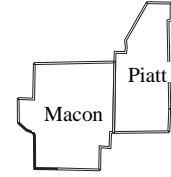
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Mid-Illini Grant	-	-	\$700,686
-Public School Orphanage Act	-	-	\$369,851
-General State Aid	-	-	\$129,664
-Regional Safe Schools Program	-	-	\$102,393
-Truants' Alternative Optional Ed.	-	-	\$84,111
-Perkins	-	-	\$78,064
-Mid-Illini Contract	-	-	\$70,400
-Regional Vocational Coordination	-	-	\$55,374
-Agricultural Education	-	-	\$21,387
-Summer School	-	-	\$15,586
-Secondary Imp.	-	-	\$11,755
-Elementary Career	-	-	\$6,195
-Career Awareness	-	-	\$4,681
-Supervisory Expense	-	-	\$3,000
-Certificate Renewal Admin.	-	-	\$1,835
-ROE School Bus Driver Training	-	-	\$600
• Funds Passed to ROE #53			
-ROE/ISC School Services	\$140,287	-	-
-Scientific Literacy	\$23,000	-	-
-School to Work	\$20,000	-	-
-Internal Review Grant	\$11,659	-	-
-ROE/ISC Technology	\$6,250	-	-
-Vocation Ed. Instructor Practicum	\$6,010	-	-
-Title II Leadership	\$6,000	-	-
-Title I School Improvement	\$6,000	-	-
-Administrators' Academy	\$4,992	-	-
Total ISBE Funding	\$224,198	-	\$1,655,582
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates			\$1,200
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #38		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	18%	✓
Health/Life Safety	17%	✓
Participating in Recognition/Registration of Non-public/Public Schools	15%	
Enforcing Truancy Laws	7%	✓
Preparing Financial Records for the Annual Audit	7%	✓
Administering GED Programs	6%	✓
Ombudsman to Public	6%	
Distributing Information to Local School Districts	5%	✓
Regional Safe Schools Program	5%	✓
Reviewing, Approving, and Submitting Information to ISBE	4%	✓
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Macon/Piatt (ROE # 39)

Decatur

Regional Superintendent:	Honorable Charles A. Shonkwiler
Assistant Superintendent:	Richard L. Shelby
Number of Payroll Employees:	234
Number of School Districts:	12
County Support: (FY 2000)	\$175,346



FUNDING RECEIVED FROM STATE AGENCIES			
Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-General State Aid 92	-	-	\$510,821
-Truants' Alternative Optional Ed.	-	-	\$332,095
-Education to Careers Implementation	-	-	\$295,607
-ROE/ISC School Services	-	-	\$187,190
-Regional Safe Schools Program	-	-	\$177,538
-General State Aid 93	-	-	\$114,872
-Early Childhood Block Grant	-	-	\$92,142
-Adult Ed.-State Performance	-	-	\$80,666
-Title I School Improvement	-	-	\$66,500
-Fed.-Adult Ed.-Basic	-	-	\$63,000
-Federal Special Education - IDEA – Discretionary	-	-	\$30,000
-Title II Professional Development	-	-	\$27,096
-Scientific Literacy	-	-	\$25,408
-Vocation Ed. Instructor Practicum	-	-	\$22,110
-School to Work	-	-	\$20,000
-Adult Education – State 3-1	-	-	\$19,000
-Internal Review Grant	-	-	\$18,129
-Learn and Serve America	-	-	\$13,500
-Career Awareness	-	-	\$10,224
-Administrators' Academy	-	-	\$10,197
-Adult Education – Public Assistance	-	-	\$10,000
-Near and Far Science	-	-	\$8,100
-ROE/ISC Technology	-	-	\$6,134
-Title II Leadership	-	-	\$6,000
-Near and Far Science II	-	-	\$5,413
-Supervisory Expense	-	-	\$2,000
-Class Size Reduction	-	-	\$1,479
-Title IV Safe & Drug Free Formula	-	-	\$1,450
-Title VI – Formula	-	-	\$1,434
-ROE School Bus Driver Training	-	-	\$960
-Certificate Renewal Admin.	-	-	\$416
-Criminal Background Investigations	-	-	\$29
Total ISBE Funding	-	-	\$2,159,510
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-Contract for Special Education	-	-	\$3,907,502
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Project Success	-	-	\$52,700
-Addiction Prevention	-	-	\$43,100
Total DHS Funding	-	-	\$95,800
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

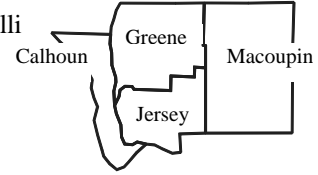
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #39		
Function	%	Listed in Top Ten for all ROEs
Preparing Financial Records for the Annual Audit	13%	✓
Truants' Alternative and Optional Ed.	12%	
Administering GED Programs	11%	✓
Training and Professional Development	10%	✓
Enforcing Truancy Laws	9%	✓
Health/Life Safety *	8%	✓
Teacher and Administrator Certification	8%	✓
Regional Safe Schools Program	7%	✓
Distributing Information to Local School Districts	6%	✓
Reviewing, Approving, and Submitting Information to ISBE	3%	✓
Notes: * The ROE's survey response combined Health/Life safety with Compliance.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Calhoun/Greene/Jersey/Macoupin (ROE # 40)

Carlinsville/Jerseyville

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (Dec. 99 – Nov. 00)

Honorable Russell G. Masinelli
 James M. Frazier
 63
 15
 \$53,285



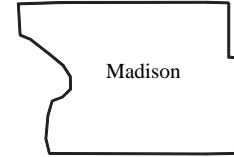
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-ROE/ISC School Services	-	-	\$168,589
-Regional Safe Schools Program	-	-	\$145,265
-Truants' Alternative Optional Ed.	-	-	\$129,381
-Even Start	-	-	\$80,840
-General State Aid 92	-	-	\$80,231
-General State Aid 93	-	-	\$67,026
-Adult Ed.-State 3-1	-	-	\$61,000
-Fed.-Adult Ed. – Basic	-	-	\$44,000
-Title II Professional Development	-	-	\$35,681
-Adult Ed.-State Performance	-	-	\$24,606
-Scientific Literacy	-	-	\$21,850
-Adult Ed.-Public Assistance	-	-	\$20,000
-School to Work	-	-	\$18,359
-Internal Review Grant	-	-	\$15,452
-Administrators' Academy	-	-	\$9,231
-Vocation Ed. Instructor Practicum	-	-	\$7,600
-Career Awareness	-	-	\$7,405
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Supervisory Expense	-	-	\$4,000
-Certificate Renewal Admin.	-	-	\$2,000
-Criminal Background Investigations	-	-	\$586
-ROE School Bus Driver Training	-	-	\$480
-Class Size Reduction	-	-	\$136
Total ISBE Funding	-	-	\$955,968
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$1,480
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #40		
Function	%	Listed in Top Ten for all ROEs
Regional Safe Schools Program *	32%	✓
Training and Professional Development	23%	✓
Enforcing Truancy Laws	9%	✓
Participating in Recognition/Registration of Non-Public/Public Schools	7%	
Reviewing, Approving, and Submitting Information to ISBE	5%	✓
Administering GED Programs	4%	✓
Health/Life Safety	4%	✓
Computer Technology Education	3%	✓
Distributing Information to Local School Districts	3%	✓
Teacher and Administrator Certification	3%	✓
Preparing Financial Records for the Annual Audit	3%	✓
Notes: * ROE included Alternative Education along with the Regional Safe Schools Program. Four functions were ranked 8th with 3%.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Madison (ROE # 41)

Edwardsville

Regional Superintendent:	Honorable Harry A. Briggs
Assistant Superintendent:	Cullen L. Cullen
Number of Payroll Employees:	80
Number of School Districts:	14
County Support: (FY 2000)	\$434,415



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-State Substance Abuse & Violence Prevention	-	-	\$372,156
-Regional Safe Schools Program	-	-	\$332,941
-ROE/ISC School Services	-	-	\$258,231
-General State Aid	-	-	\$130,693
-Education Therapy Center – Special Education	-	-	\$128,441
-Scientific Literacy	-	-	\$60,382
-Truants’ Alternative Optional Ed.	-	-	\$60,346
-Vocation Ed. Instructor Practicum	-	-	\$44,440
-Title I School Improvement	-	-	\$40,000
-Internal Review Grant	-	-	\$28,915
-School to Work	-	-	\$20,000
-Career Awareness	-	-	\$19,831
-Education Therapy Center – School Lunch.	-	-	\$19,058
-Administrators’ Academy	-	-	\$13,959
-Education Therapy Center – Transportation	-	-	\$10,227
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Criminal Background Investigations	-	-	\$3,347
-Math You Can Use	-	-	\$2,900
-Certificate Renewal Admin.	-	-	\$2,000
-ROE School Bus Driver Training	-	-	\$1,560
-Supervisory Expense	-	-	\$1,000
Total ISBE Funding	-	-	\$1,562,677
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Transition Program (80%)	-	-	\$90,434
-Match from ISBE and Local Schools (20%)	-	-	\$44,973
Total DHS Funding	-	-	\$135,407
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

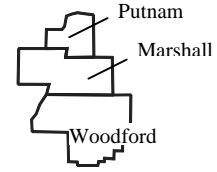
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #41		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development*	16%	✓
ETC Special Education Day Treatment Program	10%	
Regional Safe Schools Program	10%	✓
Computer Technology Education	8%	✓
Distributing Information to Local School Districts	8%	✓
Enforcing Truancy Laws	8%	✓
Teacher and Administrator Certification	8%	✓
Administering GED Programs	7%	✓
Health/Life Safety	7%	✓
Notes: * ROE #41 reported both “Training and Professional Development” and “Staff Development Services” as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Marshall/Putnam/Woodford (ROE # 43)

Washburn

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (Dec. 99 – Nov. 00)

Honorable Richard L. Herring
 Rolland D. Marshall
 18 (16 shared with ROE #35)
 12
 \$57,909



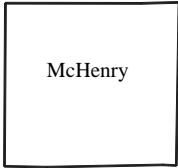
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Supervisory Expense	-	-	\$3,000
-Certificate Renewal Admin.	-	-	\$1,543
-Criminal Background Investigations	-	-	\$248
-ROE School Bus Driver Training	-	-	\$240
• Funds Passed to ROE #35			
-ROE/ISC School Services	\$140,150	-	-
-Regional Safe Schools	\$110,000	-	-
-Scientific Literacy	\$18,135	-	-
-Internal Review Grant	\$12,260	-	-
-ROE/ISC Technology	\$6,250	-	-
-Title II Leadership	\$6,000	-	-
-Administrators' Academy	\$4,998	-	-
-Vocation Ed. Instructor Practicum	\$4,900	-	-
-School To Work	\$4,643	-	-
Total ISBE Funding	\$307,336	-	\$5,031
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Project Success	-	-	\$31,500
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #43		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development *	22%	✓
Regional Safe Schools Program	21%	✓
Teacher and Administrator Certification	15%	✓
Enforcing Truancy Laws	9%	✓
Ombudsman to Public	5%	
Compliance and Recognition Review	4%	
Preparing Financial Records for the Annual Audit	4%	✓
Health/Life Safety	3%	✓
Computer Technology Education	2%	✓
Distributing Information to Local School Districts	2%	✓
<p>Notes: * ROE #43 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.</p> <p>Two functions were ranked 10th with 2%.</p> <p>Does not include functions other than the top ten, therefore, these may not add up to 100%.</p>		

McHenry (ROE # 44)

Woodstock

Regional Superintendent:	Honorable Donald R. Englert
Assistant Superintendent:	Gene Goeglein
Number of Payroll Employees:	4
Number of School Districts:	19
County Support: (FY2000)	\$224,700



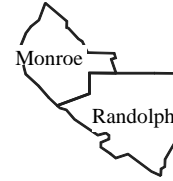
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Regional Safe Schools Program	-	-	\$319,430
-General State Aid	-	-	\$78,590
-Career Awareness	-	-	\$19,525
-Voc. Ed.- Formula	-	-	\$16,005
-Vocation Ed. Instructor Practicum	-	-	\$15,250
-Certificate Renewal Admin.	-	-	\$2,000
-ROE School Bus Driver Training	-	-	\$1,680
-Supervisory Expense	-	-	\$1,000
• Funds Passed to ROE #4			
-ROE/ISC School Services	\$246,978	-	-
-Scientific Literacy	\$37,172	-	-
-Administrators' Academy	\$13,613	-	-
-ROE/ISC Technology	\$6,250	-	-
-Title II Professional Development	\$6,000	-	-
Total ISBE Funding	\$310,013	-	\$453,480
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #44		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	20%	✓
Health/Life Safety	15%	✓
Reviewing, Approving, and Submitting Information to ISBE	10%	✓
Enforcing Truancy Laws	8%	✓
Reviewing and Approving School Treasurer Bonds	5%	
Regional Safe Schools Program	5%	✓
Preparing Financial Records for the Annual Audit	5%	✓
Resolving District Disputes	5%	
Administering GED Programs	3%	✓
Distributing Information to Local School Districts	3%	✓
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Monroe/Randolph (ROE # 45)

Waterloo/Chester

Regional Superintendent: Honorable Faye J. Hughes
Assistant Superintendent: Marc Kiehna
Number of Payroll Employees: 38
Number of School Districts: 10
County Support: \$143,174



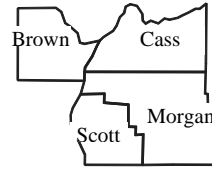
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-General State Aid 92	-	-	\$409,578
-Orphanage Act Program	-	-	\$270,379
-Technology-Literacy Challenge	-	-	\$225,000
-V.E.-Perkins-Title IIB Corrections Ed.	-	-	\$175,997
-ROE/ISC School Services	-	-	\$135,991
-Even Start	-	-	\$100,000
-Regional Safe Schools	-	-	\$95,501
-Voc. Ed.-Secondary Program Improvement	-	-	\$90,672
-Voc. Ed.-Coordination Grants	-	-	\$76,946
-General State Aid 93	-	-	\$65,651
-Fed.-Adult Ed.- Basic	-	-	\$57,000
-Adult Ed.-State 3-1	-	-	\$40,000
-Truants' Alternative Optional Ed.	-	-	\$35,011
-State Substance Abuse and Violence Protection	-	-	\$20,700
-School to Work	-	-	\$20,000
-Vocation Ed. Instructor Practicum	-	-	\$19,663
-Adult Ed.-State Performance	-	-	\$19,416
-Scientific Literacy	-	-	\$17,471
-Title II Professional Development	-	-	\$15,331
-Internal Review Grant	-	-	\$11,622
-Adult Ed.-Public Assistance	-	-	\$10,000
-Fed. Sp. Ed.-IDEA-Discretionary	-	-	\$8,460
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Administrators' Academy	-	-	\$4,809
-Career Awareness	-	-	\$4,140
-Certificate Renewal Admin.	-	-	\$2,000
-Supervisory Expense	-	-	\$2,000
-Criminal Background Investigations	-	-	\$795
-ROE School Bus Driver Training	-	-	\$600
-Class Size Reduction	-	-	\$449
Total ISBE Funding	-	-	\$1,947,432
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$430
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-DHS Federal Projects Fund	-	-	\$1,543,500
ILLINOIS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Safe to Learn	-	-	\$24,900
ILLINOIS ARTS COUNCIL			
• Funds Received Directly by ROE			
-Summer Arts	-	-	\$1,000
SECRETARY OF STATE			
• Funds Received Directly by ROE			
-IL Facts	-	-	\$69,000
-LASER	-	-	\$27,500
Total SOS Funding	-	-	\$96,500
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #45		
Function	%	Listed in Top Ten for all ROEs
Reviewing, Approving, and Submitting Information to ISBE *	25%	✓
Training and Professional Development	20%	✓
Compliance and Recognition Review	15%	✓
Regional Safe Schools Program	10%	✓
Teacher and Administrator Certification	10%	✓
Enforcing Truancy Laws	5%	✓
**		
Computer Technology Education	5%	✓
Health/Life Safety	5%	✓
Distributing Information to Local School Districts	3%	✓
Gifted Education	2%	
Notes:		
* The ROE's survey response combined Reviewing, Approving, and Submitting Information to ISBE with Preparing Financial Records for the Annual Audit.		
** The ROE's survey response combined Enforcing Truancy Laws with Dropout Reports and Retrieval Efforts, and Administering GED Efforts.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Brown/Cass/Morgan/Scott (ROE # 46)

Beardstown/Jacksonville

Regional Superintendent:	Honorable Don Kording
Assistant Superintendent:	Robert Nicolet
Number of Payroll Employees:	28
Number of School Districts:	11
County Support: (2000 – 2001)	\$123,666



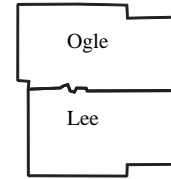
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-General State Aid 92	-	-	\$248,467
-ROE/ISC School Services	-	-	\$138,579
-Truants' Alternative Optional Ed.	-	-	\$113,798
-Regional Safe Schools Program	-	-	\$98,755
-Gifted Education	-	-	\$48,611
-General State Aid 93	-	-	\$30,535
-School to Work	-	-	\$20,000
-Scientific Literacy	-	-	\$17,805
-Internal Review Grant	-	-	\$12,079
-Near and Far Science in Illinois	-	-	\$10,800
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Vocation Ed. Instructor Practicum	-	-	\$5,870
-Math on Mondays	-	-	\$5,000
-Administrators' Academy	-	-	\$4,904
-Career Awareness	-	-	\$4,523
-Supervisory Expense	-	-	\$4,000
-Voc. Ed.-Formula	-	-	\$3,817
-Title I School Improvement	-	-	\$2,000
-Certificate Renewal Admin.	-	-	\$2,000
-Criminal Background Investigations	-	-	\$903
-ROE School Bus Driver Training	-	-	\$600
-Class Size Reduction	-	-	\$522
-Title VI-Formula	-	-	\$506
-Title IV Safe & Drug Free Formula	-	-	\$492
-Title II Professional Development	-	-	\$284
Total ISBE Funding	-	-	\$787,100
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$1,660
DEPARTMENT OF CHILDREN & FAMILY SERVICES			
• Funds Received Directly by ROE			
-LAN #16	-	-	\$15,120
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Project Success	-	-	\$91,950
-Communities Can	-	-	\$90,000
-Lice Busters	-	-	\$13,000
Total DHS Funding	-	-	\$194,950
ILLINOIS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Safe to Learn	-	-	\$9,080
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #46		
Function	%	Listed in Top Ten for all ROEs
Regional Safe Schools Program *	59%	✓
Training and Professional Development **	12%	✓
Gifted Education	9%	
Teacher and Administrator Certification	4%	✓
Preparing Financial Records for the Annual Audit	3%	✓
Administering GED Programs	1%	✓
Compliance and Recognition Review	1%	
Develop Regional Improvement Plan	1%	
Health/Life Safety	1%	✓
Reviewing, Approving, and Submitting Information to ISBE	1%	✓
Notes:		
* The ROE's survey response combined the Regional Safe Schools Program with the following two functions: Truants' Alternative & Optional Education and Truancy.		
** The ROE's survey response combined Training and Professional Development with the following three functions: Staff Development, Computer Technology and Coop. Consultant Information.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Lee/Ogle (ROE # 47)

Dixon

Regional Superintendent:	Honorable Delight Pitman
Assistant Superintendent:	Kai Conway
Number of Payroll Employees:	4
Number of School Districts:	16
County Support: (1999 - 2000)	\$101,293



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Regional Safe Schools Program 01	-	-	\$168,000
-ROE/ISC School Services	-	-	\$167,015
-Regional Safe Schools Program 00	-	-	\$141,540
-General State Aid	-	-	\$101,292
-Title II Professional Development	-	-	\$29,285
-Scientific Literacy	-	-	\$21,561
-School to Work	-	-	\$20,000
-Internal Review Grant	-	-	\$15,057
-Administrators' Academy	-	-	\$9,149
-Career Awareness	-	-	\$7,366
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Certificate Renewal Admin.	-	-	\$2,000
-Supervisory Expense	-	-	\$2,000
-Criminal Background Investigations	-	-	\$765
-ROE School Bus Driver Training	-	-	\$720
• Funds Received from ROE #55			
-ROE/ISC School Services	-	\$86,790	-
-ROE/ISC Technology	-	\$6,288	-
-Administrators' Academy	-	\$3,484	-
Total ISBE Funding	-	\$96,562	\$698,000
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$1,010
ILLINOIS VIOLENCE PREVENTION AUTHORITY			
• Funds Received Directly by ROE			
-Safe to Learn	-	-	\$75,000
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #47		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development *	30%	✓
Reviewing, Approving, and Submitting Information to ISBE	12%	✓
Teacher and Administrator Certification	11%	✓
Enforcing Truancy Laws **	10%	✓
Health/Life Safety	10%	✓
Responding to Request for Information and Assistance	8%	
Preparing Financial Records for the Annual Audit ***	6%	✓
Computer Technology Education	5%	✓
Regional Safe Schools Program	5%	✓
Gifted Education	3%	
Notes:		
* The ROE's survey response combined Training and Professional Development with Staff Development Services, School Bus Driver Training and Maintain Directory of Cooperating Consultants.		
** The ROE's survey response combined Enforcing Truancy Laws with Dropout Reports and Retrieval Efforts and Home School Issues.		
*** The ROE's survey response combined Preparing Financial Records for the Annual Audit with Grants Management.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Peoria (ROE # 48)

Peoria

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (2000 Approved)

Honorable Gerald M. Brookhart
 Charles E. Fabish
 41
 18
 \$260,026



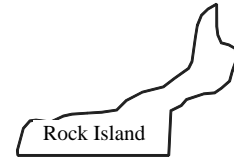
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-State Substance Abuse & Violence Prevention	-	-	\$227,670
-ROE/ISC School Services	-	-	\$206,292
-General State Aid	-	-	\$169,756
-Scientific Literacy 01	-	-	\$72,118
-Scientific Literacy 02	-	-	\$69,150
-Title II Professional Development	-	-	\$40,892
-Title I School Improvement	-	-	\$34,000
-Adult Ed.-Basic	-	-	\$30,000
-Scientific Literacy 00	-	-	\$29,559
-Internal Review Grant	-	-	\$21,080
-School to Work	-	-	\$20,000
-Voc. Ed.-Formula	-	-	\$16,223
-Career Awareness	-	-	\$12,906
-Vocation Ed. Instructor Practicum	-	-	\$12,150
-Administrators' Academy	-	-	\$11,436
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$4,026
-Certificate Renewal Admin.	-	-	\$2,000
-Criminal Background Investigations	-	-	\$1,520
-Supervisory Expense	-	-	\$1,000
-ROE School Bus Driver Training	-	-	\$840
• Funds Received from ROE #27			
-ROE/ISC School Services	-	\$128,022	-
-Scientific Literacy 00	-	\$15,503	-
-Internal Review	-	\$10,189	-
-Title I School Improvement	-	\$8,000	-
-Administrator's Academy	-	\$4,245	-
• Funds Received from ROE #33			
-ROE/ISC School Services	-	\$133,486	-
- School to Work	-	\$20,000	-
-Scientific Literacy 00	-	\$16,903	-
-Internal Review Grant	-	\$11,278	-
-Title I School Improvement	-	\$10,000	-
-Administrators' Academy	-	\$4,646	-
Total ISBE Funding	-	\$362,272	\$988,868
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$250
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-State Substance Abuse	-	-	\$12,600
SECRETARY OF STATE			
• Funds Received Directly by ROE			
-Literacy	-	-	\$54,000
ILLINOIS VIOLENCE PROTECTION AUTHORITY			
• Funds Received Directly by ROE			
-Safe to Learn	-	-	\$75,000
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #48		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development	26%	✓
Computer Technology Education	15%	✓
Enforcing Truancy Laws	15%	✓
Teacher and Administrator Certification	10%	✓
Health/Life Safety	8%	✓
Administering GED Programs	4%	✓
Compliance and Recognition Review	4%	
Ombudsman to Public	4%	
Fiscal Agent Activities	3%	
Distributing Information to Local School Districts	2%	✓
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Rock Island (ROE # 49)

Moline

Regional Superintendent:	Honorable Joseph A. Vermeire
Assistant Superintendent:	John R. Flaherty
Number of Payroll Employees:	13
Number of School Districts:	10
County Support:	\$41,831



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Technology-Literacy Challenge	-	-	\$225,000
-Regional Safe Schools Program	-	-	\$203,643
-ROE/ISC School Services	-	-	\$197,320
-General State Aid	-	-	\$181,823
-Truants' Alternative Optional Ed.	-	-	\$113,458
-Title I School Improvement	-	-	\$45,800
-Vocation Ed. Instructor Practicum	-	-	\$35,550
-Scientific Literacy	-	-	\$27,134
-School to Work	-	-	\$20,000
-Internal Review Grant	-	-	\$19,803
-Career Awareness	-	-	\$11,471
-Near and Far Science in Illinois	-	-	\$10,800
-Administrators' Academy	-	-	\$10,742
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Scientific Literacy-Challenging Traditions	-	-	\$4,750
-Criminal Background Investigations	-	-	\$2,107
-Certificate Renewal Admin.	-	-	\$2,000
-Supervisory Expense	-	-	\$1,000
-ROE School Bus Driver Training	-	-	\$600
Total ISBE Funding	-	-	\$1,125,251
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$260
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

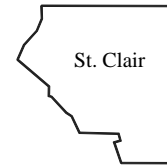
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #49		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development	31%	✓
Teacher and Administrator Certification	18%	✓
Health/Life Safety	17%	✓
Enforcing Truancy Laws	9%	✓
Regional Safe Schools Program	6%	✓
Administering GED Programs	5%	✓
Distributing Information to Local School Districts	5%	✓
Reviewing, Approving, and Submitting Information to ISBE	5%	✓
Develop Regional Improvement Plan	2%	
Dropout Reports and Dropout Retrieval Efforts	2%	
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

St. Clair (ROE # 50)

Belleville

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (Jan. 00 - Dec. 00)

Honorable Rosella Wamser
 Georgia Costello
 174
 27
 \$264,004



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Truants' Alternative Optional Ed.	-	-	\$659,166
- Fed. Sp. Ed.- Pre-School - Discretionary	-	-	\$348,108
-Regional Safe Schools Program	-	-	\$343,755
-ROE/ISC School Services	-	-	\$266,798
-Academic Early Warning List 01	-	-	\$176,413
-Adult Ed.-State 3-1	-	-	\$138,158
-General State Aid	-	-	\$131,653
-Metro East Consortium	-	-	\$128,297
-Even Start	-	-	\$125,000
-Scientific Literacy 01	-	-	\$92,665
-McKinney Ed. for Homeless	-	-	\$54,751
-Adult Ed.-Public Assistance	-	-	\$50,000
-Adult Ed.-State Performance	-	-	\$44,052
-Title I School Improvement	-	-	\$41,105
-Scientific Literacy 00	-	-	\$39,830
-Internal Review Grant	-	-	\$30,570
-Vocation Ed. Instructor Practicum	-	-	\$29,691
-Academic Early Warning List 00	-	-	\$23,499
-State Drug	-	-	\$22,260
-Career Awareness	-	-	\$20,866
-School to Work	-	-	\$20,000
-Administrators' Academy	-	-	\$14,395
-Bilingual Ed.-Downstate-T.P.I	-	-	\$10,677
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Math on Mondays	-	-	\$5,000
-Certificate Renewal Admin.	-	-	\$2,000
-ROE School Bus Driver Training	-	-	\$1,440
-Criminal Background Investigations	-	-	\$1,022
-Supervisory Expense	-	-	\$1,000
-School Lunch	-	-	\$232
Total ISBE Funding	-	-	\$2,834,653
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$400
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Addiction Prevention Programs	-	-	\$193,200
-Case Services to Individuals	-	-	\$76,746
Total DHS Funding	-	-	\$269,946
SECRETARY OF STATE			
• Funds Received Directly by ROE			
-Community Literacy	-	-	\$55,000
-Family Literacy	-	-	\$35,500
-Severens Summer	-	-	\$3,245
Total SOS Funding	-	-	\$93,745
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #50		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development	15%	✓
Develop Regional Improvement Plan	10%	
Health Life/Safety	10%	✓
Participating in Recognition/Registration of Non-public / Public Schools	10%	
Reviewing, Approving, and Submitting Information to ISBE	10%	✓
Teacher and Administrator Certification	10%	✓
Regional Safe Schools Program	7%	✓
Computer Technology Education	5%	✓
Enforcing Truancy Laws	5%	✓
Gifted Education	3%	
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Sangamon (ROE # 51)

Springfield

Regional Superintendent:	Honorable Helen Tolan
Assistant Superintendent:	James Berberet
Number of Payroll Employees:	24
Number of School Districts:	12
County Support:	\$260,471



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Other Federal Programs	-	-	\$309,724
-Truants' Alternative Optional Ed.	-	-	\$284,616
-Regional Safe Schools Program	-	-	\$226,761
-ROE/ISC School Services	-	-	\$209,869
-General State Aid 92	-	-	\$162,161
-General State Aid 93	-	-	\$69,719
-Vocation Ed. Instructor Practicum	-	-	\$38,600
-McKinney Ed. For Homeless	-	-	\$30,000
-Scientific Literacy	-	-	\$29,450
-Title I School Improvement	-	-	\$26,000
-Internal Review Grant	-	-	\$21,439
-School to Work	-	-	\$20,000
-Career Awareness	-	-	\$12,950
-Administrators' Academy	-	-	\$11,405
-Title II Professional Development	-	-	\$8,903
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$5,721
-VIP Data Collection	-	-	\$5,000
-ROE School Bus Driver Training	-	-	\$3,000
-Certificate Renewal Admin.	-	-	\$2,000
-Supervisory Expense	-	-	\$1,000
-Class Size Reduction	-	-	\$231
-Title IV Safe & Drug Free Formula	-	-	\$218
-Criminal Background Investigation	-	-	\$15
Total ISBE Funding	-	-	\$1,485,032
DEPARTMENT OF CHILDREN & FAMILY SERVICES			
• Funds Received Directly by ROE			
-FCS	-	-	\$9,827
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED	-	-	\$18,713
DEPARTMENT OF HUMAN SERVICES			
• Funds Received Directly by ROE			
-Project Success	-	-	\$7,700
DEPARTMENT OF PUBLIC HEALTH			
• Funds Received Directly by ROE			
-Dental Sealants	-	-	\$6,900
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #51		
Function	%	Listed in Top Ten for all ROEs
Dropout Reports and Dropout Retrieval Efforts	20%	
Training and Professional Development	16%	✓
Enforcing Truancy Laws	10%	✓
Regional Safe Schools Program	10%	✓
Administering GED Programs	5%	✓
Compliance and Recognition Review	5%	
Fiscal Agent Activities	5%	
Teacher and Administrator Certification	5%	✓
Health/Life Safety	2.5%	✓
Ombudsman to Public	2.5%	
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Tazewell (ROE # 53)

Pekin

Regional Superintendent:	Honorable Thomas J. Wojtas
Assistant Superintendent:	Joy A. Wojtas
Number of Payroll Employees:	3
Number of School Districts:	18
County Support: (1999 – 2000)	\$59,162



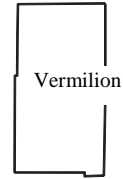
FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-General State Aid 92	-	-	\$279,038
-ROE/ISC School Services	-	-	\$181,546
-Regional Safe Schools Program	-	-	\$171,720
-General State Aid 93	-	-	\$89,528
-Vocation Ed. Instructor Practicum	-	-	\$26,380
-School to Work	-	-	\$20,000
-Internal Review Grant	-	-	\$17,900
-Scientific Literacy	-	-	\$16,536
-Administrators' Academy	-	-	\$9,912
-Career Awareness	-	-	\$9,233
-ROE/ISC Technology	-	-	\$6,250
-Title I School Improvement	-	-	\$6,000
-Title II Leadership	-	-	\$6,000
-Certificate Renewal Admin.	-	-	\$2,000
-Supervisory Expense	-	-	\$1,000
-ROE School Bus Driver Training	-	-	\$480
• Funds Received from ROE #22			
-ROE/ISC School Services	-	\$129,689	-
-School to Work	-	\$20,000	-
-Scientific Literacy	-	\$19,000	-
-Internal Review Grant	-	\$11,475	-
-ROE/ISC Technology	-	\$6,250	-
-Title II Leadership	-	\$6,000	-
-Vocation Ed. Instructor Practicum	-	\$5,010	-
-Administrators' Academy	-	\$4,442	-
-Title I School Improvement	-	\$4,000	-
• Funds Received from ROE #38			
-ROE/ISC School Services	-	\$140,287	-
-Scientific Literacy	-	\$23,000	-
-School to Work	-	\$20,000	-
-Internal Review Grant	-	\$11,659	-
-ROE/ISC Technology	-	\$6,250	-
-Vocation Ed. Instructor Practicum	-	\$6,010	-
-Title II Leadership	-	\$6,000	-
-Title I School Improvement	-	\$6,000	-
-Administrators' Academy	-	\$4,992	-
Total ISBE Funding	-	\$430,064	\$843,523
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #53		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	20%	✓
Health/Life Safety	18%	✓
Compliance and Recognition Review	12%	
Reviewing, Approving, and Submitting Information to ISBE	9%	✓
Distributing Information to Local School Districts	8%	✓
Preparing Financial Records for the Annual Audit	6%	✓
Administering GED Programs	5%	✓
Ombudsman to Public	5%	
Regional Safe Schools Program	4%	✓
Enforcing Truancy Laws	3%	✓
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Vermilion (ROE # 54)

Danville

Regional Superintendent:	Honorable Jim Trask
Assistant Superintendent:	Mike Metzen
Number of Payroll Employees:	15 (12 shared with ROE #9)
Number of School Districts:	12
County Support: (Est. FY 2000 – 2001)	\$85,574



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Regional Safe Schools Program	-	-	\$128,859
-General State Aid	-	-	\$26,445
-Career Awareness	-	-	\$6,446
-Certificate Renewal Admin.	-	-	\$2,000
-Supervisory Expense	-	-	\$1,000
-ROE School Bus Driver Training	-	-	\$720
• Funds Passed to ROE #9			
-ROE/ISC School Services	\$161,535	-	-
-Title I School Improvement	\$24,000	-	-
-Scientific Literacy 00	\$20,553	-	-
-School To Work 00	\$20,000	-	-
-Internal Review Grant	\$14,368	-	-
-Administrators' Academy	\$8,861	-	-
-ROE/ISC Technology	\$6,250	-	-
-Title II Leadership	\$6,000	-	-
Total ISBE Funding	\$261,567	-	\$165,470
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$510
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #54		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development	60%	✓
Teacher and Administrator Certification	11%	✓
Participating in Recognition/Registration of Non-public/Public Schools	6%	
Administering GED Programs	4%	✓
Distributing Information to Local School Districts	3%	✓
Health/Life Safety	3%	✓
Preparing Financial Records for the Annual Audit	2.5%	✓
Reviewing, Approving, and Submitting Information to ISBE	2.5%	✓
Resolving District Disputes	2%	
School Bus Driver Training	2%	
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Whiteside (ROE # 55)

Sterling

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (1999 – 2000)

Honorable Gary J. Steinert
 Lorna M. Engwall
 26
 10
 \$79,825



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Even Start	-	-	\$125,000
-Regional Safe Schools Program	-	-	\$103,279
-Truants' Alternative Optional Ed.	-	-	\$54,511
-ROE/ISC School Services	-	-	\$54,890
-Early Childhood Block Grant 02	-	-	\$48,140
-Early Childhood Block Grant 01	-	-	\$44,140
-Early Childhood Block Grant 03	-	-	\$42,793
-Fed. Adult Ed.-Basic	-	-	\$25,000
-General State Aid	-	-	\$24,912
-Vocation Ed. Instructor Practicum	-	-	\$21,390
-Scientific Literacy	-	-	\$18,190
-Internal Review Grant	-	-	\$11,466
-School to Work	-	-	\$10,524
-Title II Leadership	-	-	\$5,915
-Career Awareness	-	-	\$5,055
-Voc. Ed.-Formula	-	-	\$4,290
-Certificate Renewal Admin.	-	-	\$2,000
-Title I School Improvement	-	-	\$2,000
-Administrators' Academy	-	-	\$1,596
-Supervisory Expense	-	-	\$1,000
-Criminal Background Investigations	-	-	\$379
-ROE School Bus Driver Training	-	-	\$240
• Funds Passed to ROE #47			
-ROE/ISC School Services	\$86,790	-	-
-ROE/ISC Technology	\$6,288	-	-
-Administrators' Academy	\$3,484	-	-
Total ISBE Funding	\$96,562	-	\$606,710
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

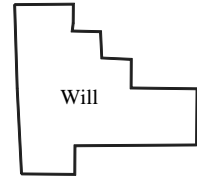
TOP TEN FY00 FUNCTIONS REPORTED BY ROE #55		
Function	%	Listed in Top Ten for all ROEs
Training and Professional Development *	36%	✓
Distributing Information to Local School Districts	11%	✓
Compliance and Recognition Review	9%	
Teacher and Administrator Certification	9%	✓
Computer Technology Education	8%	✓
Regional Safe Schools Program	8%	✓
Health/Life Safety	6%	✓
Enforcing Truancy Laws	5%	✓
Reviewing, Approving, and Submitting Information to ISBE	1%	✓
Notes: * ROE #55 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

Will (ROE # 56)

Joliet

Regional Superintendent:
Assistant Superintendent:
Number of Payroll Employees:
Number of School Districts:
County Support: (Dec. 99 – Nov. 00)

Honorable Richard P. Duran
 David J. Levek
 25
 29
 \$455,504



FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE	Funds Received:	
		On behalf of another ROE	Directly by ROE
STATE BOARD OF EDUCATION			
• Funds Received Directly by ROE			
-Regional Safe Schools Program	-	-	\$540,709
-State Substance Abuse & Violence Prevention	-	-	\$409,800
-ROE/ISC School Services	-	-	\$353,960
-General State Aid	-	-	\$262,858
-Gifted Education	-	-	\$104,683
-Scientific Literacy	-	-	\$61,553
-Vocation Ed. Instructor Practicum	-	-	\$48,300
-Internal Review Grant	-	-	\$42,032
-Career Awareness	-	-	\$34,673
-Title II Professional Development	-	-	\$28,070
-Title I School Improvement	-	-	\$28,000
-School to Work	-	-	\$20,000
-Administrators' Academy	-	-	\$19,269
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
-Criminal Background Investigations	-	-	\$2,298
-Certificate Renewal Admin.	-	-	\$2,000
-ROE School Bus Driver Training	-	-	\$1,800
-Supervisory Expense	-	-	\$1,000
• Funds Received from ROE #24			
-ROE/ISC School Services	-	\$171,765	-
-Scientific Literacy	-	\$22,712	-
-School to Work	-	\$20,000	-
-Internal Review Grant	-	\$15,672	-
-Title II Professional Development	-	\$14,209	-
-Administrators' Academy	-	\$9,478	-
-Title II Leadership	-	\$6,000	-
Total ISBE Funding	-	\$259,836	\$1,973,255
DEPARTMENT OF CORRECTIONS			
• Funds Received Directly by ROE			
-GED Certificates	-	-	\$1,140
Note: ISBE funding includes federal program funding passed to the ROE through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ROE #56		
Function	%	Listed in Top Ten for all ROEs
Teacher and Administrator Certification	17%	✓
Training and Professional Development	16%	✓
Health/Life Safety	12%	✓
Compliance and Recognition Review	10%	
Regional Safe Schools Program	9%	✓
Reviewing, Approving, and Submitting Information to ISBE	8%	✓
Computer Technology Education	7%	✓
Enforcing Truancy Laws	6%	✓
Administering GED Programs	5%	✓
School Bus Driver Training	5%	
Note: Does not include functions other than the top ten, therefore, these may not add up to 100%.		

North Cook (ISC # 1)

Des Plaines

Executive Director:	Barbara Habschmidt
Number of Payroll Employees:	32
Number of School Districts:	42
County Support:	\$0

FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE/ISC	Funds Received:	
		On behalf of another ROE/ISC	Directly by ROE/ISC
STATE BOARD OF EDUCATION			
• Funds Received Directly by ISC			
-Regional Safe Schools Program	-	-	\$1,022,572
-ROE/ISC School Services	-	-	\$586,492
-General State Aid	-	-	\$398,000
-Scientific Literacy 00	-	-	\$110,505
-Scientific Literacy 01	-	-	\$99,981
-Internal Review Grant	-	-	\$77,198
-Career Awareness	-	-	\$65,744
-Vocation Ed. Instructor Practicum	-	-	\$52,000
-Administrators' Academy	-	-	\$31,275
-Title II Professional Development	-	-	\$29,717
-School to Work	-	-	\$20,000
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
Total ISBE Funding	-	-	\$2,505,734
Note: ISBE funding includes federal program funding passed to the ISC through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ISC #1		
Function	%	Listed in Top Ten for all ROE
Training and Professional Development *	50%	✓
Regional Safe Schools Program	35%	✓
Computer Technology Education	7%	✓
Distributing Information to Local School Districts	2%	✓
Reviewing, Approving, and Submitting Information to ISBE	2%	✓
Advisory / Governing Boards	1%	
Gifted Education	1%	
Maintain Directory of Cooperating Consultants	1%	
Preparing Financial Records for the Annual Audit	1%	✓
Notes: * ISC #1 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.		

West Cook (ISC # 2)

Riverside

Executive Director:	Gretchen Alexander
Number of Payroll Employees:	15
Number of School Districts:	38
County Support:	\$0

FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE/ISC	Funds Received:	
		On behalf of another ROE/ISC	Directly by ROE/ISC
STATE BOARD OF EDUCATION			
• Funds Received Directly by ISC			
-General State Aid	-	-	\$811,926
-Summer Bridges	-	-	\$628,900
-Regional Safe Schools Program	-	-	\$586,320
-ROE/ISC School Services	-	-	\$380,434
-Goals 2000	-	-	\$90,000
-Scientific Literacy	-	-	\$61,505
-Title II Professional Development	-	-	\$52,949
-Vocation Ed. Instructor Practicum	-	-	\$49,000
-Internal Review Grant	-	-	\$46,477
-Career Awareness	-	-	\$37,841
-Title I School Improvement	-	-	\$36,000
-Title IV Safe & Drug Free Formula	-	-	\$33,330
-Administrators' Academy	-	-	\$20,547
-School to Work	-	-	\$20,000
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
Total ISBE Funding	-	-	\$2,867,479
Note: ISBE funding includes federal program funding passed to the ISC through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ISC #2		
Function	%	Listed in Top Ten for all ROEs
Regional Safe Schools Program	27.3%	✓
Distributing Information to Local Schools	20%	✓
Training and Professional Development *	18.6%	✓
Reviewing, Approving, and Submitting Information to ISBE	8.3%	✓
Computer Technology Education	4.6%	✓
Preparing Financial Records for the Annual Audit	3%	✓
Advisory / Governing Boards	2.3%	
Gifted Education	2%	
Notes: * ISC #2 reported both "Training and Professional Development" and "Staff Development Services" as separate top ten functions. To achieve consistency between survey responses, these two functions were combined.		
Does not include functions other than the top ten, therefore, these may not add up to 100%.		

South Cook (ISC # 4)

Chicago Heights

Executive Director:	Diana Grossi
Number of Payroll Employees:	12
Number of School Districts:	66
County Support:	\$0

FUNDING RECEIVED FROM STATE AGENCIES Fiscal Year 2000			
State Agency and Program	Funds passed to another ROE/ISC	Funds Received:	
		On behalf of another ROE/ISC	Directly by ROE/ISC
STATE BOARD OF EDUCATION			
• Funds Received Directly by ISC			
-Regional Safe Schools Program	-	-	\$976,137
-ROE/ISC School Services	-	-	\$578,312
-General State Aid	-	-	\$340,999
-Title I School Improvement	-	-	\$131,600
-Scientific Literacy	-	-	\$96,684
-Internal Review Grant	-	-	\$76,540
-Vocation Ed. Instructor Practicum	-	-	\$75,000
-Career Awareness	-	-	\$62,934
-Administrators' Academy	-	-	\$30,957
-ICHESS	-	-	\$25,805
-School to Work	-	-	\$20,000
-ROE/ISC Technology	-	-	\$6,250
-Title II Leadership	-	-	\$6,000
Total ISBE Funding	-	-	\$2,427,218
Note: ISBE funding includes federal program funding passed to the ISC through ISBE.			

TOP TEN FY00 FUNCTIONS REPORTED BY ISC #4		
Function	%	Listed in Top Ten for all ROEs
Regional Safe Schools Program	30%	✓
Training and Professional Development	30%	✓
Computer Technology Education	10%	✓
Reviewing, Approving, and Submitting Information to ISBE	10%	✓
Distributing Information to Local School Districts	5%	✓
Gifted Education	5%	
Preparing Financial Records for the Annual Audit	5%	✓
Advisory / Governing Boards	2%	
Develop Regional Improvement Plan	2%	
Maintain Directory of Cooperating Consultants	1%	

APPENDIX G
Agency Responses



Illinois State Board of Education

100 North First Street • Springfield, Illinois 62777-0001

www.isbe.net

Ronald J. Gidwitz
Chairman

Glenn W. McGee
State Superintendent of Education

July 20, 2001

Mr. Michael S. Paoni
Audit Manager
Office of the Auditor General
Iles Park Plaza
740 E. Ash
Springfield, IL 62703-3154

RECEIVED
AUDITOR GENERAL
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2001 JUL 20 P 3:38

Dear Mr. Paoni:

Attached is our response to the FY00 Management Audit of the Illinois State Board of Education and Other Agencies Providing Funding to Illinois' Regional Offices of Education.

If we can be of further assistance please contact me at (217) 782-2237.

Sincerely,

A handwritten signature in cursive script that reads "Tammy J. Rust".

Tammy J. Rust CPA, CIA, CFE, CGFM
Chief Internal Auditor

Recommendation 1: The Illinois State Board of Education should establish a central contact responsible for providing guidance to, and addressing questions posed by ROEs/ISCs.

Agency Response 1: The Agency has had a primary unit for ROEs/ISCs with consistent personnel throughout the last several years. Because ROEs are only one type of sub recipient for the Agency, each program provides oversight for service delivery as well. The ROE Liaison, in conjunction with the ROEs, has developed a continuous improvement process that links various deliverables per region. In addition, the ROE Liaison will establish a coordinating council to meet periodically and discuss various ROE/ISC related activities.

Recommendation 2: The Illinois State Board of Education should develop guidelines for allowable or unallowable expenditures for programs that provide funding to ROEs/ISCs.

Agency Response 2: Each program requires the grantor to provide the approach, deliverables, and detailed budget related to the delivery of the services. Before funds are released, ISBE approves these plans. Guidance is given in the request for proposals (rfps), training sessions, and application review. Continuing oversight is provided with a review of the actual expenditure reports, a closing grant report, and the annual audit report. The grant recipient is allowed flexibility in spending funds to the extent it is allowed in the enabling legislation. Federal grants provide guidance by fund source as well. The Agency will review various fund sources and consider locating information in one location.

Recommendation 3: The Illinois State Board of Education should work with ROEs to improve the use of appropriate expenditure codes as required by the ROE Accounting Manual. In order to achieve consistency, ISBE should consider training ROE accounting and bookkeeping staff in the appropriate use of these codes.

Agency Response 3: The Agency has provided training in previous years to both the ROE staff and CPAs. The Agency has developed accounting software with a uniform numbering system, multiple year program tracking, on-line bank reconciliations, and budget to actual reporting to reduce audit exceptions and improve overall compliance and management information. It has been quite successful in reducing audit issues. The Agency will partner with the ROEs and provide technical assistance as they address their internal training needs.

Recommendation 4: The Illinois State Board of Education should ensure that programs meet requirements set forth in the agency's administrative rules including ensuring that

site visits, record, reviews, and annual evaluations are completed and that Regional Improvement plans contain all required elements.

Agency Response 4: The ROE Liaison rewrote directions for the Regional Improvement plans to ensure they included all aspects of the code, developed a review checklist, used readers to evaluate the grant applications, and will retain site visit documentation.

Recommendation 5: The Illinois State Board of Education should:

- Ensure that all of the smallest 10 ROEs provide services through a cooperative agreement with a larger ROE as is required by 23 Ill. Adm. Code 525.110(b);
- Maintain cooperative agreements for these 10 offices and ensure that the agreements are current and include sufficient information that details both program delegation and funding to provide the necessary means to monitor program and financial activities; and
- Ensure that third party transactions made by the ROEs are adequately monitored and that there is a written agreement with provisions for monitoring funding received from the State.

Agency Response 5: The Agency does obtain copies of the cooperative agreements required in the statute. However, the statute does not provide specific criteria for the contents. To the extent that there are funds expended, the Agency monitors the activity via the regional improvement plan, expenditure report, etc. and as previously described. The Agency will strongly urge the ROEs to maintain written contracts with their contractors.

Recommendation 6: The Illinois State Board of Education should:

- Review ISBE funding data presented in the A-133 audits for accuracy; and
- Ensure consistency in the reporting of programs and funds in these audits

Agency Response: Each draft audit is reviewed using an AICPA recommended checklist and averages six hours per report. Appropriate changes are requested of the CPA firms based on the 100+ pages of guidelines maintained and provided by this Agency. The Agency provides a confirmation of funds sent to each ROE that uses a consistent naming methodology as well as a fund source numbering system. Unfortunately, this Agency cannot address the methodologies of other funding organizations. The two exceptions were created via those other organizations.

Recommendation 7: The Illinois State Board of Education should monitor the use of interest income earned on State funds to ensure that these funds are used for the same purpose as the principal unless otherwise stated in the grant.

Agency Response 7: The Agency continues to stress the appropriate compliance with the Grants Recovery Act. The annual audits clearly identify findings regarding interest income and the Agency resolves those with the ROEs/ISCs. The accounting software makes tracking and spending the interest income substantially easier than other available

options. In addition, the Agency will review grant agreements to determine if any language changes will strengthen the guidance.

Recommendation 8: The Illinois State Board of Education should monitor to ensure that advisory boards meet six times per year as is required by law.

Agency Response 8: Meetings of this advisory board are required by law. However, the monitoring of compliance is not and this Agency has no authority to monitor or effect change in this area. We suggest that the Regional Superintendent's Association consider reviewing this issue with its membership.

Recommendation 9: The Illinois State Board of Education should review additional compensation being received by Regional Superintendents and Assistant Superintendents to ensure that no conflicts of interest exist and should consider setting guidelines for additional compensation.

Agency Response 9: Considerable controls and monitoring over Agency funds have been previously described. As there is no prohibition to additional compensation, any known expenditures for superintendent services would have been reviewed to ensure that additional services were rendered. Since ROEs are separate legal entities directed by elected officials, this Agency has no access to compensation information outside of our funding sources nor does it have the authority to act. However, as elected officials, the Regional Superintendents are required by law to file economic interest statements annually with the county clerk in the county of their administrative offices. This provides comparable oversight to that of state employees and legislators.

Recommendation 10: The Illinois State Board of Education should consider requesting the General Assembly delete outdated and confusing language from State laws caused by the historical reduction in the number of Superintendent's offices.

Agency Response 10: The Agency had requested and the Governor has appointed a commission to address school code changes. We expect this item to be included in that extremely large task.

Recommendation 11: The Illinois State Board of Education should include a clause in every contract and subcontract that allows the Auditor General access to records as required by the Illinois Procurement Code (30 ILCS 500/20-65).

Agency Response 11: The Agency's contracts provide for access by ISBE, its representatives, and state and federal regulatory agencies. This language has been in place for more than a decade. The Agency believes this meets the requirement of law. However, as multi-year contracts are re-bid, the Agency will consider a language change.

AUDITOR COMMENTS

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The contracts between ISBE and private CPA firms state that, “Working papers will be available for examination by the Illinois State Board of Education, its authorized representatives and, when applicable, the authorized representatives of the cognizant federal audit agency and the General Accounting Office.” It does not make reference to State regulatory agencies.