

**State of Illinois
SUBURBAN COOK COUNTY
REGIONAL OFFICE OF EDUCATION NO. 14
FINANCIAL AUDIT
For the Year Ended June 30, 2010**

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

**SUBURBAN COOK COUNTY REGIONAL OFFICE OF EDUCATION NO. 14
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SUBURBAN COOK COUNTY REGIONAL OFFICE OF EDUCATION NO. 14
OFFICIALS

Regional Superintendent (During the audit period - Resigned effective May 7, 2010)	Dr. Charles A. Flowers
Deputy Regional Superintendent (Effective May 8, 2010)	Dr. Anthony Epah
Regional Superintendent (Current - the Regional Office was abolished effective July 1, 2010)	N/A
Assistant Regional Superintendent (During the audit period)	Dr. Predonna Roberts
Assistant Regional Superintendent (9.5 months during the audit period)	Dr. Anthony Epah
Assistant Regional Superintendent (5.5 months during the audit period)	Ms. Cynthia Broughton
Assistant Regional Superintendent (.5 months during the audit period)	Dr. Harry Reynolds
Assistant Regional Superintendents (Current - the Regional Office was abolished effective July 1, 2010)	N/A

Offices were located at:

2600 South 25th Avenue - Suite T
Broadview, Illinois 60155

SUBURBAN COOK COUNTY REGIONAL OFFICE OF EDUCATION NO. 14

FINANCIAL REPORT SUMMARY

AUDITORS' REPORTS

As Special Assistant Auditors for the Illinois Office of the Auditor General, we were engaged to conduct a financial audit in accordance with Government Auditing Standards and in accordance with the Illinois State Auditing Act for the year ended June 30, 2010. The Regional Office of Education No. 14 was abolished effective July 1, 2010 and did not provide financial statements and note disclosures to the auditors for the year ending June 30, 2010. Consequently, we were unable to perform a financial audit and issue an opinion thereon. Further, we were unable to issue a "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards" since a financial audit could not be performed.

Because of the lack of sufficient accounting records and because a financial audit was not completed, we were unable to conduct follow-up on the prior year audit findings. Below is a listing of the findings outstanding at the end of fiscal year June 30, 2009.

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	N/A	11
Repeated audit findings	N/A	11
Prior recommendations implemented or not repeated	N/A	1

SUMMARY OF FINDINGS

<u>Item</u>	<u>Description</u>	<u>Type</u>
FINDINGS (GOVERNMENT AUDITING STANDARDS)		
09-1	Controls Over Financial Statement Preparation	Material Weakness
09-2	Continuation as a Going Concern	Material Weakness
09-3	Inadequate Accounting Software and Internal Controls	Significant Deficiency
09-4	Inadequate Internal Control Over Disbursements	Material Weakness
09-5	Reconciliation of Bank Statements and Pooled Cash Accounts	Material Weakness
09-6	Inadequate Controls Over Property and Equipment	Material Weakness
09-7	Cash Advances to Employees	Significant Deficiency
09-8	Payment of Finance Charges, Late Fees, Transfer Fees, Other Service Charges, and Sales Taxes	Significant Deficiency
09-9	Use of Regional Office Credit Cards	Material Weakness
09-10	Questionable Payroll Payments	Material Weakness
09-11	Restricted Funds Used for Unauthorized Purpose	Material Weakness

SUBURBAN COOK COUNTY REGIONAL OFFICE OF EDUCATION NO. 14

FINANCIAL REPORT SUMMARY

<u>Item</u> <u>No.</u>	<u>Description</u>	<u>Type</u>
	PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)	
08-7	Recording of Payroll Transactions	Material Weakness

SUBURBAN COOK COUNTY REGIONAL OFFICE OF EDUCATION NO. 14

FINANCIAL STATEMENT REPORT SUMMARY

As Special Assistant Auditors for the Illinois Office of the Auditor General, Winkel, Parker & Foster, CPA PC was engaged to perform a financial audit of the Suburban Cook County Regional Office of Education No. 14 for the fiscal year ending on June 30, 2010. However, the Regional Office of Education did not provide a trial balance or financial statements and related note disclosures. It is the responsibility of the Regional Office of Education's management to provide the trial balance and relating support for the financial statements and related note disclosures.

As a result, we were unable to issue an opinion on the financial statements and were unable to issue a "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards."

As of July 1, 2010, the remaining assets of the Regional Office of Education No. 14 were to be transferred to the Illinois State Board of Education (ISBE). According to ISBE, the Regional Office of Education No.14's fixed assets are being stored at the offices of ISC #2 West Cook County in Bellwood, Illinois pending final distribution and settlement.

According to the Illinois School Code 105 ILCS 5/2-3.17a, "The Auditor General shall annually cause an audit to be made, as of June 30th of each year, of the financial statements of all accounts, funds and other moneys in the care, custody or control of the regional superintendent of schools of each educational service region in the State." The School Code 105 ILCS 5/3-6.1 requires each Regional Superintendent to present for inspection or otherwise make available to the Auditor General, or to the agents designated by the Auditor General, all financial statements, books, vouchers and other records required to be so presented or made available pursuant to Section 2-3.17a.

Winkel, Parker & Foster, CPA PC

Clinton, Iowa
March 16, 2011