

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19**

**FINANCIAL AUDIT
(In Accordance with the Single Audit Act and OMB Circular A-133)
FOR THE YEAR ENDED JUNE 30, 2009**

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

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19

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**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
OFFICIALS**

Regional Superintendent
(current and during the audit period)

Dr. Darlene Ruscitti

Assistant Regional Superintendent
(current and during the audit period)

Mr. John Glimco

Office is located at:

421 North County Farm Road
Wheaton, Illinois 60187

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
COMPLIANCE REPORT SUMMARY**

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

AUDITORS' REPORTS

The auditors' reports on compliance and on internal controls do not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings (partial repeat of finding 08-1)	1	1
Repeated audit findings	1	—
Prior recommendations implemented or not repeated	0	3

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (<i>GOVERNMENT AUDITING STANDARDS</i>)			
09-1	12	Failure to Apply Appropriate Accounting Principles	Significant Deficiency and Noncompliance
FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)			
		None	N/A
PRIOR FINDINGS NOT REPEATED (<i>GOVERNMENT AUDITING STANDARDS</i>)			
		None	
PRIOR FINDINGS NOT REPEATED (FEDERAL COMPLIANCE)			
		None	N/A

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
COMPLIANCE REPORT SUMMARY - CONTINUED**

EXIT CONFERENCE

The DuPage County Regional Office of Education No. 19 opted not to have an exit conference during the financial audit for the year ended June 30, 2009. Response to the recommendation was provided by Dr. Darlene Ruscitti, Regional Superintendent in a letter dated April 8, 2010.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of the DuPage County Regional Office of Education No. 19 was performed by James Williams & Company, LLC.

Based on their audit, the auditors expressed an unqualified opinion on the DuPage County Regional Office of Education No. 19's basic financial statements.



INDEPENDENT AUDITORS' REPORT

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the DuPage County Regional Office of Education #19, as of and for the year ended June 30, 2009, which collectively comprise the DuPage County Regional Office of Education #19's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the DuPage County Regional Office of Education #19's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We have complied with generally accepted government auditing standards except for one condition recommended by the AICPA Peer Review Committee which we are currently in the process of meeting. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the DuPage County Regional Office of Education #19, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 2, 2010 on our consideration of the DuPage County Regional Office of Education #19's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 17 through 22 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the DuPage County Regional Office of Education #19's basic financial statements. The combining and individual nonmajor fund financial statements, and budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

James Williams & Company, LLC

Chicago, Illinois
December 2, 2010



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

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the DuPage County Regional Office of Education #19, as of and for the year ended June 30, 2009, which collectively comprise the DuPage County Regional Office of Education #19's basic financial statements and have issued our report thereon dated December 2, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have complied with generally accepted government auditing standards except for one condition recommended by the AICPA Peer Review Committee which we are currently in the process of meeting.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the DuPage County Regional Office of Education #19's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the DuPage County Regional Office of Education #19's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the DuPage County Regional Office of Education #19's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in finding 09-1, in the accompanying Schedule of Findings and Questioned Costs that we consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the DuPage County Regional Office of Education #19's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under Government Auditing Standards and which is described in the accompanying Schedule of Findings and Questioned Costs as item 09-1.

The DuPage County Regional Office of Education #19's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the DuPage County Regional Office of Education #19's response and, accordingly, we express no opinion on it.

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

Chicago, Illinois
December 2, 2010

James Williams & Company, LLC



JAMES WILLIAMS & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

223 WEST JACKSON
SUITE 520
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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

We have audited the compliance of the DuPage County Regional Office of Education #19 with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The DuPage County Regional Office of Education #19's major federal programs are identified in the summary of the auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the DuPage County Regional Office of Education #19's management. Our responsibility is to express an opinion on the DuPage County Regional Office of Education #19's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have complied with generally accepted government auditing standards except for one condition recommended by the AICPA Peer Review Committee which we are currently in the process of meeting. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the DuPage County Regional Office of Education #19's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the DuPage County Regional Office of Education #19's compliance with those requirements.

In our opinion, the DuPage County Regional Office of Education #19 complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the DuPage County Regional Office of Education #19 is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the DuPage County Regional Office of Education No. 19's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the DuPage County Regional Office of Education No. 19's internal control over compliance.

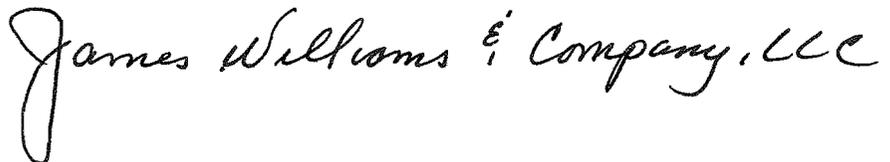
A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

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

Chicago, Illinois
December 2, 2010

A handwritten signature in black ink that reads "James Williams & Company, LLC". The signature is written in a cursive style with a large, looped initial "J".

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

Section I: Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

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

Federal Awards

Internal control over major programs:

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

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)? Yes ✓ No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Programs or Cluster</u>
84.394A	State Fiscal Stabilization Fund – Education State Grants, Recovery Act

Dollar threshold used to distinguish between Type A And Type B Programs: \$300,000

Auditee qualified as low-risk auditee? ✓ Yes No

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

Part II: Findings Related to the Basic Financial Statements

FINDING NO. 09-1 - Failure to Apply Appropriate Accounting Principles (Partial Repeat of Finding 08-1)

Criteria/Specific Requirement:

Generally accepted accounting principles (GAAP) require that a lease be capitalized if any one of following four criteria is a characteristic of the lease transaction: (1) the lease transfers ownership of the property to the lessee by the end of the lease term, (2) the lease contains bargain purchase options, (3) the lease term is equal to 75% or more of the estimated economic life of the leased property, or (4) the present value of the minimum lease payments at the inception of the lease, excluding executory costs, equals at least 90% of the fair value of the leased property. Capital leases are treated as an acquisition of assets and the incurrence of obligations by the lessee.

The Illinois Administrative Code (74 Ill. Adm. 420.320 (c) (1) and (2)) requires that each Regional Office of Education (ROE) maintain the accounting records necessary to prepare financial statements in accordance with generally accepted accounting principles.

Condition:

The DuPage County Regional Office of Education No. 19 (ROE No. 19) did not fully implement the corrective action plan noted in its prior year response by not properly recording certain lease transactions. As a result, they did not properly apply the appropriate GAAP.

In FY 2009, payments on leases were again improperly treated as operating leases and recorded as purchased services. The leases met the criteria requiring them to be capitalized as the lease terms of the equipment were equal to the estimated economic lives of the equipment. As of June 30, 2009, the total net book value of the leased equipment and the present value of the related lease payable were \$110,212 and \$116,251, respectively.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

Part II: Findings Related to the Basic Financial Statements (Continued)

FINDING NO.09-1 - Failure to Apply Appropriate Accounting Principles (Partial Repeat of Finding 08-1) (Continued)

Effect:

Failure to use the applicable GAAP resulted in inaccurate and incomplete financial statements. In addition, transactions were not recorded in accordance with the Illinois Administrative Code. Financial reports prepared by the ROE required additional analysis in order to be comparable and consistent with reporting requirements and GAAP.

Cause:

ROE No. 19 management stated that while the items were placed on the inventory listing, they were unaware that additional technical assistance was needed to properly include the transactions in their accounting records in accordance with GAAP.

Auditors' Recommendation:

We recommend the ROE No. 19 establish procedures to ensure lease transactions are properly accounted for and reported in accordance with GAAP. If necessary, accounting and reporting guidance should be obtained from technical resources to be in conformity with GAAP. Further, transactions should be carefully reviewed for proper accounting and recognition as required by the Illinois Administrative Code.

Management's Response:

The DuPage Regional Office of Education has created a separate fund which is entitled Fund 1044-Debt Service. The lease payments of the noted items which should be appropriately placed in this fund will begin after April 1, 2010. Information as to the amount of principal and interest which make up the payment has been obtained from the leasing agency and is on file in the Finance Office of the Regional Office. The amounts of these two categories will be noted on future payments of these leases. Additionally, a staff meeting of the Finance Department has been held as of March 31, 2010 regarding the proper accounting and recognition that needs to be given to forthcoming transactions of this nature. It will be the responsibility of the Director of Finance to be sure that the proper steps are taken with each and every new lease.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

Part III: Federal Award Findings

INSTANCES OF NONCOMPLIANCE:

None

SIGNIFICANT DEFICIENCIES:

None

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2009**

FINDING NO. 09-1 - Failure to Apply Appropriate Accounting Principles (Partial Repeat of Finding 08-1)

Condition:

The DuPage County Regional Office of Education No. 19 (ROE No. 19) did not fully implement the corrective action plan noted in its prior year response by not properly recording certain lease transactions. As a result, they did not properly apply the appropriate GAAP.

In FY 2009, payments on leases were again improperly treated as operating leases and recorded as purchased services. The leases met the criteria requiring them to be capitalized as the lease terms of the equipment were equal to the estimated economic lives of the equipment. As of June 30, 2009, the total net book value of the leased equipment and the present value of the related lease payable were \$110,212 and \$116,251, respectively.

Plan:

The DuPage Regional Office of Education has created a separate fund which is entitled Fund 1044-Debt Service. The lease payments of the noted items which should be appropriately placed in this fund will begin after April 1, 2010. Information as to the amount of principal and interest which make up the payment has been obtained from the leasing agency and is on file in the Finance Office of the Regional Office. The amounts of these two categories will be noted on future payments of these leases. Additionally, a staff meeting of the Finance Department has been held as of March 31, 2010 regarding the proper accounting and recognition that needs to be given to forthcoming transactions of this nature. It will be the responsibility of the Director of Finance to be sure that the proper steps are taken with each and every new lease.

Anticipated Date of Completion:

Completed.

Name of Contact Person:

Mr. James E. Bauer, Director of Finance of the DuPage Regional Office of Education No. 19

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
JUNE 30, 2009

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
08-1	Failure to Apply Appropriate Accounting Principles	Partially repeated

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2009

The DuPage County Regional Office of Education No. 19 (ROE No. 19) provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the year ended June 30, 2009 with comparative information for the year ended June 30, 2008. Readers are encouraged to consider the information in conjunction with the ROE No. 19's financial statements that follow.

2009 Financial Highlights

- Within the Governmental Funds, the General Fund revenues increased by \$271,909 (25%) from \$1,070,498 in FY 2008 to \$1,342,407 in FY 2009. General Fund expenditures increased by \$159,325 (14%) from \$1,144,538 in FY 2008 to \$1,303,863 in FY 2009.
- Within the Governmental Funds, the Special Revenue Fund revenues increased by \$231,176 (4%) from \$5,659,734 in FY 2008 to \$5,890,910 in FY 2009. The Special Revenue Fund expenditures increased by \$495,280 (9%) from \$5,771,947 in FY 2008 to \$6,267,227 in FY 2009.
- The Enterprise Fund revenues increased by \$473,905 (41%) from \$1,144,259 in FY 2008 to \$1,618,164 in FY 2009. The Enterprise Fund expenditures decreased by \$15,341 (1%) from \$1,210,977 in FY 2008 to \$1,195,636 in FY 2009.

Using This Report

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

- *Management's Discussion and Analysis* introduces financial statements and provides an analytical overview of the ROE No. 19's financial activities.
- The *Government-wide financial statements* consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of the ROE No. 19 as a whole and present an overall view of the Office's finances.
- *Fund financial statements* report the ROE No. 19's operations in more detail than the government-wide statements by providing information about the most significant funds.
- *Notes to the financial statements* provide additional information that is needed for a full understanding of the data provided in the basic financial statements.
- *Required supplementary information* further explains and supports the financial statements and supplementary information provides detailed information about the non-major funds.

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2009

Reporting the DuPage County Regional Office as a Whole

It is important to note, that many grants are a cooperative effort of the ROE #19 and the following regional offices: Will County #56; Henderson, Mercer, and Warren Counties #27; and Iroquois/Kankakee Counties #32. Therefore, these figures may reflect grants that are intended to serve DuPage County only and grants that serve other regional offices.

The Statement of Net Assets and the Statement of Activities

Government-wide Financial Statements

The Government-wide financial statements report information about the ROE No. 19 as a whole. The Statement of Net Assets includes all of the assets and liabilities. All of the current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid using Generally Accepted Accounting Principles and GASB 34.

The Government-wide financial statements report the Office's net assets and how they have changed. Net assets - the difference between assets and liabilities - are one way to measure the ROE No. 19's financial health or position.

- Over time, increases or decreases in the net assets can be an indicator of whether financial position is improving or deteriorating, respectively.
- To assess the ROE No. 19's overall condition, additional non-financial factors, such as new laws, rules, regulations, and actions by officials at the State level need to be considered.

Fund Financial Statements

The fund financial statements provide detailed information about the ROE No. 19's funds. Funds are accounting devices that allow the tracking of specific sources of funding and spending on particular programs. Some funds are required by State law. The ROE No. 19 established other funds to control and manage money for particular purposes.

The ROE No. 19 has three kinds of funds:

- (1) Governmental funds account for those funds through which most governmental functions of the ROE No. 19 are financed. These focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at the year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer resources that can be spent in the near future to finance the ROE No. 19's programs. The governmental funds required financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2009**

- (2) Proprietary funds account for resources from fees charged directly to those entities or individuals that use its services. Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by government-wide financial statements. The proprietary funds required financial statements include a Statement of Net Assets, Statement of Revenues, Expenses and Changes in Fund Net Assets and a Statement of Cash Flows.
- (3) Fiduciary funds are used to account for assets held by the ROE No. 19 in a trust capacity or as an agent for individuals and private or governmental organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The fiduciary funds required financial statements include a Statement of Fiduciary Net Assets.

Government-Wide Financial Analysis

As noted earlier, net assets may serve when examined over time as one indicator of the financial position of the ROE No. 19. The net assets at the end of FY 2009 and FY 2008 totaled \$2,985,846 and \$2,957,864, respectively. The analysis that follows provides a summary of the Office's net assets as of June 30.

CONDENSED STATEMENT OF NET ASSETS

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
ASSETS						
Current assets	\$ 1,494,765	\$ 2,126,368	\$ 1,318,744	\$ 1,200,984	\$ 2,813,509	\$ 3,327,352
Capital assets, net of depreciation	524,770	598,258	4,638	8,695	529,408	606,953
TOTAL ASSETS	2,019,535	2,724,626	1,323,382	1,209,679	3,342,917	3,934,305
Current liabilities	146,298	696,999	121,229	203,606	267,527	900,605
Noncurrent liabilities	89,544	75,836	-	-	89,544	75,836
TOTAL LIABILITIES	235,842	772,835	121,229	203,606	357,071	976,441
NET ASSETS						
Invested in capital assets, net of related debt	408,519	505,708	4,638	8,695	413,157	514,403
Restricted for teacher professional development	929,739	991,384	-	-	929,739	991,384
Unrestricted	445,435	454,699	1,197,515	997,378	1,642,950	1,452,077
TOTAL NET ASSETS	\$ 1,783,693	\$ 1,951,791	\$ 1,202,153	\$ 1,006,073	\$ 2,985,846	\$ 2,957,864

The ROE No. 19's net assets increased by \$27,982 (0.9%) from FY 2008. The slight increase occurred primarily due to the inability of the State of Illinois to fund the programs that they had committed to fund. In addition, net assets related to the Teacher Institute Fund are considered restricted for teacher professional development.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2009**

CHANGES IN NET ASSETS

The following analysis shows the changes in net assets for the years ended June 30, 2008 and 2009.

CHANGES IN NET ASSETS

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 386,392	\$ 480,738	\$ 1,577,853	\$ 1,097,547	\$ 1,964,245	\$ 1,578,285
Operating grants and contributions	6,241,491	5,760,430	-	-	6,241,491	5,760,430
General revenues:						
State sources and miscellaneous	192,357	69,299	30,194	-	222,551	69,299
Investment income	2,636	26,685	10,117	46,712	12,753	73,397
On-behalf payments	410,441	393,080	-	-	410,441	393,080
Total revenues	7,233,317	6,730,232	1,618,164	1,144,259	8,851,481	7,874,491
Expenses:						
Salaries	1,667,369	1,851,201	214,452	93,284	1,881,821	1,944,485
Benefits	341,299	340,471	54,841	14,297	396,140	354,768
Purchased services	2,357,767	1,729,336	715,491	1,037,223	3,073,258	2,766,559
Supplies and materials	200,014	239,907	49,214	42,346	249,228	282,253
Capital outlay	3,453	161,243	-	10,388	3,453	171,631
Depreciation	174,519	173,011	4,057	4,058	178,576	177,069
Payment to other governmental units	2,473,001	1,754,859	157,581	9,381	2,630,582	1,764,240
On-behalf payments	410,441	393,080	-	-	410,441	393,080
Total expenses	7,627,863	6,643,108	1,195,636	1,210,977	8,823,499	7,854,085
Income (loss) before operating transfer	(394,546)	87,124	422,528	(66,718)	27,982	20,406
Operating transfer	226,448	42,666	(226,448)	(42,666)	-	-
Change in net assets	(168,098)	129,790	196,080	(109,384)	27,982	20,406
Net assets, beginning	1,951,791	1,822,001	1,006,073	1,115,457	2,957,864	2,937,458
Net assets ending	\$ 1,783,693	\$ 1,951,791	\$ 1,202,153	\$ 1,006,073	\$ 2,985,846	\$ 2,957,864

Governmental Activities

Revenues for governmental activities were \$7,233,317 and expenses were \$7,627,863. The increase in program revenues was mainly due to the receipt of additional general state aid fund totaling \$639,586, authorized by the American Recovery and Reinvestment Act of 2009 with the goal of delivering emergency education funding to states. Additional funds were

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2009**

received for the Teacher Mentoring Program and the Physical Education Program amounting to \$79,225 and \$63,291, respectively. New grants received by the ROE 19 in FY2009 include the Physical Fitness Program which amounted to \$53,464. These increases in revenues were however offset by the decrease in funding for the CORE program which ended in FY2009. Although total revenues increased by \$503,085, the related increase in expenditures of \$984,755 was higher than what was initially expected. It was only due to prudent decision making and proper stewardship of its reserves that the ROE 19 was able to maintain most of its programs.

Business-Type Activities

Revenues for business-type activities were \$1,618,164 and expenses were \$1,195,636. Increased activity in the offering of workshops both onsite and offsite coupled with the expanded use of the cost recovery model resulted in the increase of revenue from the prior year. Expenses decreased due to the cost-saving measures implemented by the ROE 19.

Financial Analysis of the ROE No. 19 Funds

As previously noted, the ROE No. 19 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency's Governmental Funds reported combined fund balances of \$1,375,174.

Governmental Fund Highlights

- State funding of Regional Offices of Education had a slight increase in the foundation level of 7% from \$5,734 in FY 2008 to \$6,119 in FY 2009.
- Due to the recent instability of the investments market, the ROE moved its investments from higher yield securities to fixed income government securities that offer lower interest rates. The objective is to preserve the ROE's investment value while maintaining maximum liquidity. The dollar return on its fixed income investments remained minimal because of continuing low interest rates.
- In terms of funding level, county support for the ROE No. 19 was slightly increased.
- ROE No. 19 obtained or developed new grants in FY 2009 to promote best practices in physical fitness and in school administrative leadership development for new principals and teachers.

Proprietary Fund Highlights

Total proprietary fund net assets increased by \$196,080 (19%). The increase was primarily due to higher workshop revenue and repayment of funds to the TIDE program.

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2009**

Budgetary Highlights

The Regional Office of Education No. 19 annually adopts budgets for several funds. The Regional Superintendent annually prepares an Office Operations Budget and submits it to the County Board for their approval. The Office Operations Budget covers a fiscal year which runs from December 1 to November 30. All grant budgets are prepared by the Regional Office of Education No. 19 and submitted to the granting agency such as the Illinois State Board of Education for their approval. Amendments must be submitted under guidelines established by the granting agency.

Capital Assets

ROE No. 19's capital assets include office equipment, computers, audio-visual equipment, and building improvements. The ROE No. 19 maintains an inventory of capital assets which have been accumulated over time. For FY 2009, total additions amounted to \$101,031 and total retirements amounted to \$0. Depreciation expense for FY 2009 was \$178,576.

Economic Factors and Next Years' Budget

At the time these financial statements were prepared and audited, the ROE No. 19 was aware of several existing circumstances that could affect its financial condition in the future:

- The State aid foundation level for FY 2010 has increased to \$6,119 per student.
- The interest rate on investments is expected to remain low and will impact interest earned.
- Most grants are expected to remain near or below previous levels.
- County Board support for ROE No. 19 is also expected to be maintained at prior year's level.
- The Regional Office of Education will continue to aggressively pursue new grants and opportunities to expand its services to its community and local school districts.

Contacting the ROE No. 19's Financial Management

This financial report is designed to provide the ROE No 19's citizens, taxpayers, clients, and other constituents with a general overview of its finances and to demonstrate the accountability for the money it receives. If the reader has questions concerning this report or needs additional financial information, please contact the Regional Superintendent of Schools, DuPage County Regional Office of Education No. 19 at 421 North County Farm Road, Wheaton, IL 60187.

BASIC FINANCIAL STATEMENTS

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
STATEMENT OF NET ASSETS
JUNE 30, 2009**

EXHIBIT A

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 222,594	\$ 1,246,574	\$ 1,469,168
Due from other funds	-	68,065	68,065
Due from other governmental units	1,272,171	4,105	1,276,276
Total current assets	<u>1,494,765</u>	<u>1,318,744</u>	<u>2,813,509</u>
Noncurrent assets			
Capital assets, net	524,770	4,638	529,408
TOTAL ASSETS	<u>2,019,535</u>	<u>1,323,382</u>	<u>3,342,917</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued expenses	50,939	32,844	83,783
Due to other funds	68,065	-	68,065
Due to other governmental units	587	-	587
Deferred revenues	-	88,385	88,385
Leases payable	26,707	-	26,707
Total current liabilities	<u>146,298</u>	<u>121,229</u>	<u>267,527</u>
Noncurrent liabilities			
Leases payable	89,544	-	89,544
TOTAL LIABILITIES	<u>235,842</u>	<u>121,229</u>	<u>357,071</u>
NET ASSETS			
Invested in capital assets, net of related debt	408,519	4,638	413,157
Restricted for teacher professional development	929,739	-	929,739
Unrestricted	445,435	1,197,515	1,642,950
TOTAL NET ASSETS	<u>\$ 1,783,693</u>	<u>\$ 1,202,153</u>	<u>\$ 2,985,846</u>

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

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2009

EXHIBIT C

	<u>General</u>	<u>Institute Fund</u>	<u>Education Fund</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents (overdrafts)	\$ (174,045)	\$ 942,440	\$ (677,280)	\$ 131,479	\$ 222,594
Due from other funds	-	-	-	-	-
Due from other governmental units	161,585	-	1,110,586	-	1,272,171
TOTAL ASSETS	<u>(12,460)</u>	<u>942,440</u>	<u>433,306</u>	<u>131,479</u>	<u>1,494,765</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued expenses	10,043	2,196	38,126	574	50,939
Due to other funds	-	10,505	57,560	-	68,065
Due to other governmental units	-	-	587	-	587
Deferred revenues	-	-	-	-	-
Total liabilities	<u>10,043</u>	<u>12,701</u>	<u>96,273</u>	<u>574</u>	<u>119,591</u>
FUND BALANCES (DEFICIT)					
Unreserved, reported in:					
General fund	(22,503)	-	-	-	(22,503)
Special revenue funds	-	929,739	337,033	130,905	1,397,677
Total fund balances	<u>(22,503)</u>	<u>929,739</u>	<u>337,033</u>	<u>130,905</u>	<u>1,375,174</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	<u>\$ (12,460)</u>	<u>\$ 942,440</u>	<u>\$ 433,306</u>	<u>\$ 131,479</u>	<u>\$ 1,494,765</u>

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

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
GOVERNMENTAL FUNDS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
JUNE 30, 2009**

EXHIBIT D

Total fund balances - governmental funds		\$ 1,375,174
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	\$ 524,770	
Capital lease obligations are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(116,251)</u>	<u>408,519</u>
Net assets of governmental activities		<u><u>\$ 1,783,693</u></u>

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

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2009**

EXHIBIT E

	General	Institute Fund	Education Fund	Nonmajor Special Revenue Funds	Total Governmental Funds
REVENUES					
Federal sources	\$ 127,036	\$ -	\$ 1,467,570	\$ -	\$ 1,594,606
State sources	612,573	-	4,029,548	4,764	4,646,885
Local sources:					
Licenses and permits	-	20,346	-	5,606	25,952
Intergovernmental	-	61,985	195,171	1,875	259,031
Services/Miscellaneous	192,357	82,146	19,063	200	293,766
Investment income	-	2,636	-	-	2,636
On-behalf payments	410,441	-	-	-	410,441
Total revenues	<u>1,342,407</u>	<u>167,113</u>	<u>5,711,352</u>	<u>12,445</u>	<u>7,233,317</u>
EXPENDITURES					
Current:					
Salaries	380,146	-	1,287,223	-	1,667,369
Benefits	90,258	8,330	242,711	-	341,299
Purchased services	367,467	479,178	1,461,210	66,627	2,374,482
Supplies and materials	39,435	3,752	156,742	85	200,014
Payments to other governments	-	-	2,473,001	-	2,473,001
On-behalf payments	410,441	-	-	-	410,441
Capital expenditures	16,116	239	88,129	-	104,484
Total expenditures	<u>1,303,863</u>	<u>491,499</u>	<u>5,709,016</u>	<u>66,712</u>	<u>7,571,090</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	38,544	(324,386)	2,336	(54,267)	(337,773)
OTHER FINANCING SOURCES (USES)					
Proceeds from capital lease obligations	-	-	40,416	-	40,416
Transfers in (out)	(36,293)	262,741	-	-	226,448
Total other financing sources	<u>(36,293)</u>	<u>262,741</u>	<u>40,416</u>	<u>-</u>	<u>266,864</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	2,251	(61,645)	42,752	(54,267)	(70,909)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>(24,754)</u>	<u>991,384</u>	<u>294,281</u>	<u>185,172</u>	<u>1,446,083</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ (22,503)</u>	<u>\$ 929,739</u>	<u>\$ 337,033</u>	<u>\$ 130,905</u>	<u>\$ 1,375,174</u>

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

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
GOVERNMENTAL FUNDS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009**

EXHIBIT F

Net change in fund balances \$ (70,909)

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

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

Capital outlay	\$ 101,031	
Depreciation expense	<u>(174,519)</u>	(73,488)

Repayment of long-term capital lease obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

16,715

Some of the capital assets acquired this year were financed with capital leases. The amount financed by the leases is reported in the governmental funds as a source of financing. On the other hand, the capital leases are not revenues in the Statement of Activities, but rather constitute long-term liabilities in the Statement of Net Assets.

(40,416)

Change in net assets of governmental activities

\$ (168,098)

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

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2009**

EXHIBIT G

	<u>Business Type Activities - Enterprise Funds</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 1,246,574
Due from other funds	68,065
Due from other governmental units	4,105
Total current assets	<u>1,318,744</u>
Noncurrent assets	
Capital assets, net	<u>4,638</u>
TOTAL ASSETS	<u>1,323,382</u>
LIABILITIES	
Accounts payable and accrued expenses	32,844
Deferred revenues	<u>88,385</u>
TOTAL LIABILITIES	<u>121,229</u>
NET ASSETS	
Invested in capital assets, net of related debt	4,638
Unrestricted	<u>1,197,515</u>
TOTAL NET ASSETS	<u>\$ 1,202,153</u>

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

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2009**

EXHIBIT H

	Business Type Activities - Enterprise Funds
OPERATING REVENUES	
State sources	\$ 30,194
Charges for services	1,577,853
Total revenues	<u>1,608,047</u>
OPERATING EXPENSES	
Salaries	214,452
Benefits	54,841
Purchased services	715,491
Supplies and materials	49,214
Payments to other governmental units	157,581
Depreciation	4,057
Total expenses	<u>1,195,636</u>
OPERATING INCOME	412,411
NONOPERATING REVENUES	
Investment income	<u>10,117</u>
INCOME BEFORE OPERATING TRANSFER	422,528
OPERATING TRANSFER	
Transfer out	<u>(226,448)</u>
CHANGE IN NET ASSETS	196,080
NET ASSETS, BEGINNING OF YEAR	<u>1,006,073</u>
NET ASSETS, END OF YEAR	<u><u>\$ 1,202,153</u></u>

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

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2009**

EXHIBIT I

	Business Type Activities - Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts for workshops and services	\$ 1,540,597
Payments to suppliers	(1,272,110)
Payments to employees	(269,293)
Net cash used in operating activities	<u>(806)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITY:	
Transfers to other funds	(226,448)
Net cash used in non-capital financing activity	<u>(226,448)</u>
CASH FLOWS FROM INVESTING ACTIVITY:	
Investment income	10,117
Net cash provided by investing activity	<u>10,117</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(217,137)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,463,711</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,246,574</u>
Reconciliation of operating income to net cash used in operating activities:	
Operating income	\$ 412,411
Adjustments to reconcile operating income to net cash used in operation activities:	
Depreciation	4,057
Effects of changes in assets and liabilities:	
Due from (to) other funds	(330,793)
Due from other governmental units	(4,105)
Accounts payable and accrued expenses	(19,031)
Deferred revenues	(63,345)
Net cash used in operating activities	<u>\$ (806)</u>

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

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2009**

EXHIBIT J

ASSETS

Cash and cash equivalents	<u>\$ 22,531</u>
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LIABILITIES

Due to other governmental units	<u>\$ 22,531</u>
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The notes to the financial statements are an integral part of this statement.

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The DuPage County Regional Office of Education No. 19 (ROE No. 19) is an entity that is a result of an Educational Service Region becoming a Regional Office of Education as of August 7, 1995. The ROE No. 19 operates under the School Code (105 ILCS 5/3 and 5/3A). ROE No. 19 encompasses DuPage County, Illinois. A Regional Superintendent of Schools serves as Chief Administrative Officer and is elected pursuant to 105 ILCS 5/3 and 5/3A of the School Code.

The accounting policies conform to generally accepted accounting principles which are appropriate to local government units of this type.

A. Reporting Entity

For financial reporting purposes, ROE No. 19 includes all funds, agencies, boards, commissions, and authorities that are controlled by or dependent on the Superintendent.

The Regional Superintendent of schools is the chief administrative officer of the region and is elected to the position for a four year term by popular vote. The Regional Superintendent is responsible for the supervision and oversight control of school districts in DuPage County. The superintendent's responsibilities for administering the school educational service region programs include, but are not limited to, providing directions to teachers and school officials on science, art and teaching methods; implementing the State Board of Education's Policies and Programs; encouraging camaraderie among teachers'; making public notice of unfilled teaching positions within the region; and ensuring of the safety, health and welfare of the students in the region by periodically inspecting the school buildings and ensuring that the bus drivers have valid driving licenses and are properly trained to operate the school buses.

The ROE No. 19 has developed criteria to determine whether outside agencies with activities which benefit the citizens of ROE No. 19, including school districts which serve pupils in the Region, should be included within its financial reporting entity. The criteria include but are not limited to, whether ROE No. 19 exercises oversight responsibility, (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability of fiscal matters), scope of public service, and special financing relationships.

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

The school districts have been determined not to be part of the reporting entity after applying the manifestation of oversight, scope of public service, and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the ROE No. 19 does not control the assets, operations or management of the school districts.

In addition, ROE No. 19 is not aware of any entity which would exercise such oversight as to result in it being considered a component unit of that entity.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. The statements distinguish between those activities of the ROE that are governmental in nature and those that are considered business-type activities. *Governmental activities* normally are supported by operating grants and contributions, charges for services and intergovernmental revenues. *Business-type activities* normally are supported by amounts assessed or received from local sources for the ROE programs.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Items not properly included among program revenues are reported instead as *general revenues*. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. New Accounting Pronouncement

Effective July 1, 2008, the DuPage County Regional Office of Education No. 19 adopted the following accounting pronouncements:

- GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups.
- GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, which improves the quality of financial reporting by requiring

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income.

- GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, which incorporates the hierarchy of GAAP for State and local governments into the GASB's authoritative literature. It is intended to make it easier for preparers of State and local government financial statements to identify and apply the "GAAP hierarchy," which consists of sources of accounting principles used in the preparation of financial statements so that they are presented in conformity with GAAP and the framework for selecting those principles.
- GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*, which incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' Statements on Auditing Standards. This statement addresses three issues not included in the authoritative literature that establishes accounting principles-related party transactions, going concern considerations, and subsequent events. The presentation of principles used in the preparation of financial statements is more appropriately included in accounting and financial reporting standards rather than in the auditing literature.

There was no significant impact on the DuPage County Regional Office of Education No. 19's financial statements as a result of adopting the above statements.

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

The financial statements of DuPage County Regional Office of Education No. 19 are prepared in accordance with generally accepted accounting principles (GAAP). The DuPage County Regional Office of Education No. 19 applies all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.

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

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Governmental and fiduciary fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The DuPage County Regional Office of Education No. 19 considers revenues as available if they are collected within 60 days after year end. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance.

The revenues susceptible to accrual are fees, interest income and intergovernmental revenue. All other governmental fund type revenues are recognized when received.

The DuPage County Regional Office of Education No. 19 records on-behalf payments made by the State to the Teachers’ Retirement System as revenues and expenditures.

When both restricted and unrestricted resources are available for use, it is the DuPage County Regional Office of Education No. 19’s policy to use restricted resources first, then unrestricted resources as they are needed.

E. Fund Accounting

The accounts of the DuPage County Regional Office of Education No. 19 are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenue, and expenditures. The DuPage County Regional Office of Education No. 19 maintains individual funds as required by the State of Illinois. The resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the basic financial statements. The following summarizes the fund types used:

Government Fund Types

Governmental Funds are those through which most governmental functions are financed. The acquisition, use and balances of the expendable financial resources and the related current liabilities are accounted for through governmental funds. The governmental funds include the following:

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

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General - Accounts for the general operating fund. It has been used to record transactions in connection with general administration activities.

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

Special Revenue Funds - Accounts for the proceeds of specific revenue sources (other than expendable trusts) that are legally restricted to expenditures for specified purposes. The DuPage County Regional Office of Education No. 19 reported the following special revenue funds as major governmental funds:

Institute - Accounts for fees collected for the registration and renewal of teaching certificates. These fees are used to defray administrative expenses incidental to teachers' institutes, workshops, or meetings of a professional nature that are designed to promote the professional growth of teachers or for the purpose of defraying the expense of any general or special meeting of teachers or school personnel, which has been approved by DuPage County Regional Office of Education No. 19. All funds generated remain restricted until expended only on the aforementioned activities.

Education - Accounts for grants from the following sources:

Early Childhood Parenting Program - Accounts for grant monies received for, and payment of, expenses for developing and operating programs for parents of young children.

Truants' Alternative Program - Accounts for grant monies received for, and payment of, expenditures of providing support services and evaluating compliance with recommendations to DuPage County truants and their parents.

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

Regional Safe Schools and General State Aid - Accounts for grant monies received for, and payment of, expenditures of the Regional Safe Schools program and for the administration of monies from the General State Aid. The fund also includes monies received and expenditures incurred for the

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Title IV – Safe & Drug Free School and Title II – Teacher Quality formula grants.

Workforce Investment Act - Accounts for monies received for, and payment of expenditures for Workforce Investment Act programs.

Truants Minors in Need of Supervision (TMINS) - Previously known as Juvenile Detention Alternative Initiative program which accounts for monies received for, and payment of expenditures for one of the Alternative Learning Opportunities Programs (ALOP) that provides alternative learning environment and includes individualized instruction, small class and counseling sessions.

Standards Aligned Classroom - Accounts for grant monies received for, and payment of, expenditures incurred for the Standards Aligned Classroom program.

System of Support (RESPRO) - Accounts for grant monies received for, and payment of, expenditures incurred for the Title I - School Improvement and Accountability and Title II - Teacher Quality - Leadership Grants to help schools meet No Child Left Behind initiative.

Technology for Success - Accounts for the contract money received and the expenditures in providing a coordinated, statewide support infrastructure which assists school districts in planning for, implementing, assessing results and educating school staff in the use of technology and telecommunications in curricular, instructional and administrative functions.

Physical Education Program - Accounts for the federal grant monies received for, and payment of, expenditures incurred to initiate, expand, and improve physical education programs for K-12 students in order to help them make progress toward meeting State standards for physical education.

Consistent Operational Readiness for Emergency - Accounts for the federal grant monies received for, and payment of, expenditures incurred to improve crisis management and emergency response activities in the county.

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

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Social Emotional Learning Standards Professional Development Program (SEL-PDP) - Accounts for the contract money received and the expenditures incurred in providing targeted school districts trainings and technical assistance to incorporate social-emotional learning standards into daily instructions.

Preschool for All - Accounts for the contract money received and the expenditures incurred in providing comprehensive monitoring and technical assistance services to Preschool for All programs.

Reading Improvement - Accounts for grant money received and the expenditures incurred to provide training for new Reading Recovery teachers and provide opportunities for ongoing professional development for both teachers and teacher-leaders.

Illinois New Principal Mentoring - Accounts for grant money received and the expenditures incurred to support the State-wide program to ensure that every new principal in Illinois receives a high-quality mentoring experience that focuses on professional development experiences and enhances a new principal's leadership. In this program, new leaders receive mentoring from proven, trained mentors who are paired with new principals based on geography, grade level, and need.

Teacher Mentoring & Mentoring Pilot Program - Accounts for grant money received and the expenditures incurred to support the State-wide new teacher mentoring program that includes assigning a mentor teacher to each new teacher for a period of at least two years and providing professional development designed to ensure the growth of the new teachers' knowledge and skills.

Physical Fitness Assessment - Accounts for federal grant money received and the expenditures incurred to develop an on-line, school based health-related fitness assessment of students in grades 5,7 and 9.

Nonmajor Special Revenue Funds - All other special revenue funds not classified under Education Fund are grouped under this fund for financial statement presentation.

General Education Development (GED) - Accounts for the revenues and expenditures associated with the processing of applications for the high school level Test of General Educational Development and the issuance of diplomas upon successful completion of the examination. Statutes require excess funds

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accumulated for periods exceeding three years to be transferred into the Institute Fund.

Bus - Accounts for revenue from the issuance of school bus driver permits and to sponsor instructional training courses for school bus drivers.

Supervisory - Accounts for an annual appropriation of State common school funds for the expenses incurred in providing supervisory services.

Area I - Accounts for the revenue received and the expenditures incurred for Area I program.

Suburban Council of Reading Consultants - Accounts for the revenue received and the expenditures incurred for reading consultants references.

Regional Summit - Accounts for funds received for, and payment of, expenditures incurred for the annual feasibility studies being used as a tool to investigate the advantages and/or disadvantages of reorganization options for the school districts involved in the study.

Proprietary Funds - Accounts for resources from fees charged directly to those entities or individuals that use its services.

Local Services - Accounts for the revenues and expenses associated with workshops conducted by the ROE No. 19. In addition, this fund accounts for the revenues and expenses of the Gifted Planning Activities and the Math on Mondays contract.

Teacher Inservice for DuPage Educators (TIDE) - Accounts for the revenues and expenditures incurred for graduate courses offered to DuPage educators and administrators.

Criminal Background Investigation - Accounts for the assessment received from the school districts to pay for the processing of fingerprinting the substitute teachers and expenditures incurred providing this service to the school districts.

Fiduciary Fund Type

Fiduciary Funds are used to account for assets held in a trustee capacity or as an agent for individuals or private or governmental organizations. The Fiduciary Funds include the following:

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The Agency Fund consists of the following:

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

DuPage Career Education Center (DCEC) - DCEC is a cooperative of school districts, providing support services for career education programs for kindergarten through the eighth grade. DCEC provides staff-in-service, a community resource files, an audio-visual collection and a library of professional materials for teacher's classroom use, and coordinates the DuPage County Business Education Partnership program. The program is funded through the Illinois State Board of Education, Division of Adult Vocational and Technical Education.

Consortium for Educational Change (CEC) - CEC is a consortium composed of approximately 60 school districts in suburban Chicago and downstate Illinois. Its mission is to improve student achievement by working with member districts and schools in becoming collaborative, high performing organizations.

F. Revenues - Exchange and Non-exchange Transactions

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

Non-exchange transactions, in which the ROE receives value without directly giving value in return, include grants and donations. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the ROE must provide local resources to be used for specific purpose, and expenditure requirements, in which the resources are provided to the ROE on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

G. Cash and Cash Equivalents

For presentation in the financial statements, investments with an original maturity of three months or less at the time they are purchased by the ROE are considered to be cash

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equivalents. Investments with an original maturity of more than three months are reported as investments.

H. Capital Assets

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

Capital assets are recorded at cost at time of acquisition or fair value at the date of donation. The ROE capitalizes items costing \$500 or more. Depreciation is calculated on a straight-line basis over the estimated useful lives (five to twenty years) of the respective assets.

I. Deferred Revenues

The ROE reports unearned deferred revenue in the governmental fund Balance Sheet. Deferred and unearned revenue arises when potential revenue does not meet both the measurable and available criteria for recognition in the current period.

J. Net Assets

Net assets present the difference between assets and liabilities in the Statement of Net Assets. Net assets of the ROE are classified as follows:

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

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

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

K. Management Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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L. Budgetary Data

DuPage County Regional Office of Education No. 19 did not formally adopt a budget for the year ended June 30, 2009 and is not legally required to do so. The Illinois State Board of Education requires budgets for certain State and federal programs. These budgets were used to prepare Budgetary Comparison Schedules for the following programs:

General Fund:

- ROE/ISC Operations

Special Revenue Funds:

- Education Fund:
 - Early Childhood Parenting Program
 - Truants' Alternative Program
 - Regional Safe Schools and General State Aid
 - Technology for Success
 - Physical Education Program
 - Social Emotional Learning Standards Professional Development Program
 - Reading Improvement
 - Teacher Mentoring & Mentoring Pilot Program

NOTE 2 - CASH AND INVESTMENTS

Deposits

The DuPage County Regional Office of Education No. 19 utilizes several different bank accounts for its various activities. The book balance of such accounts is \$135,448 at June 30, 2009, while the bank balance was \$545,512. The difference between the above amounts primarily represents checks that have been issued but have not yet cleared the bank as of June 30, 2009. As of June 30, 2009, all of the bank balance was secured by federal depository insurance.

Investments

The DuPage County Regional Office of Education No. 19's established investment policy follows the State of Illinois Public Funds Investment Act which authorizes the DuPage County Regional Office of Education No. 19 to purchase certain obligations of the U.S. Treasury, federal agencies and instrumentalities; certificates of deposit and time deposits covered by Federal depository insurance; commercial paper of U.S. corporations with assets exceeding \$500,000,000, if such paper is rated at the highest classification established by at

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least two standard rating services; money market funds; the Illinois Funds and repurchase agreements of government securities.

The DuPage County Regional Office of Education No. 19 has pooled its investments. Investments are stated at fair value. Net income from investments of pooled funds is allocated and credited to the original sources of the funds. As of June 30, 2009, the DuPage County Regional Office of Education No. 19 had investments with carrying and fair values as follows:

Investment Type	Carrying Amount	Fair Value
Repurchase agreement	\$ 239,930	\$ 251,961
Money market funds	718,393	718,393
Illinois Funds investment pool	397,927	397,927
Total	\$ 1,356,250	\$ 1,368,281

Custodial Credit Risk

Custodial Credit Risk for investments is the risk that, in the event of a failure of the counterparty, the DuPage County Regional Office of Education No. 19 will not be able to recover the value of the investments that are in the possession of an outside party. As of June 30, 2009, the DuPage County Regional Office of Education No. 19's investments are fully insured and collateralized.

Interest Rate Risk

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The DuPage County Regional Office of Education No. 19's policy for reducing its exposure to the risk is to structure the DuPage County Regional Office of Education No. 19's portfolio so that securities mature to meet the DuPage County Regional Office of Education No. 19's cash requirements for ongoing operations. As of June 30, 2009, all the investments have investment maturities of less than three months.

Credit Risk

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The DuPage County Regional Office of Education No. 19's policy for managing its exposure to the risk is to limit investments to those allowable by the Illinois Public Funds Investment Act. As of June 30, 2009, the DuPage County Regional Office of Education No. 19's investments were rated using the Standards and Poor's rating scale. The following

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schedule summarizes the DuPage County Regional Office of Education No. 19's exposure to credit risk:

<u>Investment Type and Fair Value</u>	<u>AAAm</u>	<u>Not Rated</u>
Repurchase agreement	\$ -	\$ 251,961
Money market funds	718,393	-
Illinois Funds investment pool	397,927	-
Total	<u>\$ 1,116,320</u>	<u>\$ 251,961</u>

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The DuPage County Regional Office of Education No. 19 does not have a policy that specifically addresses concentration of credit risk. As of June 30, 2009, the DuPage County Regional Office of Education No. 19 had approximately 18% of investment portfolio in a repurchase agreement with a local bank that was fully collateralized by US agency obligations. The investments in money market funds which is 53% of total investments, consists only of short-term US Treasury securities. The investment in the Illinois Funds investment pool is subject to the Illinois Fund's investment policy which limits investment categories to not exceed 25% of the portfolio, with the exception of cash equivalents and U.S. Treasury securities.

NOTE 3 - CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2009 is as follows:

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2009</u>
GOVERNMENTAL FUNDS				
Furniture and equipment	\$ 1,186,898	\$ 101,031	\$ -	\$ 1,287,929
Building improvement	104,507	-	-	104,507
Total	<u>1,291,405</u>	<u>101,031</u>	<u>-</u>	<u>1,392,436</u>
Less: accumulated depreciation	693,147	174,519	-	867,666
Capital assets, net	<u>\$ 598,258</u>	<u>\$ (73,488)</u>	<u>\$ -</u>	<u>\$ 524,770</u>
PROPRIETARY FUNDS				
Equipment	\$ 20,428	\$ -	\$ -	\$ 20,428
Less: accumulated depreciation	11,733	4,057	-	15,790
Capital assets, net	<u>\$ 8,695</u>	<u>\$ (4,057)</u>	<u>\$ -</u>	<u>\$ 4,638</u>

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NOTE 4 - LEASE COMMITMENTS

a) Capital Leases

The DuPage County Regional Office of Education No. 19 has entered into lease agreements as lessee for financing the acquisition of its copiers. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date in the capital assets account.

The present value of future minimum capital lease payments and total minimum annual lease payments for capital leases recorded in the government-wide statement of net assets at June 30, 2009 were as follows:

Year Ending June 30	Amount
2010	\$ 38,709
2011	38,709
2012	38,709
2013	21,869
2014	6,559
Total minimum lease payment	144,555
Less: amount representing interest	28,304
Present value of minimum lease payments	\$ 116,251

Assets under capital lease recorded in the accompanying government-wide Statement of Net Assets at June 30, 2009 amounted to \$144,555 and the related accumulated depreciation amounted to \$34,324.

b) Operating Leases

The DuPage County Regional Office of Education No. 19 also leases office spaces for its Lombard and Addison operations. The agreements provide for a renewal option to extend the leases for an additional five years and annual increases in future minimum rental payments not to exceed 5%. Also, the agreements generally require the DuPage County Regional Office of Education No. 19 to pay executory costs. Rental expense for the year ended June 30, 2009 was \$173,292. The future minimum rental payments for FY 2010 required under the operating lease agreement amounted to \$173,292.

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NOTE 5 - RETIREMENT FUND COMMITMENTS

Employees of ROE No. 19 are paid by, and considered employees of, county government. As such, related retirement obligations associated with these employees are the responsibility of county government.

Teachers' Retirement System of the State of Illinois

The DuPage County Regional Office of Education No. 19 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The State of Illinois maintains the primary responsibility for funding the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the system's administration.

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2009, was 9.4 percent of creditable earnings. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2008 and 2007. In addition, virtually all employers and members pay a contribution to the Teachers' Health Insurance Security (THIS) Fund, a separate fund in the State Treasury that is not a part of this retirement plan. The employer THIS Fund contribution was 0.63 percent during the year ended June 30, 2009, and the member THIS Fund health insurance contribution was 0.84 percent.

The State of Illinois makes contributions directly to TRS on behalf of the DuPage County Regional Office of Education No. 19's TRS-covered employees.

- **On-behalf Contributions.** The State of Illinois makes employer pension contributions on behalf of the DuPage County Regional Office of Education No. 19. For the year ended June 30, 2009, State of Illinois contributions were based on 17.08 percent of creditable earnings not paid from federal funds, and the DuPage County Regional Office of Education No. 19, recognized revenue and expenditures of \$190,747 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2008 and June 30, 2007, the State of Illinois contribution rates as percentages of creditable earnings were 13.11 percent (\$171,768) and 9.78 percent (\$130,722), respectively. The State contributions to TRS for the years ended June 30, 2009 and June 30, 2008 were based on an actuarial formula. The State contributions to TRS for the years ended June 30, 2008 and June 30, 2007 were based on dollar amounts specified by the statute and were not actuarially determined.

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The DuPage County Regional Office of Education No. 19 makes other types of employer contributions directly to TRS.

- **2.2 Formula Contributions.** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2009 were \$6,477. Contributions for the years ended June 30, 2008, and June 30, 2007, were \$7,599 and \$7,752 respectively.
- **Federal and Trust Fund Contributions.** When TRS members are paid from federal and special trust funds administered by the DuPage County Regional Office of Education No. 19, there is a statutory requirement for the DuPage County Regional Office of Education No. 19 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective in the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the State contribution rate to TRS. For the year ended June 30, 2009, the employer pension contribution was 17.08 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2008 and 2007, the employer contribution was 13.11 and 9.78 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2009, salaries totaling \$124,306 were paid from federal and special trust funds that required employer contributions of \$21,232. For the years ended June 30, 2008 and June 30, 2007, required contributions of DuPage County Regional Office of Education No. 19 were \$22,518 and \$18,294, respectively.
- **Early Retirement Option.** The DuPage County Regional Office of Education No. 19 is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member and under which ERO program the member retires. Under Public Act 94-0004, a "Pipeline ERO" program was provided for members to retire under the same terms as the ERO program that expired June 30, 2005, provided they met certain conditions and retired on or before July 1, 2007. If members did not meet these conditions, they can retire under the "Modified ERO" program which requires higher member and employer contributions to TRS. Also, under Modified ERO, Public Act 94-0004 eliminates the waiver of member and employer ERO contributions that had been in effect for members with 34 years of service (unless the member qualifies for the Pipeline ERO). Under the Pipeline ERO program, the maximum employer contribution was 100 percent of the member's highest salary used in the final average salary calculation. Under the Modified ERO, the maximum employer contribution is 117.5 percent. Both the 100 percent and 117.5 percent maximums apply when the member is age 55 at

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retirement. For the year ended June 30, 2009, the DuPage County Regional Office of Education No. 19 paid \$16,148 to TRS for employer contributions under the ERO program. For the years ended June 30, 2008 and 2007, the DuPage County Regional Office of Education No. 19 paid \$0 in employer ERO contributions.

- **Salary Increases Over 6 Percent and Excess Sick Leave.** Public Act 94-0004 added two new employer contributions to TRS.
 - If an employer grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the employer makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent. For the year ended June 30, 2009, the DuPage County Regional Office of Education No. 19 paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2008 and June 30, 2007, the DuPage County Regional Office of Education No. 19 did not have any payments to TRS for employer contributions due on salary increases in excess of 6 percent.
 - If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary used to calculate final average salary, and the TRS total normal cost rate (18.67 percent of salary during the year ended June 30, 2009). For the year ended June 30, 2009, the DuPage County Regional Office of Education No. 19 paid \$0 to TRS for sick leave days granted in excess of the normal annual allotment. For the years ended June 30, 2008 and June 30, 2007, the DuPage County Regional Office of Education No. 19 did not have any payments to TRS for sick leave days granted in excess of the normal annual allotment.

TRS financial information, an explanation of TRS' benefits, and descriptions of member, employer and State funding requirements can be found in the TRS Comprehensive Annual Financial Report for the year ended June 30, 2008. The report for the year ended June 30, 2009, is available on the TRS website. The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, P.O. Box 19253, 2815 West Washington Street, Springfield, IL 62794-9253.

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NOTE 6 - DEFICIT FUND BALANCES

The following funds have deficit fund balances as of June 30, 2009:

General Fund:	
General	22,503
Educational Fund:	
Truant Alternative Program	16,791
McKinney Education for Homeless	5,128
Truants Minors in Need of Supervision (TMINS)	68,496
Social Emotional Learning Standards	
Professional Development Program	3,066
Preschool for All	4,372
Nonmajor Special Revenue Fund:	
Supervisory	231
	<hr/>
Total Deficit Fund Balances	<u>\$ 120,587</u>

Deficit fund balances are expected to correct themselves through payments from the State, receipts from local sources and interest income in the next fiscal year.

NOTE 7 - ON-BEHALF SALARIES AND PENSION PLAN CONTRIBUTIONS

The salaries of the Regional Superintendent and the Assistant Regional Superintendent are paid by the State of Illinois. The salaries of all other employees of the Regional Office of Education No. 19 are paid by the DuPage County. Pension plan contributions associated with these salaries are also paid, respectively by the State of Illinois and DuPage County. Employees of programs funded by federal and State grants are paid through the Payroll Fund or by the DuPage County and then reimbursed by the grants.

A breakdown of the on-behalf payments for the Regional Superintendent and her first assistant are as follows:

Regional Superintendent Salary	\$ 100,762
Regional Superintendent Fringe Benefits (includes State paid insurance)	6,511
Assistant Regional Superintendent Salary	90,686
Assistant Regional Superintendent Fringe Benefits (includes State paid insurance)	21,735
TRS Pension Contributions	<u>190,747</u>
Total	<u>\$ 410,441</u>

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

NOTE 8 - RELATED PARTY TRANSACTIONS

Fixed assets used solely by the DuPage County Regional Office of Education No. 19 are purchased by the DuPage County. Ownership of some fixed assets remains with the County of DuPage and, accordingly, the cost of these assets is not included in any fund or in the capital assets in the financial statements. Other expenditures of the DuPage County Regional Office of Education No. 19 are paid by the DuPage County.

NOTE 9 - INTERFUND TRANSACTIONS

a) Due From (To) Other Funds

The following is a summary of amounts due from (to) other funds as of June 30, 2009:

Fund	Due From Other Funds	Due To Other Funds
General Fund – General Operations	\$ –	\$ 15,500
General Fund – ROE/ISC Operations	15,500	–
Institute Fund	–	10,505
Education Fund - Social Emotional Learning Standards Professional Development Program	–	57,560
Enterprise Funds - Teacher Inservice for DuPage Educators	57,560	–
Enterprise Fund – Criminal Background Investigation	10,505	–
Total	<u>\$ 83,565</u>	<u>\$ 83,565</u>

b) Transfers From (To) Other Funds

The composition of interfund transfers for the year ended June 30, 2009 is as follows:

Fund	Transfers-out	Transfers-in
General Fund – General Operations	\$ 36,293	\$ –
Institute Fund	–	262,741
Education Fund – Regional Safe Schools & General State Aid	12,170	–
Education Fund – Technology For Success	–	12,170
Enterprise Funds – Local Services	–	36,293
Enterprise Funds - Teacher Inservice for DuPage Educators	262,741	–
Total	<u>\$ 311,204</u>	<u>\$ 311,204</u>

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NOTE 10 - DUE FROM/TO OTHER GOVERNMENTAL UNITS

The DuPage County Regional Office of Education No. 19's General Fund, Special Revenue Funds, Enterprise Funds and Agency Fund have funds due to and from various other governmental units which consist of the following:

DUE FROM OTHER GOVERNMENTAL UNITS

U.S. Department of Education	\$ 45,807
U.S. Department of Health & Human Services	19,607
Illinois State Board of Education	1,032,326
County of DuPage	19,356
Will County Regional Office of Education No. 56	141,896
Henderson, Mercer & Warren Counties Regional Office of Education No. 27	13,179
Local School Districts	4,105
Total	<u>\$ 1,276,276</u>

DUE TO OTHER GOVERNMENTAL UNITS

Illinois State Board of Education	\$ 587
Local School Districts	22,531
Total	<u>\$ 23,118</u>

SUPPLEMENTARY INFORMATION

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
GENERAL FUND
COMBINING SCHEDULE OF ACCOUNTS
JUNE 30, 2009

SCHEDULE 1

	<u>General</u>	<u>ROE/ISC Operations</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents (overdraft)	\$ 2	\$ (174,047)	\$ (174,045)
Due from other funds	-	15,500	15,500
Due from other governmental units	-	161,585	161,585
	<hr/>	<hr/>	<hr/>
Total assets	<u>2</u>	<u>3,038</u>	<u>3,040</u>
 LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued expenses	7,005	3,038	10,043
Due to other funds	15,500	-	15,500
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>22,505</u>	<u>3,038</u>	<u>25,543</u>
 FUND BALANCES (DEFICIT)			
Unreserved	<u>(22,503)</u>	<u>-</u>	<u>(22,503)</u>
 TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)			
	<u>\$ 2</u>	<u>\$ 3,038</u>	<u>\$ 3,040</u>

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
GENERAL FUND ACCOUNTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2009**

SCHEDULE 2

	<u>General</u>	<u>ROE/ISC Operations</u>	<u>Total</u>
REVENUES			
State sources	\$ 301,797	\$ 310,776	\$ 612,573
Federal sources	127,036	-	127,036
Local sources:			
Miscellaneous	192,357	-	192,357
On-behalf payments	410,441	-	410,441
	<u>1,031,631</u>	<u>310,776</u>	<u>1,342,407</u>
Total revenues			
EXPENDITURES			
Salaries	213,824	166,322	380,146
Benefits	45,920	44,338	90,258
Purchased services	272,955	94,512	367,467
Supplies and materials	33,831	5,604	39,435
Capital expenditures	16,116	-	16,116
On-behalf payments	410,441	-	410,441
	<u>993,087</u>	<u>310,776</u>	<u>1,303,863</u>
Total expenditures			
EXCESS OF REVENUES OVER EXPENDITURES	38,544	-	38,544
OTHER FINANCING USES			
Transfer out	(36,293)	-	(36,293)
EXCESS OF REVENUES AND OTHER FINANCING USES OVER EXPENDITURES	2,251	-	2,251
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>(24,754)</u>	<u>-</u>	<u>(24,754)</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ (22,503)</u>	<u>\$ -</u>	<u>\$ (22,503)</u>

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
GENERAL FUND ACCOUNTS
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2009**

SCHEDULE 3

	ROE/ISC Operations		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
State sources	\$ 310,776	\$ 310,776	\$ -
EXPENDITURES			
Salaries	166,372	166,322	50
Benefits	44,218	44,338	(120)
Purchased services	94,000	94,512	(512)
Supplies and materials	6,186	5,604	582
Total expenditures	<u>310,776</u>	<u>310,776</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE, BEGINNING OF YEAR		<u>-</u>	
FUND BALANCE, END OF YEAR		<u>\$ -</u>	

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 COMBINING SCHEDULE OF ACCOUNTS
 JUNE 30, 2009

SCHEDULE 4

	Early Childhood Parenting Program	Truants' Alternative Program	McKinney Education for Homeless	Regional Safe Schools and General State Aid	Workforce Investment Act	Truants Minors in Need of Supervision (TMINS)
ASSETS						
Cash and cash equivalents (overdrafts)	\$ (27,025)	\$ (70,302)	\$ (4,616)	\$ (311,855)	\$ (8,685)	\$ (68,496)
Due from other governmental units	33,131	55,060	-	677,885	19,356	-
TOTAL ASSETS	<u>6,106</u>	<u>(15,242)</u>	<u>(4,616)</u>	<u>366,030</u>	<u>10,671</u>	<u>(68,496)</u>
LIABILITIES						
Accounts payable and accrued expenses	-	1,549	512	2,767	-	-
Due to other funds	-	-	-	-	-	-
Due to other governmental units	-	-	-	587	-	-
Deferred revenues	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>1,549</u>	<u>512</u>	<u>3,354</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT)						
Unreserved	<u>6,106</u>	<u>(16,791)</u>	<u>(5,128)</u>	<u>362,676</u>	<u>10,671</u>	<u>(68,496)</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,106</u>	<u>\$ (15,242)</u>	<u>\$ (4,616)</u>	<u>\$ 366,030</u>	<u>\$ 10,671</u>	<u>\$ (68,496)</u>

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 COMBINING SCHEDULE OF ACCOUNTS
 JUNE 30, 2009

SCHEDULE 4
 (CONTINUED)

	Standards Aligned Classroom	System of Support (RESPRO)	Technology for Success	Physical Education Program	Consistent Operational Readiness for Emergency	National Board Preparation and Teacher Support System
ASSETS						
Cash and cash equivalents (overdrafts)	\$ 15,215	\$ (132,717)	\$ (54,007)	\$ (18,531)	\$ -	\$ 15,482
Due from other governmental units	-	141,896	60,628	45,807	-	-
TOTAL ASSETS	<u>15,215</u>	<u>9,179</u>	<u>6,621</u>	<u>27,276</u>	<u>-</u>	<u>15,482</u>
LIABILITIES						
Accounts payable and accrued expenses	-	810	-	18,332	-	548
Due to other funds	-	-	-	-	-	-
Due to other governmental units	-	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>810</u>	<u>-</u>	<u>18,332</u>	<u>-</u>	<u>548</u>
FUND BALANCES (DEFICIT)						
Unreserved	<u>15,215</u>	<u>8,369</u>	<u>6,621</u>	<u>8,944</u>	<u>-</u>	<u>14,934</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 15,215</u>	<u>\$ 9,179</u>	<u>\$ 6,621</u>	<u>\$ 27,276</u>	<u>\$ -</u>	<u>\$ 15,482</u>

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 COMBINING SCHEDULE OF ACCOUNTS
 JUNE 30, 2009

SCHEDULE 4
 (CONTINUED)

	Social Emotional Learning Standards Professional Development Program	Preschool for All	Reading Improvement	Illinois New Principal Mentoring	Teacher Mentoring & Mentoring Pilot Program	Physical Fitness Assessment	Total
ASSETS							
Cash and cash equivalents (overdrafts)	\$ 54,494	\$ (17,551)	\$ 1,861	\$ 11,300	\$ (42,240)	\$ (19,607)	\$ (677,280)
Due from other governmental units	-	13,179	-	-	44,037	19,607	1,110,586
TOTAL ASSETS	<u>54,494</u>	<u>(4,372)</u>	<u>1,861</u>	<u>11,300</u>	<u>1,797</u>	<u>-</u>	<u>433,306</u>
LIABILITIES							
Accounts payable and accrued expenses	-	-	1,861	11,300	447	-	38,126
Due to other funds	57,560	-	-	-	-	-	57,560
Due to other governmental units	-	-	-	-	-	-	587
Deferred revenues	-	-	-	-	-	-	-
Total liabilities	<u>57,560</u>	<u>-</u>	<u>1,861</u>	<u>11,300</u>	<u>447</u>	<u>-</u>	<u>96,273</u>
FUND BALANCES (DEFICIT)							
Unreserved	<u>(3,066)</u>	<u>(4,372)</u>	<u>-</u>	<u>-</u>	<u>1,350</u>	<u>-</u>	<u>337,033</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 54,494</u>	<u>\$ (4,372)</u>	<u>\$ 1,861</u>	<u>\$ 11,300</u>	<u>\$ 1,797</u>	<u>\$ -</u>	<u>\$ 433,306</u>

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND ACCOUNTS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2009

SCHEDULE 5

	Early Childhood Parenting Program	Truants' Alternative Program	McKinney Education for Homeless	Regional Safe Schools and General State Aid	Workforce Investment Act	Truants Minors in Need of Supervision (TMINS)
REVENUES						
Federal sources	\$ -	\$ -	\$ 35,850	\$ 512,720	\$ 96,780	\$ -
State sources	112,648	142,960	-	3,089,445	-	84,196
Local sources:						
Intergovernmental	-	-	-	-	-	-
Miscellaneous	-	100	-	416	-	-
Total revenues	112,648	143,060	35,850	3,602,581	96,780	84,196
EXPENDITURES						
Salaries	81,408	97,438	-	851,790	78,337	67,485
Benefits	21,578	28,114	-	120,410	17,233	4,748
Purchased services	9,701	16,727	35,850	295,798	3,569	5,939
Supplies and materials	-	681	-	83,499	639	1,911
Capital expenditures	-	-	-	86,690	-	-
Payments to other governments	-	17,229	-	2,220,970	-	-
Total expenditures	112,687	160,189	35,850	3,659,157	99,778	80,083
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(39)	(17,129)	-	(56,576)	(2,998)	4,113
OTHER FINANCING SOURCES (USES)						
Proceeds from capital lease obligations	-	-	-	40,416	-	-
Transfers in (out)	-	-	-	(12,170)	-	-
Total other financing sources	-	-	-	28,246	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES	(39)	(17,129)	-	(28,330)	(2,998)	4,113
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	6,145	338	(5,128)	391,006	13,669	(72,609)
FUND BALANCES (DEFICIT), END OF YEAR	\$ 6,106	\$ (16,791)	\$ (5,128)	\$ 362,676	\$ 10,671	\$ (68,496)

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND ACCOUNTS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2009

SCHEDULE 5
 (CONTINUED)

	Standards Aligned Classroom	System of Support (RESPRO)	Technology for Success	Physical Education Program	Consistent Operational Readiness for Emergency	National Board Preparation and Teacher Support System
REVENUES						
Federal sources	\$ -	\$ 609,954	\$ -	\$ 138,019	\$ 20,783	\$ -
State sources	-	151,542	131,465	-	-	-
Local sources:						
Intergovernmental	-	-	-	-	-	9,500
Miscellaneous	15,290	17	-	3,240	-	-
Total revenues	15,290	761,513	131,465	141,259	20,783	9,500
EXPENDITURES						
Salaries	-	28,955	81,810	-	-	-
Benefits	-	20,669	26,409	-	-	-
Purchased services	75	429,309	24,518	132,315	-	24,387
Supplies and materials	-	40,696	197	-	-	5,670
Capital expenditures	-	-	-	-	-	-
Payments to other governments	-	180,936	-	-	-	-
Total expenditures	75	700,565	132,934	132,315	-	30,057
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	15,215	60,948	(1,469)	8,944	20,783	(20,557)
OTHER FINANCING SOURCES (USES)						
Proceeds from capital lease obligations	-	-	-	-	-	-
Transfers in (out)	-	-	12,170	-	-	-
Total other financing sources	-	-	12,170	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES	15,215	60,948	10,701	8,944	20,783	(20,557)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	(52,579)	(4,080)	-	(20,783)	35,491
FUND BALANCES (DEFICIT), END OF YEAR	\$ 15,215	\$ 8,369	\$ 6,621	\$ 8,944	\$ -	\$ 14,934

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND ACCOUNTS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2009

SCHEDULE 5
 (CONTINUED)

	Social Emotional Learning Standards Professional Development Program	Preschool for All	Reading Improvement	Illinois New Principal Mentoring	Teacher Mentoring & Mentoring Pilot Program	Physical Fitness Assessment	Total
REVENUES							
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,464	\$ 1,467,570
State sources	70,569	44,740	40,000	-	161,983	-	4,029,548
Local sources:							
Intergovernmental	-	-	-	184,321	1,350	-	195,171
Miscellaneous	-	-	-	-	-	-	19,063
Total revenues	70,569	44,740	40,000	184,321	163,333	53,464	5,711,352
EXPENDITURES							
Salaries	-	-	-	-	-	-	1,287,223
Benefits	2,783	-	-	744	23	-	242,711
Purchased services	72,274	47,908	27,700	182,326	101,519	51,295	1,461,210
Supplies and materials	2,593	-	12,300	1,251	5,136	2,169	156,742
Capital expenditures	-	-	-	-	1,439	-	88,129
Payments to other governments	-	-	-	-	53,866	-	2,473,001
Total expenditures	77,650	47,908	40,000	184,321	161,983	53,464	5,709,016
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,081)	(3,168)	-	-	1,350	-	2,336
OTHER FINANCING SOURCES (USES)							
Proceeds from capital lease obligations	-	-	-	-	-	-	40,416
Transfers in (out)	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	40,416
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES	(7,081)	(3,168)	-	-	1,350	-	42,752
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	4,015	(1,204)	-	-	-	-	294,281
FUND BALANCES (DEFICIT), END OF YEAR	\$ (3,066)	\$ (4,372)	\$ -	\$ -	\$ 1,350	\$ -	\$ 337,033

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2009

SCHEDULE 6

	Early Childhood Parenting Program			Truants' Alternative Program		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	112,648	112,648	-	146,506	142,960	(3,546)
Local sources:						
Intergovernmental	-	-	-	-	-	-
Miscellaneous	-	-	-	-	100	100
Total revenues	<u>112,648</u>	<u>112,648</u>	<u>-</u>	<u>146,506</u>	<u>143,060</u>	<u>(3,446)</u>
EXPENDITURES						
Salaries	76,954	81,408	(4,454)	97,939	97,438	501
Benefits	24,187	21,578	2,609	27,221	28,114	(893)
Purchased services	11,507	9,701	1,806	17,882	16,727	1,155
Supplies and materials	-	-	-	3,464	681	2,783
Capital expenditures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Payments to other governments	-	-	-	-	17,229	(17,229)
Total expenditures	<u>112,648</u>	<u>112,687</u>	<u>(39)</u>	<u>146,506</u>	<u>160,189</u>	<u>(13,683)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>(39)</u>	<u>\$ (39)</u>	<u>\$ -</u>	<u>(17,129)</u>	<u>\$ (17,129)</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from capital lease obligations		-			-	
Transfer in (out)		-			-	
Total other financing sources		<u>-</u>			<u>-</u>	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES		<u>(39)</u>			<u>(17,129)</u>	
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>6,145</u>			<u>338</u>	
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 6,106</u>			<u>\$ (16,791)</u>	

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2009

SCHEDULE 6
 (CONTINUED)

	Regional Safe Schools and General State Aid *			Technology for Success		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Federal sources	\$ -	\$ 512,720	\$ 512,720	\$ -	\$ -	\$ -
State sources	1,355,690	3,089,445	1,733,755	131,465	131,465	-
Local sources:						
Intergovernmental	-	-	-	-	-	-
Miscellaneous	-	416	416	-	-	-
Total revenues	<u>1,355,690</u>	<u>3,602,581</u>	<u>2,246,891</u>	<u>131,465</u>	<u>131,465</u>	<u>-</u>
EXPENDITURES						
Salaries	830,998	851,790	(20,792)	81,811	81,810	1
Benefits	117,486	120,410	(2,924)	26,051	26,409	(358)
Purchased services	279,028	295,798	(16,770)	23,011	24,518	(1,507)
Supplies and materials	82,900	83,499	(599)	592	197	395
Capital expenditures	45,278	86,690	(41,412)	-	-	-
Miscellaneous	-	-	-	-	-	-
Payments to other governments	-	2,220,970	(2,220,970)	-	-	-
Total expenditures	<u>1,355,690</u>	<u>3,659,157</u>	<u>(2,303,467)</u>	<u>131,465</u>	<u>132,934</u>	<u>(1,469)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>(56,576)</u>	<u>\$ (56,576)</u>	<u>\$ -</u>	<u>(1,469)</u>	<u>\$ (1,469)</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from capital lease obligations		40,416			-	
Transfer in (out)		(12,170)			12,170	
Total other financing sources		<u>28,246</u>			<u>12,170</u>	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES		(28,330)			10,701	
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>391,006</u>			<u>(4,080)</u>	
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 362,676</u>			<u>\$ 6,621</u>	

* includes \$1,733,755 General State Aid Grant for which there is no budgeted expenditure.

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2009

SCHEDULE 6
 (CONTINUED)

	Physical Education Program			Social Emotional Learning Standards Professional Development Program		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Federal sources	\$ 114,938	\$ 138,019	\$ 23,081	\$ -	\$ -	\$ -
State sources	-	-	-	90,150	70,569	(19,581)
Local sources:						
Intergovernmental	-	-	-	-	-	-
Miscellaneous	-	3,240	3,240	-	-	-
Total revenues	114,938	141,259	26,321	90,150	70,569	(19,581)
EXPENDITURES						
Salaries	-	-	-	19,400	-	19,400
Benefits	-	-	-	-	2,783	(2,783)
Purchased services	114,938	132,315	(17,377)	52,300	72,274	(19,974)
Supplies and materials	-	-	-	9,017	2,593	6,424
Capital expenditures	-	-	-	-	-	-
Miscellaneous	-	-	-	9,433	-	9,433
Payments to other governments	-	-	-	-	-	-
Total expenditures	114,938	132,315	(17,377)	90,150	77,650	12,500
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>8,944</u>	<u>\$ 8,944</u>	<u>\$ -</u>	<u>(7,081)</u>	<u>\$ (7,081)</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from capital lease obligations		-			-	
Transfer in (out)		-			-	
Total other financing sources		-			-	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES		<u>8,944</u>			<u>(7,081)</u>	
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>-</u>			<u>4,015</u>	
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 8,944</u>			<u>\$ (3,066)</u>	

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
 EDUCATION FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2009

SCHEDULE 6
 (CONTINUED)

	Reading Improvement			Teacher Mentoring & Mentoring Pilot Program			Total		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
			Favorable (Unfavorable)			Favorable (Unfavorable)			Favorable (Unfavorable)
REVENUES									
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,938	\$ 650,739	\$ 535,801
State sources	40,000	40,000	-	154,950	161,983	7,033	2,031,409	3,749,070	1,717,661
Local sources:									
Intergovernmental	-	-	-	-	1,350	1,350	-	1,350	1,350
Miscellaneous	-	-	-	-	-	-	-	3,756	3,756
Total revenues	40,000	40,000	-	154,950	163,333	8,383	2,146,347	4,404,915	2,258,568
EXPENDITURES									
Salaries	-	-	-	-	-	-	1,107,102	1,112,446	(5,344)
Benefits	-	-	-	-	23	(23)	194,945	199,317	(4,372)
Purchased services	27,700	27,700	-	147,900	101,519	46,381	674,266	680,552	(6,286)
Supplies and materials	12,300	12,300	-	7,050	5,136	1,914	115,323	104,406	10,917
Capital expenditures	-	-	-	-	1,439	(1,439)	45,278	88,129	(42,851)
Miscellaneous	-	-	-	-	-	-	9,433	-	9,433
Payments to other governments	-	-	-	-	53,866	(53,866)	-	2,292,065	(2,292,065)
Total expenditures	40,000	40,000	-	154,950	161,983	(7,033)	2,146,347	4,476,915	(2,330,568)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>1,350</u>	<u>\$ 1,350</u>	<u>\$ -</u>	<u>(72,000)</u>	<u>\$ (72,000)</u>
OTHER FINANCING SOURCES (USES)									
Proceeds from capital lease obligations		-			-			40,416	
Transfer in (out)		-			-			-	
Total other financing sources		-			-			40,416	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES		-			1,350			(31,584)	
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		-			-			397,424	
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ -</u>			<u>\$ 1,350</u>			<u>\$ 365,840</u>	

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2009

SCHEDULE 7

	<u>General Education Development</u>	<u>Bus</u>	<u>Supervisory</u>	<u>Area I</u>	<u>Suburban Council of Reading Consultants</u>	<u>Regional Summit</u>	<u>Total</u>
ASSETS							
Cash and cash equivalents	\$ 4,286	\$ 123,330	\$ 343	\$ 1,428	\$ 92	\$ 2,000	\$ 131,479
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable and accrued expenses	-	-	574	-	-	-	574
FUND BALANCES (DEFICIT)							
Unreserved	4,286	123,330	(231)	1,428	92	2,000	130,905
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	<u>\$ 4,286</u>	<u>\$ 123,330</u>	<u>\$ 343</u>	<u>\$ 1,428</u>	<u>\$ 92</u>	<u>\$ 2,000</u>	<u>\$ 131,479</u>

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2009

SCHEDULE 8

	General Education Development	Bus	Supervisory	Area I	Suburban Council of Reading Consultants	Regional Summit	Total
REVENUES							
State sources	\$ -	\$ 3,764	\$ 1,000	\$ -	\$ -	\$ -	\$ 4,764
Local sources							
Licenses and permits	3,188	2,418	-	-	-	-	5,606
Intergovernmental	-	-	-	1,875	-	-	1,875
Services/Miscellaneous	200	-	-	-	-	-	200
Total revenues	<u>3,388</u>	<u>6,182</u>	<u>1,000</u>	<u>1,875</u>	<u>-</u>	<u>-</u>	<u>12,445</u>
EXPENDITURES							
Purchased services	25,007	39,257	340	2,023	-	-	66,627
Supplies and materials	-	-	85	-	-	-	85
Total expenditures	<u>25,007</u>	<u>39,257</u>	<u>425</u>	<u>2,023</u>	<u>-</u>	<u>-</u>	<u>66,712</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(21,619)	(33,075)	575	(148)	-	-	(54,267)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>25,905</u>	<u>156,405</u>	<u>(806)</u>	<u>1,576</u>	<u>92</u>	<u>2,000</u>	<u>185,172</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ 4,286</u>	<u>\$ 123,330</u>	<u>\$ (231)</u>	<u>\$ 1,428</u>	<u>\$ 92</u>	<u>\$ 2,000</u>	<u>\$ 130,905</u>

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2009

SCHEDULE 9

	<u>Business Type Activities - Enterprise Funds</u>			<u>Total</u>
	<u>Local Services</u>	<u>Teacher Inservice for DuPage Educators</u>	<u>Criminal Background Investigation</u>	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 966,334	\$ 280,240	\$ -	\$ 1,246,574
Due from other funds	-	57,560	10,505	68,065
Due from other governmental units	4,105	-	-	4,105
Total current assets	<u>970,439</u>	<u>337,800</u>	<u>10,505</u>	<u>1,318,744</u>
Noncurrent assets				
Capital assets, net	<u>2,121</u>	<u>-</u>	<u>2,517</u>	<u>4,638</u>
TOTAL ASSETS	<u>972,560</u>	<u>337,800</u>	<u>13,022</u>	<u>1,323,382</u>
LIABILITIES				
Accounts payable and accrued expenses	10,904	21,940	-	32,844
Deferred revenues	<u>-</u>	<u>88,385</u>	<u>-</u>	<u>88,385</u>
TOTAL LIABILITIES	<u>10,904</u>	<u>110,325</u>	<u>-</u>	<u>121,229</u>
NET ASSETS				
Invested in capital assets, net of related debt	2,121	-	2,517	4,638
Unrestricted	<u>959,535</u>	<u>227,475</u>	<u>10,505</u>	<u>1,197,515</u>
TOTAL NET ASSETS	<u>\$ 961,656</u>	<u>\$ 227,475</u>	<u>\$ 13,022</u>	<u>\$ 1,202,153</u>

NONMAJOR PROPRIETARY FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Business Type Activities - Enterprise Funds</u>			<u>Total</u>
	<u>Local Services</u>	<u>Teacher Inservice for DuPage Educators</u>	<u>Criminal Background Investigation</u>	
OPERATING REVENUES				
State source	\$ 30,194	\$ -	\$ -	\$ 30,194
Charges for services	793,936	698,830	85,087	1,577,853
Total revenues	<u>824,130</u>	<u>698,830</u>	<u>85,087</u>	<u>1,608,047</u>
OPERATING EXPENSES				
Salaries	214,452	-	-	214,452
Benefits	54,148	693	-	54,841
Purchased services	598,732	99,839	16,920	715,491
Supplies and materials	36,144	12,955	115	49,214
Depreciation	2,237	-	1,820	4,057
Payments to governmental units	-	157,581	-	157,581
Total expenses	<u>905,713</u>	<u>271,068</u>	<u>18,855</u>	<u>1,195,636</u>
OPERATING INCOME (LOSS)	(81,583)	427,762	66,232	412,411
NONOPERATING REVENUES				
Investment income	9,504	613	-	10,117
INCOME (LOSS) BEFORE OPERATING TRANSFER	(72,079)	428,375	66,232	422,528
OPERATING TRANSFER				
Transfers in (out)	36,293	(262,741)	-	(226,448)
CHANGE IN NET ASSETS	(35,786)	165,634	66,232	196,080
NET ASSETS, BEGINNING OF YEAR	997,442	61,841	(53,210)	1,006,073
NET ASSETS, END OF YEAR	<u>\$ 961,656</u>	<u>\$ 227,475</u>	<u>\$ 13,022</u>	<u>\$ 1,202,153</u>

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2009

SCHEDULE 11

	Business Type Activities - Enterprise Funds			
	Local Services	Teacher Inservice for DuPage Educators	Criminal Background Investigation	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts for workshops and services	\$ 820,025	\$ 635,485	\$ 85,087	\$ 1,540,597
Payments to suppliers	(664,005)	(523,018)	(85,087)	(1,272,110)
Payments to employees	(268,600)	(693)	-	(269,293)
Net cash used provided by (used in) operating activities	(112,580)	111,774	-	(806)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITY:				
Transfer to/from other funds	36,293	(262,741)	-	(226,448)
Net cash provided by (used for) noncapital financing activities	36,293	(262,741)	-	(226,448)
CASH FLOWS FROM INVESTING ACTIVITY:				
Investment income	9,504	613	-	10,117
Net cash provided by investing activity	9,504	613	-	10,117
NET DECREASE IN CASH AND CASH EQUIVALENTS	(66,783)	(150,354)	-	(217,137)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,033,117	430,594	-	1,463,711
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 966,334	\$ 280,240	\$ -	\$ 1,246,574
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (81,583)	\$ 427,762	\$ 66,232	\$ 412,411
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	2,237	-	1,820	4,057
Effects of changes in assets and liabilities:				
Due from (to) other funds	-	(262,741)	(68,052)	(330,793)
Due from other governmental units	(4,105)	-	-	(4,105)
Accounts payable and accrued expenses	(29,129)	10,098	-	(19,031)
Deferred revenues	-	(63,345)	-	(63,345)
Net cash provided by (used in) operating activities	\$ (112,580)	\$ 111,774	\$ -	\$ (806)

DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2009

SCHEDULE 12

	<u>Distributive</u>	<u>DuPage Career Education Center (DCEC)</u>	<u>Consortium for Educational Change (CEC)</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ 22,531	\$ -	\$ 22,531
LIABILITIES				
Due to other governmental units	\$ -	\$ 22,531	\$ -	\$ 22,531

FIDUCIARY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS

JUNE 30, 2009

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2009</u>
DISTRIBUTIVE				
ASSETS				
Cash and cash equivalents	\$ -	\$ 113,301	\$ 113,301	\$ -
LIABILITIES				
Distributive payable	\$ -	\$ 113,301	\$ 113,301	\$ -
 DUPAGE CAREER EDUCATION CENTER (DCEC)				
ASSETS				
Cash and cash equivalents	\$ 23,620	\$ 139,329	\$ 140,418	\$ 22,531
LIABILITIES				
Due to other governmental units	\$ 23,620	\$ 139,329	\$ 140,418	\$ 22,531
 CONSORTIUM FOR EDUCATIONAL CHANGE (CEC)				
ASSETS				
Cash and cash equivalents (overdraft)	\$ -	\$ -	\$ -	\$ -
Due from other governmental units	-	-	-	-
Total assets	-	-	-	-
LIABILITIES				
Due to other governmental units	\$ -	\$ -	\$ -	\$ -
 TOTAL				
ASSETS				
Cash and cash equivalents (overdraft)	\$ 23,620	\$ 252,630	\$ 253,719	\$ 22,531
Due from other governmental units	-	-	-	-
Total assets	23,620	252,630	253,719	22,531
LIABILITIES				
Distributive payable	-	113,301	113,301	-
Due to other governmental units	23,620	139,329	140,418	22,531
Total liabilities	\$ 23,620	\$ 252,630	\$ 253,719	\$ 22,531

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009**

SCHEDULE 14

Federal Grantor/Pass-Through Grantor Program/Grant Title	CFDA Number	Pass-Through / Award Number	FY 2009 Expenditures
DEPARTMENT OF EDUCATION			
Fund for the Improvement of Education <i>Physical Education Program</i>	84.215F	Q215F060369	\$ 132,315
Improving Teacher Quality State Grants Passed-Through Illinois State Board of Education <i>Title IV - Safe & Drug-Free Schools Formula Grant</i>	84.186A	2009-4400-00	138
Improving Teacher Quality State Grants Passed-Through Illinois State Board of Education <i>Title II - Teacher Quality</i>	84.367A	2009-4932-00	32
Passed-Through Will County Regional Office of Education No. 56 <i>Title II - Teacher Quality - Leadership Grant</i>	84.367A	2008-4935-SS	23,874
<i>Title II - Teacher Quality - Leadership Grant</i>	84.367A	2009-4935-SS	51,124
			<u>75,030</u>
Title I Grants to Local Educational Agencies Passed-Through Will County Regional Office of Education No. 56 <i>Title I - School Improvement and Accountability</i>	84.010A	2008-4331-SS	80,433
<i>Title I - School Improvement and Accountability</i>	84.010A	2009-4331-SS	454,523
			<u>534,956</u>
Education for Homeless Children and Youth Passed-Through Will County Regional Office of Education No. 56 <i>McKinney Education for Homeless Children</i>	84.196A	2009-4920-00	35,850
State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act (Education Stabilization Fund) Passed-Through Illinois State Board of Education <i>ARRA - General State Aid</i>	(M) 84.394A	2009-4850-95	512,550
<i>ARRA - General State Aid</i>	(M) 84.394A	2009-4850-93	127,036
			<u>639,586</u>
TOTAL DEPARTMENT OF EDUCATION			\$ 1,417,875
DEPARTMENT OF LABOR			
Workforce Investment Act (WIA) Youth Activities Passed-Through County of DuPage <i>Workforce Investment Act (WIA)</i>	17.259	PY08-05	\$ 96,780
TOTAL DEPARTMENT OF LABOR			\$ 96,780
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs <i>DuPage County Physical Fitness Assessment Initiative</i>	93.946	1H75DP001870-01	53,464
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>53,464</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 1,568,119

(M) Program was audited as major program.

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

**DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009**

Note 1. Reporting Entity Basis of Presentation and Accounting

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of DuPage County Regional Office of Education No. 19 and is prepared on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 2. Sub recipients

Not applicable.

Note 3. Description of Federal Programs Audited as a Major Program

ARRA - General State Aid was allocated through the State Fiscal Stabilization Funds (SFSF) section of the American Recovery and Reinvestment Act (ARRA). These funds will help stabilize the possible impact of the State's current fiscal deficit upon payment of general State aid to school districts.

Note 4. Non-Cash Assistance

Not applicable.

Note 5. Amount of Insurance

Not applicable.

Note 6. Loan or Loan Guarantees Outstanding

Not applicable.