

**State of Illinois
SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
FINANCIAL AUDIT
(In Accordance with the Single Audit Act
and OMB Circular A-133)
For the Year Ended June 30, 2011**

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

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
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SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51

OFFICIALS

Regional Superintendent
(Current and during the audit period,
Acting Effective August 10, 2010)

Mr. Jeff Vose

Assistant Regional Superintendent
(Current and during the audit period,
Acting Effective August 16, 2010)

Ms. Shannon Fehrholz

Assistant Regional Superintendent
(During the audit period,
Acting Effective July 1, 2010, through August 10, 2010)

Mr. Jeff Vose

Office is located at:

200 South Ninth Street
Room 303 County Complex
Springfield, IL 62701-1629

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
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.

AUDITOR’S REPORTS

The auditor’s reports on compliance and on internal controls do not contain scope limitations, disclaimers, or other significant nonstandard language.

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	1	3
Repeated audit findings	1	2
Prior recommendations implemented or not repeated	2	3

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

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (<i>GOVERNMENT AUDITING STANDARDS</i>)			
11-01	12a	Controls Over Financial Statement Preparation	Material Weakness

FINDINGS AND QUESTIONED COSTS (*FEDERAL COMPLIANCE*)

None

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMPLIANCE REPORT SUMMARY

PRIOR FINDINGS NOT REPEATED (*GOVERNMENT AUDITING STANDARDS*)

10-02	15	Inadequate Internal Control Procedures	Material Weakness
10-03	15	Departure from Generally Accepted Accounting Principles	Material Weakness

PRIOR FINDINGS NOT REPEATED (FEDERAL COMPLIANCE)

None

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Agency personnel at an informal exit conference on August 19, 2011. Attending were Jeff Vose, Regional Superintendent; Mimi Power, Fiscal Manager; and Tami Knight, Partner, Kemper CPA Group, LLP. Responses to the recommendations were provided by Jeff Vose, Regional Superintendent, on December 20, 2011.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Sangamon County Regional Office of Education #51 was performed by Kemper CPA Group LLP, Certified Public Accountants and Consultants.

Based on their audit, the auditors expressed an unqualified opinion on the Regional Office of Education #51's basic financial statements.



INDEPENDENT AUDITOR'S REPORT

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Regional Office of Education #51, as of and for the year ended June 30, 2011, which collectively comprise the Regional Office of Education #51's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Regional Office of Education #51's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Regional Office of Education #51, as of June 30, 2011, 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.

The Regional Office of Education #51 adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* during the year ended June 30, 2011. The statement changed the classifications of governmental fund balances and clarified the definitions of existing fund types. The adoption of this statement had no effect on any of Regional Office of Education #51's governmental funds' assets or liabilities nor was there any effect to the total amount of any of Regional Office of Education #51's governmental fund balances as of and for the year ended June 30, 2011.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 30, 2012, on our consideration of the Regional Office of Education #51's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and Illinois Municipal Retirement Fund Schedule of Funding Progress on pages 16a through 16f and 58 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Regional Office of Education #51'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.

Kemper CPA Group LLP

Certified Public Accountants and Consultants

Mattoon, Illinois
January 30, 2012

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

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Regional Office of Education #51, as of and for the year ended June 30, 2011, which collectively comprise the Regional Office of Education #51's basic financial statements and have issued our report thereon dated January 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of the Regional Office of Education #51 is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Regional Office of Education #51's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Regional Office of Education #51's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Regional Office of Education #51's internal control over financial reporting.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a

combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in finding 11-01 in the accompanying Schedule of Findings and Questioned Costs to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Regional Office of Education #51's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain matters which we have reported to management of the Regional Office of Education #51 in a separate letter dated January 30, 2012.

The Regional Office of Education #51'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 Regional Office of Education #51'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.

Kemper CPA Group LLP

Certified Public Accountants and Consultants

Mattoon, Illinois
January 30, 2012



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON 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 Sangamon County Regional Office of Education #51's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Sangamon County Regional Office of Education #51's major federal programs for the year ended June 30, 2011. The Sangamon County Regional Office of Education #51's major federal programs are identified in the summary of auditor's 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 Sangamon County Regional Office of Education #51's management. Our responsibility is to express an opinion on the Sangamon County Regional Office of Education #51'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*. 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 Sangamon County Regional Office of Education #51'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 Sangamon County Regional Office of Education #51's compliance with those requirements.

In our opinion, the Sangamon County Regional Office of Education #51 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of the Sangamon County Regional Office of Education #51 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 Sangamon County Regional Office of Education #51's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to

determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Sangamon County Regional Office of Education #51's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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 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.

Kemper CPA Group LLP

Certified Public Accountants and Consultants

Mattoon, Illinois
January 30, 2012

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2011

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

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

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? No

Type of auditor’s report issued on compliance for major programs: Unqualified

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

Identification of **major** programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.010A & 84.389A	Title I – Part A Cluster
84.410A	ARRA – Education Jobs Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as a low-risk auditee? No

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding No. 11-01 – Controls Over Financial Statement Preparation (Repeated from Finding 10-01, 09-01, 08-01 & 07-01)

Criteria/specific requirement:

The Regional Office of Education #51 is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). The Regional Office's internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge and expertise to prepare and/or thoroughly review GAAP based financial statements to ensure that they are free of material misstatements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

Condition:

The Regional Office of Education #51 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains their accounting records on the cash basis of accounting. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner. For example, auditors, in their review of the Regional Office's accounting records, noted the following:

- The Regional Office's financial information required numerous adjusting entries to present the financial statements in accordance with generally accepted accounting principles.
- The Regional Office did not have adequate controls over the maintenance of complete records of accounts receivable, accounts payable, or deferred revenue. While the Regional Office did maintain records to indicate the balances of accounts payable, accounts receivable, and deferred revenue, no entries were provided to reconcile the Regional Office of Education #51's grant activity, such as posting grant receivables and deferred revenue.

Effect:

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

Cause:

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

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

Finding No. 11-01 – Controls Over Financial Statement Preparation (Repeated from Finding 10-01, 09-01, 08-01 & 07-01) (Concluded)

Auditor’s Recommendation:

As part of its internal control over the preparation of its financial statements, including disclosures, the Regional Office of Education #51 should implement a comprehensive preparation and/or review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such procedures should be performed by a properly trained individual(s) possessing a thorough understanding of applicable generally accepted accounting principles, GASB pronouncements, and knowledge of the Regional Office of Education’s activities and operations.

Management’s Response:

The Regional Office understands the nature of this finding and realizes that this circumstance is not unusual in an organization of this size. The Regional Office of Education staff has a reasonable understanding of the financial statements and can determine that the information in the financial statements is accurate, however, they lack the ability to prepare the notes to the financial statements. The recommendation that “such procedures should be performed by a properly trained individual(s) possessing a thorough understanding of applicable generally accepted accounting principles, GASB pronouncements, and knowledge of the Regional Office’s activities and operations,” has been noted by this office. We will continue to work with the other Regional Offices of Education to determine the most effective method of ensuring that our employees possess the knowledge required to compile the necessary GAAP based financial statements.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

SECTION III – FEDERAL AWARD FINDINGS

INSTANCES OF NONCOMPLIANCE:

NONE

SIGNIFICANT DEFICIENCIES:

NONE

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
CORRECTIVE ACTION PLAN FOR CURRENT-YEAR AUDIT FINDINGS
JUNE 30, 2011

Corrective Action Plan

Finding No. 11-01 – Controls Over Financial Statement Preparation (Repeated from Finding 10-01, 09-01, 08-01 & 07-01)

Condition:

The Regional Office of Education #51 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains their accounting records on the cash basis of accounting. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner. For example, auditors, in their review of the Regional Office's accounting records, noted the following:

- The Regional Office's financial information required numerous adjusting entries to present the financial statements in accordance with generally accepted accounting principles.
- The Regional Office did not have adequate controls over the maintenance of complete records of accounts receivable, accounts payable, or deferred revenue. While the Regional Office did maintain records to indicate the balances of accounts payable, accounts receivable, and deferred revenue, no entries were provided to reconcile the Regional Office of Education #51's grant activity, such as posting grant receivables and deferred revenue.

Plan:

The Regional Office understands the nature of this finding and realizes that this circumstance is not unusual in an organization of this size. The Regional Office of Education staff has a reasonable understanding of the financial statements and can determine that the information in the financial statements is accurate, however, lacks the ability to prepare the notes to the financial statements. The recommendation that "such procedures should be performed by a properly trained individual(s) possessing a thorough understanding of applicable generally accepted accounting principles, GASB pronouncements, and knowledge of the Regional Office's activities and operations," has been noted by this office. We will continue to work with the other Regional Offices of Education to determine the most effective method of ensuring that our employees possess the knowledge required to compile the necessary GAAP based financial statements.

Anticipated Date of Completion:

Not Applicable

Contact Person Responsible for Corrective Action:

Honorable Jeff Vose, Regional Superintendent of Schools

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2011

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
10-01	Controls Over Financial Statement Preparation	Repeated
10-02	Inadequate Internal Control Procedures	Corrected
10-03	Departure from Generally Accepted Accounting Principles	Corrected

MANAGEMENT'S DISCUSSION AND ANALYSIS

**SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011**

Sangamon County Regional Office of Education #51 provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2011. We encourage readers to consider this information in conjunction with the Agency's financial statements, which follow.

This report will include past year financial activity, along with fiscal year 2011 activity, making comparisons of the financial position and results of operations more meaningful.

Financial Highlights

- General Fund revenues increased from \$685,892 in fiscal year 2010 to \$1,178,981 in fiscal year 2011, while the expenditures increased from \$845,098 in fiscal year 2010 to \$1,262,727 in fiscal year 2011. The Regional Office experienced an increase in the General Fund balance from \$317,187 in fiscal year 2010 to \$995,271 in fiscal year 2011.
- The Education Fund balance decreased from \$102,687 in fiscal year 2010 to \$ (4,203) in fiscal year 2011. Education Fund revenues increased from \$1,679,702 in 2010 to \$1,841,645 in 2011, and expenditures decreased from \$2,170,163 in 2010 to \$1,314,057 in 2011.
- During fiscal year 2011, the Regional Office of Education #51 implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which required certain programs and funds to be reclassified and the restatement of beginning fund balances as detailed in Note 15 to the financial statements. Because of these reclassifications, the fund analysis is not comparable between fiscal year 2010 and fiscal year 2011.

Using This Annual Report

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

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Regional Office's financial activities.
- The Government-wide Financial Statements consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of the Sangamon County Regional Office of Education #51 as a whole and present an overall view of the Regional Office's finances.
- The fund financial statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the Regional Office's operations in more detail than the government-wide statements by providing information about the most significant funds.
- Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.
- Supplementary Information further explains and supports the financial statements with a comparison of the Regional Office's detailed information for each category of funds and also provides detailed information about the non-major funds.

**SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011**

Reporting the Agency as a Whole

The Statement of Net Assets and the Statement of Activities

The government-wide statements report information about the Sangamon County Regional Office of Education #51 as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Assets includes all of the Sangamon County ROE #51 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.

The two government-wide statements report the Regional Office's net assets and how they have changed. Net assets—the difference between the assets and liabilities—are one way to measure the Regional Office'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 Regional Office's overall health, additional nonfinancial factors, such as new laws, rules, regulations, and actions by officials at the state level need to be considered.

Fund Financial Statements

The fund financial statements provide detailed information about the Regional Office's funds, focusing on its most significant or "major" funds. Funds are accounting devices which allow the tracking of specific sources of funding and spending on particular programs. Some funds are required by State law. The Regional Office of Education #51 established other funds to control and manage money for particular purposes.

The Regional Office has three types of fund classifications:

- 1) Governmental funds account for a majority of the Regional Office's services. 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 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 Regional Office's programs. The Regional Office's governmental funds include: the General Fund and the Special Revenue Funds.

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

- 2) Proprietary funds account for services for which the Regional Office of Education #51 charges fees under a cost-reimbursement method. These fees cover the costs of certain services and workshops it provides.

The proprietary funds' required financial statements include a Statement of Net Assets, a Statement of Revenues, Expenses, and Changes in Fund Net Assets, and a Statement of Cash Flows.

**SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011**

Reporting the Agency as a Whole (Concluded)

- 3) Fiduciary funds account for services for which the Sangamon County Regional Office of Education #51 acts as fiscal agent for individuals and private or governmental organizations.

The fiduciary funds' required financial statements include a Statement of Fiduciary Net Assets.

A summary reconciliation between the government-wide financial statements and the fund financial statements is included in the basic financial statements.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of financial position. Sangamon County Regional Office of Education #51's net assets at the end of fiscal year 2010 totaled \$1,256,481. At the end of fiscal year 2011, the net assets were \$1,321,606. The analysis that follows provides a summary of the Regional Office's net assets at June 30, 2011 and 2010.

**CONDENSED STATEMENT OF NET ASSETS
June 30, 2011 and 2010**

	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
ASSETS						
Current assets	\$1,503,621	\$ 1,765,444	\$ 13,805	\$(5,146)	\$1,517,426	\$ 1,760,298
Capital assets, net of depreciation	<u>8,635</u>	<u>13,287</u>	<u>7,767</u>	<u>10,150</u>	<u>16,402</u>	<u>23,437</u>
TOTAL ASSETS	<u>\$ 1,512,256</u>	<u>\$ 1,778,731</u>	<u>\$ 21,572</u>	<u>\$ 5,004</u>	<u>\$ 1,533,828</u>	<u>\$ 1,783,735</u>
LIABILITIES						
Current liabilities	<u>\$ 209,908</u>	<u>\$ 524,754</u>	<u>\$ 2,314</u>	<u>\$ 2,500</u>	<u>\$ 212,222</u>	<u>\$ 527,254</u>
TOTAL LIABILITIES	<u>209,908</u>	<u>524,754</u>	<u>2,314</u>	<u>2500</u>	<u>212,222</u>	<u>527,254</u>
NET ASSETS						
Investments in capital assets, net of related debt	8,635	13,287	7,767	10,150	16,402	23,437
Unrestricted (deficit)	1,003,798	1,034,612	11,491	(7,646)	1,015,289	1,026,966
Restricted for educational purposes	<u>289,915</u>	<u>206,078</u>	<u>-</u>	<u>-</u>	<u>289,915</u>	<u>206,078</u>
TOTAL NET ASSETS	<u>\$ 1,302,348</u>	<u>\$ 1,253,977</u>	<u>\$ 19,258</u>	<u>\$ 2,504</u>	<u>\$ 1,321,606</u>	<u>\$ 1,256,481</u>

**SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011**

Government-Wide Financial Analysis (Continued)

The Regional Office of Education's net assets increased by \$65,125 from fiscal year 2010 to fiscal year 2011.

The following analysis shows the changes in net assets for the years ended June 30, 2011 and 2010.

**CHANGES IN NET ASSETS
For the Years Ended June 30, 2011 and 2010**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Revenues:						
Program revenues:						
Charges for services	\$ -	\$ -	\$ 73,019	\$ 77,789	\$ 73,019	\$ 77,789
Operating grants & contributions	1,305,878	1,901,485	-	-	1,305,878	1,901,485
General Revenues:						
Transfers in (out)	-	(316)	-	316	-	-
Local sources	1,020,666	894,528	-	-	1,020,636	894,528
State sources	394,628	236,391	-	-	394,658	236,391
Federal sources	-	99,395	-	-	-	99,395
On-behalf payments	585,390	599,482	-	-	585,390	599,482
Investment income	<u>2,377</u>	<u>133</u>	<u>-</u>	<u>-</u>	<u>2,377</u>	<u>133</u>
Total revenues	<u>3,308,939</u>	<u>3,731,098</u>	<u>73,019</u>	<u>78,105</u>	<u>3,381,958</u>	<u>3,809,203</u>
Expenses:						
Salaries and benefits	1,497,827	1,295,764	17,437	40,176	1,515,264	1,335,940
Purchased services	1,006,299	1,677,456	32,073	36,491	1,038,372	1,713,947
Supplies and materials	161,819	163,164	52	3,459	161,871	166,623
Depreciation	5,770	6,353	2,383	1,762	8,153	8,115
Other objects	3,463	23,951	4,320	1,050	7,783	25,001
On-behalf payments	<u>585,390</u>	<u>599,482</u>	<u>-</u>	<u>-</u>	<u>585,390</u>	<u>599,482</u>
Total expenses	<u>3,260,568</u>	<u>3,766,170</u>	<u>56,265</u>	<u>82,938</u>	<u>3,316,833</u>	<u>3,849,108</u>
Change in net assets	<u>48,371</u>	<u>(35,072)</u>	<u>16,754</u>	<u>(4,833)</u>	<u>65,125</u>	<u>(39,905)</u>
Net Assets – beginning, restated	<u>1,253,977</u>	<u>1,289,049</u>	<u>2,504</u>	<u>7,337</u>	<u>1,256,481</u>	<u>1,296,386</u>
Net Assets – ending	<u>\$ 1,302,348</u>	<u>\$ 1,253,977</u>	<u>\$ 19,258</u>	<u>\$ 2,504</u>	<u>\$ 1,321,606</u>	<u>\$ 1,256,481</u>

**SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011**

Government-Wide Financial Analysis (Continued)

Governmental Activities

Revenues for governmental activities were \$3,308,939 and expenses were \$3,260,568. The decrease in revenues and expenses is due to significant reductions in operating grants of the Truants Alternative and Optional Education Program and the Regional Safe Schools Program. Although interest rates remain low, interest income increased significantly by moving funds to a different financial institution.

Financial Analysis of the Regional Office of Education #51 Funds

As previously noted, the Regional Office of Education #51 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Regional Office's governmental funds reported combined fund balances of \$1,261,998.

Governmental Fund Highlights

- In 2003, the Governor of the State of Illinois line item vetoed a portion of the state financial support for school services. This veto resulted in a 51% reduction in dollars received. In 2010-2011 this funding was further reduced by approximately 10% and continued funding is expected to decrease.
- County support for the Regional Office of Education #51 remained level from 2010 to 2011. A vacant position has not been filled. A slight increase in funding a part-time support position is expected for fiscal year 2012.
- Although grant funding decreased due to budget constraints, the Regional Office of Education #51 was successful in obtaining continued funding for the Truants Alternative and Optional Education and the Regional Safe Schools Programs.
- The State of Illinois financial deficit continues to reflect negatively in the ability of the Regional Office to obtain grants necessary for stable or continued growth; however, the Regional Office continues to cooperate with the Illinois State Board of Education and other agencies to procure funding for education programs.

Proprietary Fund Highlights

Revenues for the Regional Office of Education #51's business-type activities and expenses combined for a total net asset balance of \$19,258. The Regional Office is committed to providing quality professional development opportunities for Sangamon County teachers, at a reasonable cost, while maintaining the integrity of the fund. The SDC Workshop Fund is designed to be self-supporting by setting fee schedules that will support expenses incurred to provide professional development workshops for area teachers. Fees will be adjusted from year to year to parallel fund activity. The Regional Office also continues to provide background checks/fingerprinting services for new hires and all substitute teachers in the County schools. This activity is recorded in the Background Check Fund.

**SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011**

Budgetary Highlights

The Regional Office of Education #51 annually adopts budgets for several funds when required by the granting agency. The Regional Superintendent annually prepares an Office Operations Budget and submits it to the County Board members for their approval. The Sangamon County Office Operations Budget covers a fiscal year of December 1 through November 30. All grant budgets are prepared by the Regional Office of Education #51 and submitted to the granting agency for approval. Amendments must be submitted under guidelines established by the granting agency. Schedules showing the budget amounts compared to the Regional Office's actual financial activity are included in the supplementary information of this report.

Capital Assets

Capital assets of the Regional Office of Education #51 include office equipment, computers, audio-visual equipment, and office furniture. The Regional Office of Education #51 maintains an inventory of capital assets which have been accumulated over time. The Regional Office of Education #51's ending net capital asset balance for fiscal year 2011 is \$16,402, which is the total original cost of the capital assets less accumulated depreciation. More detailed information about capital assets is available in Note 9 to the financial statements.

Economic Factors and Next Year's Budget

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

- The State of Illinois Foundation level used in the calculation of general state aid remains at \$6,119 per student for fiscal year 2011, which is payable in fiscal year 2012.
- The interest rate on investments remains low and will continue to impact interest earned.
- Several grants have remained near or at previous funding levels. In addition, the School Services funding, which provides professional development opportunities to Sangamon County teachers, continues to suffer funding cuts.
- The State of Illinois financial crisis results in cuts to State programs and significant delays in payments.
- County Board support of the Regional Office of Education #51 will remain consistent for fiscal year 2012.
- The number of students served by the Regional Office of Education #51 is expected to increase.

Contacting the Regional Office's Financial Management

This financial report is designed to provide the Regional Office's citizens, taxpayers, clients, and other constituents with a general overview of its finances and to demonstrate accountability for the money it receives. If the reader has questions concerning this report or needs additional financial information, please contact the Regional Superintendent of the Regional Office of Education #51, at 200 South 9th St., Room 303, Springfield, IL 62701.

BASIC FINANCIAL STATEMENTS

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
STATEMENT OF NET ASSETS
JUNE 30, 2011

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 641,177	\$ 16,696	\$ 657,873
Due from (to) other funds	2,891	(2,891)	-
Due from other governments:			
Local	429,501	-	429,501
State	308,764	-	308,764
Federal	121,288	-	121,288
Total Current Assets	<u>1,503,621</u>	<u>13,805</u>	<u>1,517,426</u>
Noncurrent Assets:			
Capital assets, being depreciated, net	8,635	7,767	16,402
Total Noncurrent Assets	<u>8,635</u>	<u>7,767</u>	<u>16,402</u>
TOTAL ASSETS	<u>1,512,256</u>	<u>21,572</u>	<u>1,533,828</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	67,783	2,314	70,097
Accrued payroll and benefits	86,110	-	86,110
Due to other governments:			
State	7,500	-	7,500
Deferred revenue	48,515	-	48,515
Total Current Liabilities	<u>209,908</u>	<u>2,314</u>	<u>212,222</u>
NET ASSETS			
Invested in capital assets	8,635	7,767	16,402
Restricted for educational purposes	289,915	-	289,915
Unrestricted	1,003,798	11,491	1,015,289
TOTAL NET ASSETS	<u>\$ 1,302,348</u>	<u>\$ 19,258</u>	<u>\$ 1,321,606</u>

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

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

FUNCTIONS/PROGRAMS	Program Revenues		Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activities	Total
Primary Government:						
Governmental Activities:						
Instructional Services						
Salaries and benefits	\$ 1,497,827	\$ -	\$ 687,427	\$ (810,400)	\$ -	\$ (810,400)
Purchased services	1,006,299	-	555,259	(451,040)	-	(451,040)
Supplies and materials	161,819	-	62,074	(99,745)	-	(99,745)
Other objects	3,463	-	-	(3,463)	-	(3,463)
Depreciation expense	5,770	-	-	(5,770)	-	(5,770)
Capital outlay	-	-	1,118	1,118	-	1,118
Administrative:						
On-behalf payments - Local	242,338	-	-	(242,338)	-	(242,338)
On-behalf payments - State	343,052	-	-	(343,052)	-	(343,052)
Total Governmental Activities	<u>3,260,568</u>	<u>-</u>	<u>1,305,878</u>	<u>(1,954,690)</u>	<u>-</u>	<u>(1,954,690)</u>
Business-Type Activities:						
Service fees	56,265	73,019	-	-	16,754	16,754
Total Business-Type Activities	<u>56,265</u>	<u>73,019</u>	<u>-</u>	<u>-</u>	<u>16,754</u>	<u>16,754</u>
TOTAL PRIMARY GOVERNMENT	\$ 3,316,833	\$ 73,019	\$ 1,305,878	(1,954,690)	16,754	(1,937,936)
GENERAL REVENUES:						
Local sources				1,020,666	-	1,020,666
State sources				394,628	-	394,628
On-behalf payments - Local				242,338	-	242,338
On-behalf payments - State				343,052	-	343,052
Investment earnings				2,377	-	2,377
Total General Revenues				<u>2,003,061</u>	<u>-</u>	<u>2,003,061</u>
CHANGE IN NET ASSETS				48,371	16,754	65,125
NET ASSETS - BEGINNING				1,253,977	2,504	1,256,481
NET ASSETS - ENDING				\$ 1,302,348	\$ 19,258	\$ 1,321,606

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

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011

	General Fund	Institute	Education Fund	Cook County General Education Development	Nonmajor Special Revenue Funds	Eliminations	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 288,512	\$ 230,431	\$ 111,546	\$ -	\$ 10,688	\$ -	\$ 641,177
Due from other funds	737,462	-	-	-	-	(734,571)	2,891
Due from other governments:							
Local	30,338	-	33,530	365,633	-	-	429,501
State	-	-	308,764	-	-	-	308,764
Federal	-	-	121,288	-	-	-	121,288
TOTAL ASSETS	\$ 1,056,312	\$ 230,431	\$ 575,128	\$ 365,633	\$ 10,688	\$ (734,571)	\$ 1,503,621
LIABILITIES							
Accounts payable	\$ 62	\$ -	\$ 49,311	\$ 18,410	\$ -	\$ -	\$ 67,783
Accrued payroll and benefits	46,468	-	39,642	-	-	-	86,110
Due to other funds	-	-	417,159	314,444	2,968	(734,571)	-
Due to other governments:							
State	-	-	7,500	-	-	-	7,500
Deferred revenue	14,511	-	65,719	-	-	-	80,230
Total Liabilities	61,041	-	579,331	332,854	2,968	(734,571)	241,623
FUND BALANCE (DEFICIT)							
Restricted	-	230,431	10,812	32,779	10,688	-	284,710
Assigned	632,748	-	1,527	-	-	-	634,275
Unassigned	362,523	-	(16,542)	-	(2,968)	-	343,013
Total Fund Balance (Deficit)	995,271	230,431	(4,203)	32,779	7,720	-	1,261,998
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 1,056,312	\$ 230,431	\$ 575,128	\$ 365,633	\$ 10,688	\$ (734,571)	\$ 1,503,621

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

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
JUNE 30, 2011

TOTAL FUND BALANCES — GOVERNMENTAL FUNDS \$ 1,261,998

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. 8,635

Some revenues will not be collected for several months after the Regional Office's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds.

FY11 revenue deferred 31,715

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 1,302,348

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	General Fund	Institute	Education Fund	Cook County General Education Development	Nonmajor Special Revenue Funds	Eliminations	Total Governmental Funds
REVENUES							
Local sources	\$ 96,389	\$ 56,571	\$ 6,326	\$ 838,266	\$ 23,114	\$ -	\$ 1,020,666
On-behalf payments - Local	242,338	-	-	-	-	-	242,338
State sources	497,202	-	991,249	-	1,440	-	1,489,891
On-behalf payments - State	343,052	-	-	-	-	-	343,052
Federal sources	-	-	844,070	-	-	-	844,070
Total Revenues	1,178,981	56,571	1,841,645	838,266	24,554	-	3,940,017
EXPENDITURES							
Instructional Services:							
Salaries and benefits	476,277	3,994	700,158	289,637	27,761	-	1,497,827
Purchased services	185,849	27,445	544,922	243,364	4,719	-	1,006,299
Supplies and materials	14,519	995	67,859	73,426	5,020	-	161,819
Other objects	692	-	-	2,771	-	-	3,463
On-behalf payments - Local	242,338	-	-	-	-	-	242,338
On-behalf payments - State	343,052	-	-	-	-	-	343,052
Capital outlay	-	-	1,118	-	-	-	1,118
Total Expenditures	1,262,727	32,434	1,314,057	609,198	37,500	-	3,255,916
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(83,746)	24,137	527,588	229,068	(12,946)	-	684,101
OTHER FINANCING SOURCES (USES):							
Transfers in	120,272	-	41,330	-	2,766	(164,368)	-
Transfers out	(39,095)	(88)	(33,181)	(87,571)	(4,433)	164,368	-
Interest	2,022	304	51	-	-	-	2,377
Total Other Financing Sources (Uses)	83,199	216	8,200	(87,571)	(1,667)	-	2,377
NET CHANGE IN FUND BALANCE	(547)	24,353	535,788	141,497	(14,613)	-	686,478
FUND BALANCE (DEFICIT) - BEGINNING, RESTATED	995,818	206,078	(539,991)	(108,718)	22,333	-	575,520
FUND BALANCE - ENDING	\$ 995,271	\$ 230,431	\$ (4,203)	\$ 32,779	\$ 7,720	\$ -	\$ 1,261,998

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

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2011

NET CHANGE IN FUND BALANCES — GOVERNMENTAL FUNDS		\$ 686,478
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>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.</p>		
Capital outlay	\$ 1,118	
Depreciation expense	<u>(5,770)</u>	(4,652)
<p>Some revenues will not be collected for several months after the Regional Office's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds.</p>		
FY10 deferred revenue recognized in FY11		(665,170)
FY11 revenue deferred		<u>31,715</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES		<u>\$ 48,371</u>

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

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2011

	Business-Type Activities - Enterprise Funds	
	Nonmajor Enterprise Funds	Total
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 16,696	\$ 16,696
Total current assets	16,696	16,696
Noncurrent assets:		
Capital assets, being depreciated, net	7,767	7,767
Total noncurrent assets	7,767	7,767
TOTAL ASSETS	24,463	24,463
LIABILITIES		
Accounts payable	2,314	2,314
Due to other funds	2,891	2,891
TOTAL LIABILITIES	5,205	5,205
NET ASSETS		
Invested in capital assets	7,767	7,767
Unrestricted	11,491	11,491
TOTAL NET ASSETS	\$ 19,258	\$ 19,258

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

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities - Enterprise Funds	
	Nonmajor Enterprise Funds	Total
OPERATING REVENUES		
Charges for services	\$ 73,019	\$ 73,019
Total Operating Revenues	73,019	73,019
OPERATING EXPENSES		
Salaries and benefits	17,437	17,437
Purchased services	32,073	32,073
Supplies and materials	52	52
Other objects	4,320	4,320
Depreciation expense	2,383	2,383
Total Operating Expenses	56,265	56,265
OPERATING INCOME	16,754	16,754
TOTAL NET ASSETS - BEGINNING	2,504	2,504
TOTAL NET ASSETS - ENDING	\$ 19,258	\$ 19,258

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

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities - Enterprise Funds	
	Nonmajor Enterprise Funds	Totals
Cash flows from operating activities:		
Receipts from customers	\$ 73,019	\$ 73,019
Payments to suppliers and providers of goods and services	(36,631)	(36,631)
Payments to employees	(17,437)	(17,437)
Net cash provided by operating activities	18,951	18,951
Cash flows from noncapital financing activities:		
Decrease in interfund borrowing, net	(2,255)	(2,255)
Net cash used for noncapital financing activities	(2,255)	(2,255)
Net increase in cash and cash equivalents	16,696	16,696
Cash and cash equivalents - Beginning	-	-
Cash and cash equivalents - Ending	\$ 16,696	\$ 16,696
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 16,754	\$ 16,754
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	2,383	2,383
Decrease in accounts payable	(186)	(186)
Net cash provided by operating activities	\$ 18,951	\$ 18,951

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

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 JUNE 30, 2011

	Agency Funds
ASSETS	
Cash and cash equivalents	\$ 104,812
TOTAL ASSETS	\$ 104,812
 LIABILITIES	
Due to other governments	\$ 104,812
TOTAL LIABILITIES	\$ 104,812

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

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Sangamon County Regional Office of Education #51 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

In 2011, the Regional Office of Education #51 implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, GASB Statement No. 59, *Financial Instruments Omnibus*, and GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The Regional Office of Education #51 implemented these standards during the current year; however, GASB Statements No. 59 and 62 had no impact on the financial statements. The implementation of GASB Statement No. 54 changed fund balance reporting for governmental funds by adding some additional fund balance classifications, clarifying governmental fund type definitions, and providing additional disclosures on how fund balance constraints are imposed and may be modified or eliminated.

A. DATE OF MANAGEMENT'S REVIEW

Management has evaluated subsequent events through January 30, 2012, the date when the financial statements were available to be issued.

B. FINANCIAL REPORTING ENTITY

The Regional Superintendent is charged with responsibility for township fund lands; registration of the names of applicants for scholarships to State controlled universities; examinations and related duties; visitation of public schools; direction of teachers and school officers; to serve as the official advisor and assistant of school officers and teachers; to conduct teachers institutes as well as to aid and encourage the formation of other teachers' meetings and assist in their management; to evaluate the schools in the region; to examine evidence of indebtedness; to file and keep the returns of elections required to be returned to the Regional Superintendent's office; and to file and keep the reports and statements returned by school treasurers and trustees.

The Regional Superintendent is also charged with the responsibilities of conducting a special census, when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of the school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education #51's districts; providing township treasurers with a list of district treasurers; to inspect and approve building plans which comply with State law; to perform and report on annual building inspections; to investigate bus drivers for valid bus driver permits and take related action as may be required; to maintain a list of unfilled teaching positions and to carry out other related duties required or permitted by law.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FINANCIAL REPORTING ENTITY (Concluded)

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

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

For the period ended June 30, 2011, the Regional Office of Education #51 applied for, received, and administered numerous state and federal programs and grants in assistance and support of the educational activities of the school districts in Regional Office of Education #51. Such activities are reported as a single special revenue fund (Education Fund).

C. SCOPE OF THE REPORTING ENTITY

The Regional Office of Education #51's reporting entity includes all related organizations for which they exercise oversight responsibility.

The Regional Office of Education #51 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the region, including districts or joint agreements which serve pupils from numerous regions, should be included in its financial reporting entity. The criteria include, but are not limited to, whether the Regional Office of Education #51 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The districts and joint agreements have been determined not to be a part of the reporting entity after applying the manifesting of oversight, scope of public service, and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the Regional Office of Education #51 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education #51 is not aware of any entity, which would exercise such oversight as to result in the Regional Office of Education #51 being considered a component unit of the entity.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities are government-wide financial statements. They report information on all of the Regional Office of Education #51's activities with most of the interfund activities removed. Governmental activities include programs supported primarily by state and federal grants and other intergovernmental revenues. The Regional Office of Education has two business-type activities that rely on fees and charges for support.

The Regional Office of Education #51's government-wide financial statements include a Statement of Net Assets and a Statement of Activities. These statements present a summary of governmental and business-type activities for the Regional Office of Education #51 accompanied by a total column. These statements are presented on an "economic resources" measurement focus as prescribed by GASB Statement No. 34. All of the Regional Office of Education #51's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Assets. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges for services, and (2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function.

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

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, such as payables, receivables, and transfers. Interfund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Assets and as other resources and other uses on the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and on the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Assets. All interfund transactions between governmental funds and between governmental funds and internal service funds are eliminated on the government-wide financial statements. Interfund activities between governmental funds and business-type funds remain as due to/due from on the government-wide financial statements. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

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

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. PROPRIETARY FUND FINANCIAL STATEMENTS

Proprietary fund financial statements include a Statement of Net Assets, a Statement of Revenues, Expenses, and Changes in Fund Net Assets, and a Statement of Cash Flows for each major proprietary fund and nonmajor funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Assets. The Statement of Revenues, Expenses, and Changes in Fund Net Assets present increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

F. GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

The governmental fund financial statements have been prepared in accordance with generally accepted accounting principles on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues received more than 60 days after the end of the current period are deferred in the governmental fund financial statements but are recognized as current revenues in the government-wide financial statements. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for prepaid expenses, and other long-term obligations, which are recognized when paid.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Regional Office of Education #51; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually recoverable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt or earlier if the susceptible-to-accrual criteria are met.

Under the terms of grant agreements, Sangamon County Regional Office of Education #51 funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funding resources available to finance the program. It is the Regional Office of Education #51’s policy to first apply restricted funds to such programs, then unrestricted funds. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned funds if any.

H. FUND ACCOUNTING

The Regional Office of Education #51 uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Regional Office of Education #51 uses governmental, proprietary, and fiduciary funds.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS

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

As prescribed by GASB Statement No. 34, governmental fund reporting focuses on the major funds, rather than on the fund type. There is a two-step process for determining if a fund should be reported as a major fund: (1) total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 10% of the corresponding total for the fund type, and (2) total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as nonmajor funds. The Regional Office of Education #51 has presented all major funds that met the above qualifications.

The Regional Office of Education #51 reports the following major governmental funds:

General Fund – The General Fund is the operating fund of the Regional Office of Education #51. It is used to account for the expenditures which benefit all school districts in the region except those required to be accounted for in other funds. General Funds include the following:

Local – These funds are generated through interest and fees earned for providing various administrative functions for entities including the Illinois State Board of Education, the Technology Conference and Illinois Special Education Administrators and are used to assist in providing for the needs of the Staff Development Center (SDC) not funded through State or county dollars.

Administrative Discretionary – These funds are generated through interest and fees earned for providing various administrative functions for entities including the Illinois State Board of Education, the Technology Conference and Illinois Special Education Administrators and are used to assist in providing for the needs of the Regional Office not funded through State or county dollars.

Continuum of Learning – The Regional Office of Education has contracted with Springfield Community Federation in an effort to ascertain how many children are entering the public school system. This information will then be used to help individuals determine donation arrangements.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

General Fund (Concluded)

Those Who Excel – The ROE acts as the fiscal agent for the annual Teacher of the Year banquet hosted by the Illinois State Board of Education.

General State Aid – Truants Alternative Optional Education Program – This fund accounts for General State Aid used for the general operations of the Truants Alternative Optional Education Program.

General State Aid – Regional Safe Schools – This fund accounts for General State Aid used for the general operations of the Regional Safe Schools program.

General Education Development (GED) Holistic Scoring – The Regional Office provides scoring services for the written essay portion of the GED tests.

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

Institute Fund – The Teacher Institute Fund accounts for teacher registration fees. These funds are to be used to defray expenses connected with improving the technology necessary for the efficient processing of certificates as well as any expenses incidental to teacher institutes, workshops, or meetings of a professional nature that are designed to promote the professional growth of teachers. All funds generated remain restricted until expended only on the aforementioned activities.

Cook County General Education Development (GED) – The Regional Office acts as the fiscal agent for the General Education Development testing program for the Cook County area. The Regional Office maintains an office and support staff in the Cook County area.

Education Fund – This fund is used to account for and report the proceeds of specific revenue sources that are restricted by grant agreements or contracts to expenditures for specified purposes supporting education enhancement programs as follows:

Regional Safe Schools – This program provides activities for disruptive students who are eligible for suspension or expulsion. The activities provide individually designed curriculum, social skills training, career exploration and work experience opportunities, and opportunities to work toward re-entry into the traditional programs, if appropriate.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Education Fund (Continued)

School Directory – This program provides a directory that is published annually and distributed to all Sangamon County schools. The directory includes employee listings, enrollment and demographic information of all Sangamon County schools, public and private.

Kindergarten Learning Standards – This program’s funds were generated through collaboration between the Illinois State Board of Education and kindergarten teachers throughout that State. This was the first opportunity for kindergarten teachers and administrators to access the new standards specifically designed for kindergarten. In addition to releasing the standards on Kindergarten Day, training sessions on the standards are being provided at various locations throughout the State in collaboration with the Illinois State Board of Education and Regional Offices of Education.

Preschool for All – This program’s funds were generated to provide educational services to all 3- to 5-year-old children whose families choose to participate to ensure that all Illinois children develop a strong foundation for learning.

Title I – Reading First Part B SEA – This program is designed to plan and implement Reading First Academics and provide professional development for teachers in schools that are participating in the Reading First program.

Area III – Homeless Liaison Project – This grant provides funds for providing information to schools, community members, and government entities about the educational rights of homeless students.

Illinois Student Exchange – This exchange program is run by the Illinois State Board of Education. It sends American students to Japan and brings Japanese students to our country. The ROE serves as administrative agent for this program.

Sangamon County Truants Alternative Optional Education Program (TAOEP) – This program is devoted to ensuring that each referred at-risk student will be provided with individualized educational and supplemental services that meet the holistic needs of the student in the pursuit of their educational development. TAOEP offerings include: identification of at-risk students and dropouts, truancy intervention services, academic intervention and remediation, parental skills development, and network with community agencies and businesses.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Education Fund (Continued)

Certificate Renewal – This grant is provided by the Illinois State Board of Education to assist local professional development committees in fulfilling their responsibilities.

Illinois Department of Public Health (IDPH) Dental Sealant – This program, funded by the Illinois Department of Public Health grant, provides funding to assist in providing a tooth sealant program for low-income students in Sangamon County.

Early School Leaver Conference – This program, funded by the Illinois State Board of Education, holds workshops for individuals involved in programs for students who leave the traditional school program before graduation.

Early Childhood – This program provides workshops to assist teachers working in the area of early childhood development.

State and Federal School Breakfast and Lunch – This program is designed to provide breakfast and lunch free or at reduced prices to eligible students, as determined in accordance with federal and state guidelines, as a healthy start to the school day to enhance the student's learning abilities. All meals provided must meet U.S. Department of Agriculture requirements for servings and nutrition.

System of Support – This program provides professional development activities to schools that are on Illinois's Academic Watch List. To be on the list, students have not made adequate yearly progress for at least two years. The funding sources for this grant are Title I, Title II, and State appropriated monies.

Sangamon County Learning Academy (SCLA) Lunch – This program purchases lunches, from donated funds, for students at the Sangamon County Learning Academy on days when lunches were not provided or for students in need.

New Principal Mentoring – This program provides for the selection and training of experienced principals to serve as mentors for new principals and for the new principals' participation in the mentoring program designed for them. Funds flow through the Illinois Principals Association from the Illinois State Board of Education.

Miscellaneous Federal Programs (Title II – Teacher Quality and Title IV – Safe and Drug Free Schools) – These programs account for the proceeds of a federal grant passed through the Illinois State Board of Education to provide alcohol and drug education and to improve teacher effectiveness in the classroom.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Education Fund (Continued)

Learn and Serve America – These funds are awarded to support service-learning programs specifically for at-risk populations of suspended or expelled students participating in the Regional Safe Schools Program.

Illinois Transition Planning Institute – The Illinois State Board of Education (ISBE) sponsors a transition institute per the IDEA Part B State Performance Plan indicator 13, which focuses on student-focused planning in secondary transition. The Institute was presented in collaboration with the National Secondary Transition Technical Assistance Center and the Illinois State University Department of Special Education. The Institute provides information to school districts that met criteria for meeting secondary transition plan requirements for special education students.

ISBE Initiatives – The Regional Office of Education contracts with ISBE to provide staff support for Statewide education initiatives supported by the Illinois Mathematics and Science Partnership Program and Enhancing Education Through Technology program as well as other ISBE initiatives.

ISBE Special Education Task Force – The Regional Office of Education contracts with ISBE to provide consultant support for the work of the Special Education Task Force. This program facilitates Task Force Meetings, provides technical assistance to the Task Force, conducts research as required by the Task Force, and submits minutes for each Task Force monthly meeting.

Reading Initiative – This fund provides for consultant support for initiatives necessitated by the ARRA and the No Child Left Behind Act. The consultants read and evaluate the quality of NCLB and ARRA applications for approval or create review checklist(s) for needed initial application and amendments; provide technical assistance to Illinois schools through written and verbal communication relating to NCLB and ARRA applications; enforce Title I and state accountability requirements and review federal and state fiscal and programmatic documentation to determine implications for schools and districts.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Concluded)

Education Fund (Concluded)

ROE/ISC Operations – These funds are provided by the Illinois State Board of Education through a budget application process to Regional Offices to provide staff development to district schools and teachers. The SDC offers Administrator Academy activities, School Improvement initiatives, and staff development opportunities in the areas of reading, math, science, and technology. Monies are used for overhead costs and salaries of employees at the Staff Development Center.

Gifted Education – This program sponsors one or more Gifted Education Seminars in the Regional Office's region of the State using a State-approved Gifted Education Seminar trainer.

The Regional Office of Education #51 reports the following nonmajor governmental funds:

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

General Education Development (GED) Certificate – Illinois law requires the Regional Superintendent of Schools of each county/counties to administer the GED test. The GED tests are given at Lanphier High School once a month. Testing fees provide for testing materials and staff salaries.

Bus Driver Training – Experienced drivers must take a two-hour refresher course annually, while all new drivers must take an eight-hour course in bus driver safety and first aid, prescribed by the Illinois State Board of Education and administered by the Regional Office.

Supervisory Expenses – This fund was developed by the General Assembly to help support the day-to-day activities of the Regional Superintendent.

PROPRIETARY FUNDS

Proprietary Funds – The Proprietary Funds account for revenues and expenses related to services provided to organizations inside the region on a cost-reimbursement basis. The Regional Office of Education #51 reports the following proprietary funds:

SDC Workshop Fund – This fund is an enterprise fund established to track revenues received and expenses incurred in offering professional development workshops for teachers and administrators in Sangamon County.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPRIETARY FUNDS (Concluded)

Background Checks – The Regional Office of Education provides background checks/fingerprinting to all schools in Sangamon County for new hires. The schools send requests to the Regional Office of Education, who forwards background check information to the Illinois State Police database. The fee for the background check and/or fingerprinting is paid by each school district.

FIDUCIARY FUNDS

Agency Funds – Agency Funds are used to account for assets held by the Regional Office of Education #51 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency funds include the following:

Bilingual Directors Annual Meeting – The Regional Office of Education acts as the fiscal agent for this annual meeting of Bilingual Directors, hosted by ISBE.

Illinois Education and Technology Conference – The Regional Office acts as the fiscal agent for this annual conference, which provides an opportunity to discover how educators can be an active part of the information revolution. Funding is derived from registration fees, vendor fees, and sponsorship fees.

Sangamon County Schoolmasters – The Schoolmasters is an organization of all Sangamon County superintendents and school directors. Membership fees are used to provide meetings and seminars for disseminating current information on administration issues.

Director's Conference – The Regional Office acts as the fiscal agent for the annual Superintendents Conference hosted by the Illinois State Board of Education.

University of Illinois at Springfield (UIS) Roundtable – The Regional Office acts as the treasurer for the UIS Roundtable. This organization of Sangamon County school administrators meets quarterly to discuss administrative issues. Membership fees provide food and workshop materials.

Special Education Non-Public Conference – The Regional Office acts as the fiscal agent for the Annual Conference on Best Practices and Guidelines for Non-Public Special Education Programs hosted by the Illinois State Board of Education.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FIDUCIARY FUNDS (Concluded)

Sangamon County Learning Academy – This is a self-supporting account that provides services for students at the Sangamon County Learning Academy. Funds are derived from lunch money and registration fees.

I. GOVERNMENTAL FUND BALANCES

Fund balance is the difference between assets and liabilities in a governmental fund. The following types of fund balances may be presented in the Governmental Funds Balance Sheet and Governmental Funds Combining Schedule of Accounts:

Nonspendable Fund Balance – The portion of a governmental fund’s net assets that are not available to be spent, either short term or long term, due to either their form or legal restrictions. The Regional Office of Education #51 has no nonspendable fund balances.

Restricted Fund Balance – The portion of a governmental fund’s net assets that are subject to external enforceable legal restrictions. The Education Fund account New Principal Mentoring has a fund balance which is restricted by grant agreements or contracts. The following funds are restricted by Illinois Statute: Institute Fund, Cook County General Education Development, Bus Driver Training, and Supervisory Expenses funds.

Committed Fund Balance – The portion of a governmental fund’s net assets with self-imposed constraints or limitations that have been placed at the highest level of decision making. The Regional Office of Education #51 has no committed fund balances.

Assigned Fund Balance – The portion of a governmental fund’s net assets for which an intended use of resources has been denoted. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following General Fund accounts have assigned fund balances: General State Aid – Truants Alternative Optional Education Program, General State Aid – Regional Safe Schools, and Those Who Excel. The Education Fund account Illinois Department of Public Health Dental Sealant has an assigned fund balance.

Unassigned Fund Balance – Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The following General Fund accounts have unassigned fund balances: Local, Administrative Discretionary, and General Education Development Holistic Scoring. The following Education Fund accounts have unassigned fund balances: Area III – Homeless Liaison Project, State and Federal School Breakfast and Lunch, and ROE/ISC Operations. The following Nonmajor Special Revenue Fund has an unassigned fund balance: General Education Development Certificate.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. NET ASSETS

Equity is classified as net assets and displayed in three components:

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

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

Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets.”

K. CASH AND CASH EQUIVALENTS

The Sangamon County Regional Office of Education #51’s cash and cash equivalents are considered to be demand deposits and short-term investments (investments with a maturity date of three months or less). All interest income is recognized as revenue in the appropriate fund’s Statement of Revenues, Expenditures, and Changes in Fund Balance.

L. INVENTORY

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

M. ESTIMATES

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

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

N. CAPITAL ASSETS

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

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Office Equipment and Furniture	5-10 years
Computer Equipment	3-10 years
Other Equipment	5-20 years

O. COMPENSATED ABSENCES

Noncertified and certified employees who work 12 calendar months can earn up to 20 vacation days for a full year of service. In the event that a program terminates, no vacation days will be honored past the ending date of the program. Certified employees who work less than 12 calendar months per year do not earn vacation days. Because salaries are grant funded from year to year, all vacation time must be used before the end of the fiscal year. An employee may request that a maximum of five days of unused vacation be carried over to the next fiscal year. The Regional Office did not grant any such requests at June 30, 2010 and 2011, therefore no vacation accruals have been made.

Employees receive up to 12 sick days annually, and the unused portion is accumulated up to 180 days and carried forward. Employee sick leave is recorded when paid. Upon termination, employees do not receive any accumulated sick leave pay, and therefore, no liability is accrued.

P. BUDGET INFORMATION

The Regional Office of Education #51 acts as the administrative agent for certain grant programs that are accounted for in the Education Funds. Certain programs have separate budgets and are required to report to the Illinois State Board of Education; however, none of the annual budgets have been legally adopted nor are they required to be. Certain programs within the General Fund and Special Revenue Funds do not have separate budgets. Comparisons of budgeted and actual results are presented as supplementary information. Budgetary comparison schedules have been provided in supplementary schedules for the following funds: Regional Safe Schools, Title I – Reading First Part B SEA, Area III – Homeless Liaison Project, Sangamon County Truants Alternative Optional Education Program, System of Support, Miscellaneous Federal Programs (Title II – Teacher Quality), Miscellaneous Federal Programs (Title IV – Safe and Drug-Free Schools), Learn and Serve America, Illinois Transition Planning Institute, ROE/ISC Operations, and Gifted Education.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 2 – CASH

The Regional Office of Education #51 does not have a formal investment policy. The Regional Office of Education #51 is allowed to invest in securities as authorized by 30 ILCS 235/2 and 6 and 105 ILCS 5/8-7.

A. DEPOSITS

At June 30, 2011, the carrying amount of the Regional Office of Education #51's government-wide and Agency fund deposits were \$657,873 and \$104,812, respectively, and the bank balances were \$849,123 and \$133,167, respectively. Of the total bank balances as of June 30, 2011, \$20,000 was secured by federal depository insurance, \$954,821 was invested in U.S. Treasury securities and repurchase agreements for such securities, and \$7,469 was invested in the Illinois Funds Money Market Fund.

CUSTODIAL CREDIT RISK

Custodial credit risk for deposits with financial institutions is the risk that, in the event of bank failure, the Regional Office of Education #51's deposits may not be returned to it. To guard against custodial credit risk for deposits with financial institutions, the Regional Office of Education #51's investment policy requires that deposits with financial institutions in excess of FDIC limits be secured by some form of collateral, by a written agreement, and held at an independent, third-party institution in the name of the Regional Office of Education #51.

B. INVESTMENTS

The Regional Office of Education #51's investment policy requires that funds should be invested solely in investments authorized by 30 ILCS 235/2 and 6 and 105 ILCS 5/8-7. As noted above, as of June 30, 2011, the Regional Office of Education #51 had investments with carrying and fair values of \$954,821 deposited in U.S. Treasury securities and repurchase agreements for such securities and \$7,469 invested in the Illinois Funds Money Market Fund.

CREDIT RISK

At June 30, 2011, the Illinois Funds Money Market Fund had a Standard and Poor's AAAm rating. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provision of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 2 – CASH (Concluded)

CONCENTRATION OF CREDIT RISK

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

INTEREST RATE RISK

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

NOTE 3 – DEFINED BENEFIT PENSION PLAN

Plan Description. The Regional Office of Education #51's defined benefit pension plan for Regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Regional Office of Education #51's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained online at www.imrf.org.

Funding Policy. As set by statute, the Regional Office of Education #51's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2010 was 10.55 percent. The Regional Office of Education #51 also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. The required contribution for calendar year 2010 was \$52,541.

THREE-YEAR TREND INFORMATION			
Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/10	\$ 52,541	100%	\$ 0
12/31/09	36,737	100%	0
12/31/08	48,033	100%	0

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 3 – DEFINED BENEFIT PENSION PLAN (Concluded)

The required contribution for 2010 was determined as part of the December 31, 2008, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the Regional Office of Education #51's plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Regional Office of Education #51's plan's unfunded actuarial accrued liability at December 31, 2008, is being amortized as a level percentage of projected payroll on an open 10-year basis.

Funded Status and Funding Progress. As of December 31, 2010, the most recent actuarial valuation date, the Regular plan was 85.88 percent funded. The actuarial accrued liability for benefits was \$820,373 and the actuarial value of assets was \$704,500, resulting in an underfunded actuarial accrued liability (UAAL) of \$115,873. The covered payroll for calendar year 2010 (annual payroll of active employees covered by the plan) was \$498,020 and the ratio of the UAAL to the covered payroll was 23 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 4 – TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

The Regional Office of Education #51 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 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, 2011, was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after January 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. 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, 2010 and 2009.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

The State of Illinois makes contributions directly to TRS on behalf of the Regional Office of Education #51’s TRS-covered employees.

- **On-behalf contributions.** The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #51. For the year ended June 30, 2011, the State of Illinois contributions were based on 23.10 percent of creditable earnings not paid from federal funds, and the Regional Office of Education #51 recognized revenue and expenditures of \$124,764 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2010, and June 30, 2009, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 23.38 percent (\$123,506) and 17.08 percent (\$61,367), respectively.

The Regional Office of Education #51 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 ending June 30, 2011, were \$2,137. Contributions for the years ending June 30, 2010, and June 30, 2009, were \$2,095 and \$3,101, respectively.
- **Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the Regional Office of Education #51, there is a statutory requirement for the Regional Office of Education #51 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective for 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, 2011, the employer pension contribution was 23.10 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2010 and 2009, the employer pension contribution was 23.38 and 17.08 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2011, salaries totaling \$7,160 were paid from federal and special trust funds that required employer contributions of \$1,698. For the years ended June 30, 2010 and 2009, required Regional Office of Education #51 contributions were \$4,724 and \$29,967, respectively.

- **Early retirement option.** The Regional Office of Education #51 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.

The maximum employer ERO contribution is 117.5 percent and applies when the member is age 55 at retirement.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Concluded)

For the year ended June 30, 2011, the Regional Office of Education #51 paid no contributions to TRS for employer contributions under the ERO program. For the years ended, June 30, 2010 and June 30, 2009, the Regional Office of Education #51 paid no employer ERO contributions.

- **Salary increases over 6 percent and excess sick leave.** If the Regional Office of Education #51 grants salary increases over 6 percent and those salaries are used to calculate a retiree’s final average salary, the Regional Office of Education #51 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 increase of up to 6 percent. For the year ended June 30, 2011, the Regional Office of Education #51 paid \$750 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2010 and 2009, the Regional Office of Education #51 paid no employer contributions due on salary increases in excess of 6 percent.

If the Regional Office of Education #51 grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the Regional Office of Education #51 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 (18.03 percent of salary during the year ended June 30, 2011, as recertified pursuant to Public Act 96-1511).

For the year ended June 30, 2011, the Regional Office of Education #51 paid no employer contributions to TRS for sick leave days granted in the excess of the normal annual allotment. For the years ended June 30, 2010 and 2009, the Regional Office of Education #51 paid no employer contributions granted for sick leave days.

Further information on TRS. 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, 2010. The report for the year ended June 30, 2011, is expected to be available in late 2011. The reports may be obtained by writing to the Teachers’ Retirement System of the State of Illinois, 2815 West Washington Street, P.O. Box 19253, Springfield, Illinois 62794-9253. The most current report is also available on the TRS Web site at <http://trs.illinois.gov>.

NOTE 5 – TEACHERS’ HEALTH INSURANCE SYSTEM

The Regional Office of Education #51 participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits to annuitants of the Teachers’ Retirement System (TRS). Annuitant may participate in the State-administered participating provider option plan or choose from several managed care options.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 5 – TEACHERS’ HEALTH INSURANCE SYSTEM (Concluded)

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor’s approval. The Illinois Department of Healthcare and Family Services (HFS) and the Illinois Department of Central Management Services (CMS) administer the plan with the cooperation of TRS. The director of HFS determines the rates and premiums for annuitants and dependent beneficiaries and establishes the cost-sharing parameters. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to the TRS who are not employees of the State to make a contribution to THIS Fund.

The percentage of employer required contributions in the future will be determined by the director of Healthcare and Family Services and will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

On-behalf contributions to THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office. State contributions are intended to match contributions to THIS Fund from active members which were 0.88 percent of pay during the year ended June 30, 2011. State of Illinois contributions were \$3,242, and the Regional Office of Education #51 recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the year ended June 30, 2010, were 0.84 percent of pay. State contributions on behalf of the Regional Office of Education #51’s employees were \$3,034 for the year ended June 30, 2010.

Had the Regional Office of Education #51 recognized revenue and expenditures for State contributions intended to match active member contributions during the year ended June 30, 2009, under the current standards, the contribution match would have been 0.84 percent of pay, or \$4,492.

Employer contributions to THIS Fund. The Regional Office of Education #51 also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.66 percent during the year ended June 30, 2011, and 0.63 percent during the years ended June 30, 2010 and 2009. For the year ended June 30, 2011, the Regional Office of Education #51 paid \$2,431 to the THIS Fund. For the years ended June 30, 2010 and 2009, the Regional Office paid \$2,276 and \$3,369 to THIS Fund, respectively, which was 100 percent of the required contribution.

Further information on THIS Fund. The publicly available financial report of the THIS Fund may be obtained by writing to the Department of Healthcare and Family Services, 201 S. Grand Ave., Springfield, IL 62763-3838.

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS – HEALTH INSURANCE

The Regional Office of Education #51 provides other limited health care insurance coverage for its eligible retired employees. The Governmental Accounting Standards Board (GASB) issued Statements No. 43 and 45 that established generally accepted accounting principles for the annual financial statement for postemployment benefit plans other than pension plans. GASB Statement No. 45 is implemented prospectively. The required information is as follows:

Membership in the plan consisted of the following as of:

	<u>June 30, 2011</u>
Retirees and beneficiaries receiving benefits	0
Terminated plan members entitled to but not yet receiving benefits	0
Active vested plan members	7
Active nonvested plan members	<u>15</u>
Total	<u><u>22</u></u>
Number of participating employers	1

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2009						
6/30/2010						
6/30/2011	0	14,102	14,102	0.00%		

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS – HEALTH INSURANCE (Continued)

ANNUAL OPEB COST AND NET OPEB OBLIGATION

	<u>June 30, 2011</u>
Annual required contribution	\$ 2,326
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost	2,326
Contributions made	-
Increase (decrease) in net OPEB obligation	2,326
Net OPEB obligation beginning of year	-
Net OPEB obligation end of year	\$ 2,326

The net OPEB obligation of \$2,326 has not been recorded as a liability in the Regional Office of Education #51's accounting records.

THREE-YEAR TREND INFORMATION

Fiscal Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2009			
6/30/2010			
6/30/2011	2,326	0.00%	2,326

ANNUAL REQUIRED CONTRIBUTION

	<u>June 30, 2012</u>	<u>June 30, 2011</u>
Service cost	\$ 1,760	\$ 1,806
Amortization	470	409
Interest	112	111
Annual required contribution	\$ 2,342	\$ 2,326

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS – HEALTH INSURANCE (Continued)

FUNDING POLICY AND ACTUARIAL ASSUMPTIONS

Contribution rates:

Employer	
Plan members	0.00%

Actuarial valuation date 6/30/2011

Actuarial cost method Entry age

Amortization period Level percentage of pay, open

Remaining amortization period 30 years

Asset valuation method Market

Actuarial assumptions:

Investment rate of return*	5.00%
Projected salary increases	5.00%
Healthcare inflation rate	8.00% initial, 6.00% ultimate

Mortality, turnover, disability, retirement ages Same rates utilized for IMRF

Active utilization rate: 20%

Employer provided benefit Explicit: None
 Implicit: 40% of premium to age 65
 (50% of \$429/mo + 50% of \$857/mo)

* Includes inflation at 3.00%

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS – HEALTH INSURANCE (Concluded)

GASB 45 SUMMARY AS OF JUNE 30, 2011

<u>Division</u>	<u>Service Cost</u>	<u>Active Liability</u>	<u>Retired Liability</u>	<u>Total Liability</u>	<u>Annual Required Contribution</u>	<u>Expected Payments</u>	<u>Actives</u>	<u>Retirees</u>	<u>Total</u>
All	1,760	14,102	0	14,102	2,341	0	22	0	22

Discount Rate: 5.0%

Medical Inflation Rate: 8.0% initial, 6.0% ultimate

Future Payroll Increases: 5.0%

NOTE 7 – OPERATING LEASES

The Regional Office of Education #51 leases classroom, office, and laboratory space from the Capital Area Career Center. During fiscal year 2011, the Regional Office had three separate leases for 6,333 square feet, 4,040 square feet, and 2,105 square feet, all leased at \$7.35 per square foot. Additionally, the Regional Office leased office space in Evanston, Illinois, for \$2,243 per month for fiscal year 2011. Rent expense for the year ended June 30, 2011, was \$118,633. The Regional Office also leases a copier over a 60-month term ending May 2016 which requires monthly payments of \$182, a digital imaging system over a 60-month term ending June 2013 which requires monthly payments of \$177, a copier leased month to month, a postage meter leased month to month, and a postage meter leased over a 60-month term ending December 2014 which requires monthly payments of \$60. Total equipment lease expense for the year ended June 30, 2011, was \$3,117. Future minimum rentals are as follows for the years ending June 30:

2012	\$ 5,028
2013	5,028
2014	2,544
2015	2,184
2016 and thereafter	1,911
	<u>\$ 16,695</u>

NOTE 8 – RISK MANAGEMENT

The Regional Office of Education #51 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Regional Office of Education #51 has purchased commercial insurance to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past three years.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 9 – CAPITAL ASSETS

In accordance with GASB Statement No. 34, the Regional Office of Education #51 has reported capital assets in the government-wide Statement of Net Assets. Purchases are reported as capital outlay in the governmental fund statements. Purchases of business-type activities are capitalized when purchased. The following table provides a summary of changes in total assets, accumulated depreciation, and investment in capital assets for the year ended June 30, 2011:

	Balance 07/01/10	Additions	Disposals	Balance 06/30/11
Governmental Activities				
Capital Assets, Being Depreciated				
Computers and Equipment	\$ 79,120	\$ 1,118	\$ 4,801	\$ 75,437
Other Equipment	38,222	-	-	38,222
Total	<u>117,342</u>	<u>1,118</u>	<u>4,801</u>	<u>113,659</u>
Less Accumulated Depreciation for:				
Computers and Equipment	(67,749)	(4,251)	(4,801)	(67,199)
Other Equipment	(36,306)	(1,519)	-	(37,825)
Total	<u>(104,055)</u>	<u>(5,770)</u>	<u>(4,801)</u>	<u>(105,024)</u>
Governmental Activities Capital Assets, Net	<u>\$ 13,287</u>	<u>\$ (4,652)</u>	<u>\$ -</u>	<u>\$ 8,635</u>
Business-Type Activities				
Capital Assets, Being Depreciated				
Other equipment	\$ 11,912	\$ -	\$ -	\$ 11,912
Less Accumulated Depreciation for:				
Other equipment	(1,762)	(2,383)	-	(4,145)
Business-Type Activities Capital Assets, Net	<u>\$ 10,150</u>	<u>\$ (2,383)</u>	<u>\$ -</u>	<u>\$ 7,767</u>

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended June 30, 2011, of \$5,770 and \$2,383 was charged to the governmental activities and business-type activities, respectively, on the government-wide Statement of Activities. Investment in capital assets is the component of net assets that reports capital assets net of accumulated depreciation.

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 10 – INTERFUND ACTIVITY

DUE TO/FROM OTHER FUNDS

Interfund due to/from other fund balances at June 30, 2011, consist of the following individual due to/from other funds in the governmental fund Balance Sheet and proprietary funds Statement of Net Assets. These balances, except for those activities between governmental funds and business-type funds, were eliminated in the government-wide Statement of Net Assets.

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 737,462	\$ -
Education Fund	-	417,159
Other Special Revenue Funds	-	317,412
Proprietary Fund	-	2,891
	<u>\$ 737,462</u>	<u>\$ 737,462</u>

TRANSFERS

Interfund transfers in/out to other fund balances at June 30, 2011, consist of the following individual transfers in/out to other funds in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances. The transfer balances between governmental funds were eliminated in the government-wide Statement of Activities.

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 120,272	\$ 39,095
Education Fund	41,330	33,181
Other Special Revenue Funds	2,766	92,092
	<u>\$ 164,368</u>	<u>\$ 164,368</u>

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 11 – ON-BEHALF PAYMENTS

The State of Illinois paid the following salaries on behalf of the Regional Office of Education #51:

Regional Superintendent Salary	\$ 88,167
Assistant Regional Superintendent Salary	90,686
Regional Superintendent Benefits (Includes State-paid insurance)	21,790
Assistant Regional Superintendent Benefits (Includes State paid insurance)	14,403
TRS Pension Contribution	124,764
Teachers' Health Insurance Security (THIS) Fund Contribution	<u>3,242</u>
Total	<u>\$ 343,052</u>

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

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

Sangamon County provides the Regional Office with staff and pays certain expenditures on behalf of the Regional Office. The expenditures paid on the Regional Office of Education #51's behalf for the year ended June 30, 2011, were as follows:

Salaries and benefits	\$ 224,951
Purchased services	14,219
Supplies and materials	<u>3,168</u>
Total	<u>\$ 242,338</u>

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

NOTE 12 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Generally accepted accounting principles require disclosure of certain information concerning individual funds which are presented only in combination on the financial statements. Funds having deficit fund balances/net assets and funds which overexpend appropriations during the year are required to be disclosed.

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 12 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Concluded)

The following funds/fund accounts had deficit fund balances at June 30, 2011:

	<u>Amount</u>
<u>Education Fund</u>	
Area III - Homeless Liaison Project	\$ 342
State & Federal School Breakfast and Lunch	8,843
ROE/ISC Operations	7,357
<u>Nonmajor Special Revenue Fund</u>	
General Education Development Certificate	2,968

NOTE 13 – DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education #51's General Fund, Education Fund, Special Revenue Funds, and Agency Funds have funds due from/to various other governmental units which consist of the following:

Due from Other Governments:

General Fund

Local Governments \$ 30,338

Education Fund

Local Governments 33,530

Illinois State Board of Education 308,764

Federal Government 121,288

Special Revenue Funds

Local Governments 365,633

Total \$ 859,553

Due to Other Governments:

Education Fund

Illinois State Board of Education \$ 7,500

Agency Funds

Local Governments 104,812

Total \$ 112,312

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 14 – CONSOLIDATED ADMINISTRATIVE FUNDS

The Regional Office consolidates the administrative fees received from functioning as the fiscal administrator for various programs into one fund to pay for the Regional Office’s administrative costs associated with these programs. The following are administrative fees consolidated in the Administrative Discretionary fund:

Cook County General Education Development	\$ 62,300
ISBE Initiatives	10,123
Illinois Education and Technology Conference	7,446
Reading Initiative	6,667
Preschool for All	2,166
Those Who Excel	1,000
Illinois Transition Planning Institute	500
Special Education Non-Public Conference	500
Total	<u>\$ 90,702</u>

NOTE 15 – RECLASSIFICATION

As a result of implementing GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, at June 30, 2011, Those Who Excel, Continuum of Learning, and General State Aid (GSA) funding has been reclassified from the Education Fund to the General Fund, the ROE/ISC Operations grant has been reclassified from the General Fund to the Education Fund, and the General Education Development (GED) Holistic Scoring funding was reclassified from a Nonmajor Special Revenue Fund to the General Fund.

The Regional Office of Education #51 receives GSA from the Illinois State Board of Education based on attendance in the Regional Safe School and the Sangamon County Truant Alternative Optional Education Program (TAOEP). This funding supports the general operations of the Regional Safe School and the TAOEP program, and the Regional Office has historically reported this funding in the Education fund with the Regional Safe School and TAOEP grant funding. However, GSA, as well as, the funding for Those Who Excel and Continuum of Learning does not meet the committed or restricted criteria set forth in GASB 54 for special revenue funds. Similarly, the GED Holistic Scoring funding does not meet the GASB 54 criteria for special revenue funds. The ROE/ISC Operations grant, which supports the general operations of the Regional Office, has historically been reported the General Fund. However, because this funding is governed by a grant agreement with the grantor, the funding is restricted and is required to be reported as a special revenue fund.

Following is the effect of these reclassifications on the beginning balance fund balances for the General Fund, Education Fund, and Nonmajor Special Revenue Funds:

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 15 – RECLASSIFICATION (Concluded)

General Fund:

Fund Balance - July 1, 2010	\$ 317,187
Effect of reclassifying General State Aid, Those Who Excel, and Continuum of Learning funding	614,232
Effect of reclassifying ROE/ISC Operation grant	28,446
Effect of reclassifying GED Holistic Scoring funding	35,953
Fund Balance, Restated - July 1, 2010	\$ 995,818

Education Fund:

Fund Balance - July 1, 2010	\$ 102,687
Effect of reclassifying General State Aid, Those Who Excel, and Continuum of Learning funding	(614,232)
Effect of reclassifying ROE/ISC Operation grant	(28,446)
Fund Balance, Restated - July 1, 2010	\$ (539,991)

Nonmajor Special Revenue Funds:

Fund Balance - July 1, 2010	\$ 58,286
Effect of reclassifying GED Holistic Scoring funding	(35,953)
Fund Balance, Restated - July 1, 2010	\$ 22,333

NOTE 16 – SUBSEQUENT EVENT

For fiscal year 2012, the Governor of Illinois vetoed the appropriation line for the Regional Superintendent's and Assistant Regional Superintendent's salaries and benefits, as well as the appropriation line for the Regional Office's general operations grant. The Regional Superintendents' and Assistant Regional Superintendents' salaries were reinstated in November 2011 for one year only, to be paid from State personal property replacement tax funds, but the general operations grant was not reinstated. The Regional Superintendents will make every effort to secure other local funding to support the programs and services the Regional Office provides. The effect of these funding cuts on the Regional Office's long-term ability to continue to provide services at their current level is unknown.

REQUIRED SUPPLEMENTARY INFORMATION
(Other than Management's Discussion and Analysis)

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 ILLINOIS MUNICIPAL RETIREMENT FUND
 SCHEDULE OF FUNDING PROGRESS
 (UNAUDITED)
 JUNE 30, 2011

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/10	\$704,500	\$820,373	\$115,873	85.88%	\$498,020	23.27%
12/31/09	608,603	721,010	112,407	84.41%	500,506	22.46%
12/31/08	535,150	617,206	82,056	86.71%	445,167	18.43%

On a market value basis, the actuarial value of assets as of December 31, 2010, is \$733,565.

On a market basis, the funded ratio would be 89.42%.

OTHER SUPPLEMENTARY INFORMATION

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND
JUNE 30, 2011

	Local	Administrative Discretionary	Continuum of Learning	Those Who Excel	General State Aid - Truants Alternative Optional Education Program	General State Aid - Regional Safe Schools	General Education Development Holistic Scoring	TOTALS
ASSETS								
Cash and cash equivalents	\$ -	\$ 9,676	\$ 7,559	\$ 5,577	\$ 57,705	\$ 183,153	\$ 24,842	\$ 288,512
Due from other funds	74,788	232,600	-	-	159,305	270,769	-	737,462
Due from other governments								
Local	-	24,192	-	-	-	-	6,146	30,338
TOTAL ASSETS	\$ 74,788	\$ 266,468	\$ 7,559	\$ 5,577	\$ 217,010	\$ 453,922	\$ 30,988	\$ 1,056,312
LIABILITIES								
Accounts payable	\$ -	\$ 62	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62
Accrued payroll and benefits	-	-	48	-	31,148	12,613	2,659	46,468
Deferred revenue	-	7,000	7,511	-	-	-	-	14,511
Total Liabilities	-	7,062	7,559	-	31,148	12,613	2,659	61,041
FUND BALANCE								
Assigned	-	-	-	5,577	185,862	441,309	-	632,748
Unassigned	74,788	259,406	-	-	-	-	28,329	362,523
Total Fund Balance	74,788	259,406	-	5,577	185,862	441,309	28,329	995,271
TOTAL LIABILITIES AND FUND BALANCE	\$ 74,788	\$ 266,468	\$ 7,559	\$ 5,577	\$ 217,010	\$ 453,922	\$ 30,988	\$ 1,056,312

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2011

	Local	Administrative Discretionary	Continuum of Learning	Those Who Excel	General State Aid - Truants Alternative Optional Education Program	General State Aid - Regional Safe Schools	General Education Development Holistic Scoring	TOTALS
REVENUES								
Local sources	\$ 2,580	\$ 46,579	\$ 6,397	\$ 18,300	\$ 995	\$ -	\$ 21,538	\$ 96,389
On-behalf payments - Local	242,338	-	-	-	-	-	-	242,338
State sources	-	-	-	-	277,542	219,660	-	497,202
On-behalf payments - State	343,052	-	-	-	-	-	-	343,052
Total Revenues	587,970	46,579	6,397	18,300	278,537	219,660	21,538	1,178,981
EXPENDITURES								
Salaries and benefits	24,941	83,870	269	-	207,981	118,315	40,901	476,277
Purchased services	5,597	36,042	1,499	18,192	56,539	53,240	14,740	185,849
Supplies and materials	235	2,589	4,629	5,675	594	797	-	14,519
Other objects	-	692	-	-	-	-	-	692
On-behalf payments - Local	242,338	-	-	-	-	-	-	242,338
On-behalf payments - State	343,052	-	-	-	-	-	-	343,052
Total Expenditures	616,163	123,193	6,397	23,867	265,114	172,352	55,641	1,262,727
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(28,193)	(76,614)	-	(5,567)	13,423	47,308	(34,103)	(83,746)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	93,509	-	-	-	284	26,479	120,272
Transfers out	(524)	-	-	(1,000)	(37,571)	-	-	(39,095)
Interest	83	300	-	-	338	1,301	-	2,022
Total Other Financing Sources (Uses)	(441)	93,809	-	(1,000)	(37,233)	1,585	26,479	83,199
NET CHANGE IN FUND BALANCE	(28,634)	17,195	-	(6,567)	(23,810)	48,893	(7,624)	(547)
FUND BALANCE - BEGINNING, RESTATED	103,422	242,211	-	12,144	209,672	392,416	35,953	995,818
FUND BALANCE - ENDING	\$ 74,788	\$ 259,406	\$ -	\$ 5,577	\$ 185,862	\$ 441,309	\$ 28,329	\$ 995,271

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2011

	Regional Safe Schools	School Directory	Kindergarten Learning Standards	Preschool For All	Title I - Reading First Part B SEA
ASSETS					
Cash and cash equivalents	\$ 988	\$ -	\$ -	\$ -	\$ -
Due from other governments:					
Local	-	-	-	19,780	-
State	95,008	-	-	-	-
Federal	-	-	-	-	-
TOTAL ASSETS	\$ 95,996	\$ -	\$ -	\$ 19,780	\$ -
LIABILITIES					
Accounts payable	\$ 1,551	\$ -	\$ -	\$ -	\$ -
Accrued payroll and benefits	9,615	-	-	-	-
Due to other funds	84,830	-	-	19,780	-
Due to other governments:					
State	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total Liabilities	95,996	-	-	19,780	-
FUND BALANCE (DEFICIT)					
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balance (Deficit)	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 95,996	\$ -	\$ -	\$ 19,780	\$ -

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2011

	Area III - Homeless Liaison Project	Illinois Student Exchange	Sangamon County Truants Alternative Optional Education Program	Certificate Renewal	Illinois Department of Public Health Dental Sealant
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ 37,599	\$ -	\$ 1,527
Due from other governments:					
Local	-	-	-	-	-
State	-	-	169,614	-	-
Federal	-	-	-	-	-
TOTAL ASSETS	\$ -	\$ -	\$ 207,213	\$ -	\$ 1,527
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 814	\$ -	\$ -
Accrued payroll and benefits	-	-	22,379	-	-
Due to other funds	342	-	159,305	-	-
Due to other governments:					
State	-	-	-	-	-
Deferred revenue	-	-	24,715	-	-
Total Liabilities	342	-	207,213	-	-
FUND BALANCE (DEFICIT)					
Restricted	-	-	-	-	-
Assigned	-	-	-	-	1,527
Unassigned	(342)	-	-	-	-
Total Fund Balance (Deficit)	(342)	-	-	-	1,527
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ -	\$ -	\$ 207,213	\$ -	\$ 1,527

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2011

	Early School Leaver Conference	Early Childhood	State and Federal School Breakfast and Lunch	System of Support	Sangamon County Learning Academy Lunch
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments:					
Local	-	-	-	-	-
State	-	-	-	-	-
Federal	-	-	-	121,288	-
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ 121,288	\$ -
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ 24,209	\$ -
Accrued payroll and benefits	-	-	-	-	-
Due to other funds	-	-	8,843	96,979	-
Due to other governments:					
State	-	-	-	-	-
Deferred revenue	-	-	-	100	-
Total Liabilities	-	-	8,843	121,288	-
FUND BALANCE (DEFICIT)					
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	(8,843)	-	-
Total Fund Balance (Deficit)	-	-	(8,843)	-	-
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ -	\$ -	\$ -	\$ 121,288	\$ -

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2011

	New Principal Mentoring	Miscellaneous Federal Programs	Learn & Serve America	Illinois Transition Planning Institute	ISBE Initiatives
ASSETS					
Cash and cash equivalents	\$ -	\$ 71	35,171	\$ 7,500	\$ 22,554
Due from other governments:					
Local	13,750	-	-	-	-
State	-	-	-	-	-
Federal	-	-	-	-	-
TOTAL ASSETS	\$ 13,750	\$ 71	\$ 35,171	\$ 7,500	\$ 22,554
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 22,737	\$ -	\$ -
Accrued payroll and benefits	-	-	-	-	2,454
Due to other funds	2,938	-	-	-	-
Due to other governments:					
State	-	-	-	7,500	-
Deferred revenue	-	71	12,434	-	20,100
Total Liabilities	2,938	71	35,171	7,500	22,554
FUND BALANCE (DEFICIT)					
Restricted	10,812	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balance (Deficit)	10,812	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 13,750	\$ 71	\$ 35,171	\$ 7,500	\$ 22,554

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2011

	ISBE Special Education Task Force	Reading Initiative	ROE/ISC Operations	Gifted Education	TOTALS
ASSETS					
Cash and cash equivalents	\$ -	\$ 6,136	\$ -	\$ -	\$ 111,546
Due from other governments:					
Local	-	-	-	-	33,530
State	-	-	44,142	-	308,764
Federal	-	-	-	-	121,288
TOTAL ASSETS	\$ -	\$ 6,136	\$ 44,142	\$ -	\$ 575,128
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 49,311
Accrued payroll and benefits	-	5,194	-	-	39,642
Due to other funds	-	-	44,142	-	417,159
Due to other governments:					
State	-	-	-	-	7,500
Deferred revenue	-	942	7,357	-	65,719
Total Liabilities	-	6,136	51,499	-	579,331
FUND BALANCE (DEFICIT)					
Restricted	-	-	-	-	10,812
Assigned	-	-	-	-	1,527
Unassigned	-	-	(7,357)	-	(16,542)
Total Fund Balance (Deficit)	-	-	(7,357)	-	(4,203)
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ -	\$ 6,136	\$ 44,142	\$ -	\$ 575,128

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2011

	Regional Safe Schools	School Directory	Kindergarten Learning Standards	Preschool For All	Title I - Reading First Part B SEA
REVENUES					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	245,449	-	-	30,141	-
Federal sources	20,000	-	-	-	358,045
Total Revenues	<u>265,449</u>	<u>-</u>	<u>-</u>	<u>30,141</u>	<u>358,045</u>
EXPENDITURES					
Salaries and benefits	142,759	-	-	-	4,527
Purchased services	13,254	-	-	13,855	69,142
Supplies and materials	2,896	-	-	3,769	22,473
Capital outlay	1,118	-	-	-	-
Total Expenditures	<u>160,027</u>	<u>-</u>	<u>-</u>	<u>17,624</u>	<u>96,142</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>105,422</u>	<u>-</u>	<u>-</u>	<u>12,517</u>	<u>261,903</u>
OTHER FINANCING SOURCES (USES):					
Transfer in	-	1,230	-	-	19
Transfer out	(282)	-	(604)	(2,166)	-
Interest	-	-	-	-	1
Total Other Financing Sources (Uses)	<u>(282)</u>	<u>1,230</u>	<u>(604)</u>	<u>(2,166)</u>	<u>20</u>
NET CHANGE IN FUND BALANCE	105,140	1,230	(604)	10,351	261,923
FUND BALANCE (DEFICIT) - BEGINNING, RESTATED	<u>(105,140)</u>	<u>(1,230)</u>	<u>604</u>	<u>(10,351)</u>	<u>(261,923)</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2011

	Area III - Homeless Liaison Project	Illinois Student Exchange	Sangamon County Truants Alternative Optional Education Program	Certificate Renewal	Illinois Department of Public Health Dental Sealant
REVENUES					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 2,504
State sources	-	-	262,485	-	-
Federal sources	49,343	-	27,170	-	2,688
Total Revenues	<u>49,343</u>	<u>-</u>	<u>289,655</u>	<u>-</u>	<u>5,192</u>
EXPENDITURES					
Salaries and benefits	47,104	-	195,149	-	2,367
Purchased services	2,641	-	16,424	-	1,298
Supplies and materials	-	-	17,448	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	<u>49,745</u>	<u>-</u>	<u>229,021</u>	<u>-</u>	<u>3,665</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(402)</u>	<u>-</u>	<u>60,634</u>	<u>-</u>	<u>1,527</u>
OTHER FINANCING SOURCES (USES):					
Transfer in	1,714	-	36,901	-	-
Transfer out	-	(7,258)	-	(107)	-
Interest	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,714</u>	<u>(7,258)</u>	<u>36,901</u>	<u>(107)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	1,312	(7,258)	97,535	(107)	1,527
FUND BALANCE (DEFICIT) - BEGINNING, RESTATED	<u>(1,654)</u>	<u>7,258</u>	<u>(97,535)</u>	<u>107</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (342)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,527</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2011

	Early School Leaver Conference	Early Childhood	State and Federal School Breakfast and Lunch	System of Support	Sangamon County Learning Academy Lunch
REVENUES					
Local sources	\$ -	\$ -	\$ 3,822	\$ -	\$ -
State sources	-	-	352	-	-
Federal sources	-	-	9,173	276,395	-
Total Revenues	-	-	13,347	276,395	-
EXPENDITURES					
Salaries and benefits	-	-	-	104,615	-
Purchased services	-	-	21,073	162,778	-
Supplies and materials	-	-	-	9,002	-
Capital outlay	-	-	-	-	-
Total Expenditures	-	-	21,073	276,395	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(7,726)	-	-
OTHER FINANCING SOURCES (USES):					
Transfer in	-	-	-	-	-
Transfer out	(1,414)	(4,000)	(3)	-	(48)
Interest	-	-	-	-	-
Total Other Financing Sources (Uses)	(1,414)	(4,000)	(3)	-	(48)
NET CHANGE IN FUND BALANCE	(1,414)	(4,000)	(7,729)	-	(48)
FUND BALANCE (DEFICIT) - BEGINNING, RESTATED	1,414	4,000	(1,114)	-	48
FUND BALANCE (DEFICIT) - ENDING	\$ -	\$ -	\$ (8,843)	\$ -	\$ -

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2011

	New Principal Mentoring	Miscellaneous Federal Programs	Learn & Serve America	Illinois Transition Planning Institute	ISBE Initiatives
REVENUES					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	15,857	-	-	-	139,422
Federal sources	-	463	84,815	15,978	-
Total Revenues	<u>15,857</u>	<u>463</u>	<u>84,815</u>	<u>15,978</u>	<u>139,422</u>
EXPENDITURES					
Salaries and benefits	10,224	-	9,078	-	68,593
Purchased services	86	263	72,394	13,919	60,742
Supplies and materials	-	200	3,408	1,559	-
Capital outlay	-	-	-	-	-
Total Expenditures	<u>10,310</u>	<u>463</u>	<u>84,880</u>	<u>15,478</u>	<u>129,335</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>5,547</u>	<u>-</u>	<u>(65)</u>	<u>500</u>	<u>10,087</u>
OTHER FINANCING SOURCES (USES):					
Transfer in	-	-	65	-	-
Transfer out	-	-	-	(500)	(10,123)
Interest	-	-	-	-	36
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>65</u>	<u>(500)</u>	<u>(10,087)</u>
NET CHANGE IN FUND BALANCE	5,547	-	-	-	-
FUND BALANCE (DEFICIT) - BEGINNING, RESTATED	<u>5,265</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ 10,812</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2011

	ISBE Special Education Task Force	Reading Initiative	ROE/ISC Operations	Gifted Education	TOTALS
REVENUES					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 6,326
State sources	62,000	127,565	94,306	13,672	991,249
Federal sources	-	-	-	-	844,070
Total Revenues	<u>62,000</u>	<u>127,565</u>	<u>94,306</u>	<u>13,672</u>	<u>1,841,645</u>
EXPENDITURES					
Salaries and benefits	-	61,334	52,888	1,520	700,158
Purchased services	10,706	59,576	21,198	5,573	544,922
Supplies and materials	-	-	532	6,572	67,859
Capital outlay	-	-	-	-	1,118
Total Expenditures	<u>10,706</u>	<u>120,910</u>	<u>74,618</u>	<u>13,665</u>	<u>1,314,057</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>51,294</u>	<u>6,655</u>	<u>19,688</u>	<u>7</u>	<u>527,588</u>
OTHER FINANCING SOURCES (USES):					
Transfer in	-	-	1,401	-	41,330
Transfer out	-	(6,667)	-	(9)	(33,181)
Interest	-	12	-	2	51
Total Other Financing Sources (Uses)	<u>-</u>	<u>(6,655)</u>	<u>1,401</u>	<u>(7)</u>	<u>8,200</u>
NET CHANGE IN FUND BALANCE	51,294	-	21,089	-	535,788
FUND BALANCE (DEFICIT) - BEGINNING, RESTATED	<u>(51,294)</u>	<u>-</u>	<u>(28,446)</u>	<u>-</u>	<u>(539,991)</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,357)</u>	<u>\$ -</u>	<u>\$ (4,203)</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2010, to June 30, 2011)
EDUCATION FUND ACCOUNT
REGIONAL SAFE SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
State	\$ 140,098	\$ 140,098	\$ 245,449
Federal	-	-	20,000
Total Revenue	<u>140,098</u>	<u>140,098</u>	<u>265,449</u>
EXPENDITURES			
Salaries and benefits	114,324	114,324	142,759
Purchased services	21,100	21,100	13,254
Supplies and materials	3,549	2,449	2,896
Capital outlay	1,125	1,125	1,118
Payments to other governments	-	1,100	-
Total Expenditures	<u>140,098</u>	<u>140,098</u>	<u>160,027</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>105,422</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	-	-	(282)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(282)</u>
NET CHANGE IN FUND BALANCE	-	-	105,140
FUND BALANCE (DEFICIT) - BEGINNING	<u>-</u>	<u>-</u>	<u>(105,140)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
BUDGETARY COMPARISON SCHEDULE
(For the Period of March 30, 2010, to August 31, 2010)
EDUCATION FUND ACCOUNT
TITLE I - READING FIRST PART B SEA
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts		Total Actual Amounts
	Original	Final	FY10	FY11	
REVENUE					
Federal	\$ 654,851	\$ 654,851	\$ 318,547	\$ 358,045	\$ 676,592
Total Revenue	<u>654,851</u>	<u>654,851</u>	<u>318,547</u>	<u>358,045</u>	<u>676,592</u>
EXPENDITURES					
Salaries and benefits	13,231	13,231	30,599	4,527	35,126
Purchased services	620,384	611,212	537,100	69,142	606,242
Supplies and materials	12,348	21,520	12,782	22,473	35,255
Capital outlay	8,888	8,888	-	-	-
Total Expenditures	<u>654,851</u>	<u>654,851</u>	<u>580,481</u>	<u>96,142</u>	<u>676,623</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(261,934)</u>	<u>261,903</u>	<u>(31)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	19	19
Interest	-	-	1	1	2
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1</u>	<u>20</u>	<u>21</u>
NET CHANGE IN FUND BALANCE	-	-	(261,933)	261,923	(10)
FUND BALANCE (DEFICIT) - BEGINNING	<u>-</u>	<u>-</u>	<u>10</u>	<u>(261,923)</u>	<u>10</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (261,923)</u>	<u>\$ -</u>	<u>\$ -</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2010, to June 30, 2011)
EDUCATION FUND ACCOUNT
AREA III - HOMELESS LIAISON PROJECT
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 46,018	\$ 47,103	\$ 49,343
Total Revenue	<u>46,018</u>	<u>47,103</u>	<u>49,343</u>
EXPENDITURES			
Salaries and benefits	46,018	47,103	47,104
Purchased services	-	-	2,641
Total Expenditures	<u>46,018</u>	<u>47,103</u>	<u>49,745</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(402)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	1,714
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,714</u>
NET CHANGE IN FUND BALANCE	-	-	1,312
FUND BALANCE (DEFICIT) - BEGINNING	<u>-</u>	<u>-</u>	<u>(1,654)</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (342)</u>

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2010, to June 30, 2011)
 EDUCATION FUND ACCOUNT
 SANGAMON COUNTY TRUANTS ALTERNATIVE OPTIONAL EDUCATION PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
State	\$ 197,671	\$ 197,671	\$ 262,485
Federal	-	-	27,170
Total Revenue	<u>197,671</u>	<u>197,671</u>	<u>289,655</u>
EXPENDITURES			
Salaries and benefits	168,251	164,751	195,149
Purchased services	16,850	20,050	16,424
Supplies and materials	9,467	12,870	17,448
Capital outlay	3,103	-	-
Total Expenditures	<u>197,671</u>	<u>197,671</u>	<u>229,021</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<u>-</u>	<u>-</u>	<u>60,634</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	36,901
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>36,901</u>
NET CHANGE IN FUND BALANCE			
	-	-	97,535
FUND BALANCE (DEFICIT) - BEGINNING			
	<u>-</u>	<u>-</u>	<u>(97,535)</u>
FUND BALANCE - ENDING			
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 20, 2010, to June 30, 2011)
EDUCATION FUND ACCOUNT
SYSTEM OF SUPPORT
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 200,000	\$ 200,000	\$ 276,395
Total Revenue	<u>200,000</u>	<u>200,000</u>	<u>276,395</u>
EXPENDITURES			
Salaries and benefits	89,967	47,603	104,615
Purchased services	108,350	147,714	162,778
Supplies and materials	850	4,683	9,002
Capital outlay	833	-	-
Total Expenditures	<u>200,000</u>	<u>200,000</u>	<u>276,395</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: The budget amounts for System of Support reflect only the amounts pertaining to the ARRA - Title I - School Improvement and Accountability grant. The actual amounts reflect those grant funds as well as other State and federal funds and local monies that are not subject to grant budget requirements.

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of November 3, 2010, to June 30, 2011)
 EDUCATION FUND ACCOUNT
 MISCELLANEOUS FEDERAL PROGRAMS
 (TITLE II - TEACHER QUALITY)
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 489	\$ 489	\$ 418
Total Revenue	<u>489</u>	<u>489</u>	<u>418</u>
EXPENDITURES			
Purchased services	489	250	263
Supplies and materials	-	239	155
Total Expenditures	<u>489</u>	<u>489</u>	<u>418</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2009, to June 30, 2010)
 EDUCATION FUND ACCOUNT
 MISCELLANEOUS FEDERAL PROGRAMS
 (TITLE IV - SAFE AND DRUG-FREE SCHOOLS)
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts		Total Actual Amounts
	Original	Final	FY10	FY11	
REVENUE					
Federal	\$ 209	\$ 209	\$ 164	\$ 45	\$ 209
Total Revenue	<u>209</u>	<u>209</u>	<u>164</u>	<u>45</u>	<u>209</u>
EXPENDITURES					
Supplies and materials	209	209	164	45	209
Total Expenditures	<u>209</u>	<u>209</u>	<u>164</u>	<u>45</u>	<u>209</u>
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of September 1, 2009, to August 31, 2010)
 EDUCATION FUND ACCOUNT
 LEARN AND SERVE AMERICA (10-4910-00)
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts		Total Actual Amounts
	Original	Final	FY10	FY11	
REVENUE					
Federal	\$ 10,000	\$ 12,500	\$ 4,086	\$ 8,309	\$ 12,395
Total Revenue	<u>10,000</u>	<u>12,500</u>	<u>4,086</u>	<u>8,309</u>	<u>12,395</u>
EXPENDITURES					
Salaries and benefits	3,000	5,250	2,511	3,605	6,116
Purchased services	5,200	5,200	885	2,142	3,027
Supplies and materials	1,800	2,050	690	2,562	3,252
Total Expenditures	<u>10,000</u>	<u>12,500</u>	<u>4,086</u>	<u>8,309</u>	<u>12,395</u>
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
BUDGETARY COMPARISON SCHEDULE
(For the Period of September 1, 2010, to August 31, 2011)
EDUCATION FUND ACCOUNT
LEARN AND SERVE AMERICA (11-4910-00)
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Total Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 12,500	\$ 91,404	\$ 76,506
Total Revenue	<u>12,500</u>	<u>91,404</u>	<u>76,506</u>
EXPENDITURES			
Salaries and benefits	5,250	5,250	5,473
Purchased services	5,200	84,104	70,252
Supplies and materials	2,050	2,050	846
Total Expenditures	<u>12,500</u>	<u>91,404</u>	<u>76,571</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(65)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	65
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>65</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2010, to June 30, 2011)
EDUCATION FUND ACCOUNT
ILLINOIS TRANSITION PLANNING INSTITUTE
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 25,000	\$ 25,000	\$ 15,978
Total Revenue	<u>25,000</u>	<u>25,000</u>	<u>15,978</u>
EXPENDITURES			
Purchased services	23,750	23,750	13,919
Supplies and materials	1,250	1,250	1,559
Total Expenditures	<u>25,000</u>	<u>25,000</u>	<u>15,478</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>500</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	-	-	(500)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(500)</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
BUDGETARY COMPARISON SCHEDULE
(For the Period of July 1, 2010, to June 30, 2011)
EDUCATION FUND ACCOUNT
ROE/ISC OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
State	\$ 40,142	\$ 73,570	\$ 94,306
Total Revenue	<u>40,142</u>	<u>73,570</u>	<u>94,306</u>
EXPENDITURES			
Salaries and benefits	25,539	52,258	52,888
Purchased services	14,353	20,239	21,198
Supplies and materials	250	1,073	532
Total Expenditures	<u>40,142</u>	<u>73,570</u>	<u>74,618</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>19,688</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	1,401
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,401</u>
NET CHANGE IN FUND BALANCE	-	-	21,089
FUND BALANCE (DEFICIT) - BEGINNING	-	-	(28,446)
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,357)</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
BUDGETARY COMPARISON SCHEDULE
(For the Period of May 22, 2009, to August 31, 2010)
EDUCATION FUND ACCOUNT
GIFTED EDUCATION
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts		Total Actual Amounts
	Original	Final	FY10	FY11	
REVENUE					
State	\$ 99,241	\$ 99,241	\$ 48,969	\$ 13,672	\$ 62,641
Total Revenue	<u>99,241</u>	<u>99,241</u>	<u>48,969</u>	<u>13,672</u>	<u>62,641</u>
EXPENDITURES					
Salaries and benefits	31,620	31,620	19,968	1,520	21,488
Purchased services	45,486	45,486	13,179	5,573	18,752
Supplies and materials	22,135	22,135	15,829	6,572	22,401
Total Expenditures	<u>99,241</u>	<u>99,241</u>	<u>48,976</u>	<u>13,665</u>	<u>62,641</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(7)	7	-
OTHER FINANCING SOURCES (USES):					
Transfers out	-	-	-	(9)	(9)
Interest	-	-	7	2	9
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>7</u>	<u>(7)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2011

	General Education Development Certificate	Bus Driver Training	Supervisory Expenses	TOTALS
ASSETS				
Cash and cash equivalents	\$ -	\$ 8,905	1,783	\$ 10,688
TOTAL ASSETS	\$ -	\$ 8,905	\$ 1,783	\$ 10,688
LIABILITIES				
Due to other funds	\$ 2,968	\$ -	\$ -	\$ 2,968
Total Liabilities	2,968	-	-	2,968
FUND BALANCE				
Restricted	-	8,905	1,783	10,688
Unassigned	(2,968)	-	-	(2,968)
Total Fund Balance	(2,968)	8,905	1,783	7,720
TOTAL LIABILITIES AND FUND BALANCE	\$ -	\$ 8,905	\$ 1,783	\$ 10,688

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	General Education Development Certificate	Bus Driver Training	Supervisory Expenses	TOTALS
REVENUES				
Local sources	\$ 21,062	\$ 1,866	\$ 186	\$ 23,114
State sources	-	1,440	-	1,440
Total Revenues	<u>21,062</u>	<u>3,306</u>	<u>186</u>	<u>24,554</u>
EXPENDITURES				
Salaries and benefits	27,546	215	-	27,761
Purchased services	1,042	516	3,161	4,719
Supplies and materials	5,020	-	-	5,020
Total Expenditures	<u>33,608</u>	<u>731</u>	<u>3,161</u>	<u>37,500</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(12,546)</u>	<u>2,575</u>	<u>(2,975)</u>	<u>(12,946)</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	2,766	2,766
Transfer out	(4,433)	-	-	(4,433)
Total Other Financing Sources (Uses)	<u>(4,433)</u>	<u>-</u>	<u>2,766</u>	<u>(1,667)</u>
NET CHANGE IN FUND BALANCE	(16,979)	2,575	(209)	(14,613)
FUND BALANCE - BEGINNING, RESTATED	<u>14,011</u>	<u>6,330</u>	<u>1,992</u>	<u>22,333</u>
FUND BALANCE - ENDING	<u>\$ (2,968)</u>	<u>\$ 8,905</u>	<u>\$ 1,783</u>	<u>\$ 7,720</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING STATEMENT OF NET ASSETS
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2011

	Business-Type Activities - Enterprise Funds		TOTALS
	SDC Workshop	Background Checks	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 16,696	\$ -	\$ 16,696
Total Current Assets	<u>16,696</u>	<u>-</u>	<u>16,696</u>
Noncurrent assets:			
Capital assets, being depreciated, net	2,312	5,455	7,767
Total Noncurrent Assets	<u>2,312</u>	<u>5,455</u>	<u>7,767</u>
TOTAL ASSETS	<u>19,008</u>	<u>5,455</u>	<u>24,463</u>
LIABILITIES			
Accounts payable	-	2,314	2,314
Due to other funds	-	2,891	2,891
TOTAL LIABILITIES	<u>-</u>	<u>5,205</u>	<u>5,205</u>
NET ASSETS (DEFICIT)			
Invested in capital assets	2,312	5,455	7,767
Unrestricted (deficit)	16,696	(5,205)	11,491
TOTAL NET ASSETS (DEFICIT)	<u>\$ 19,008</u>	<u>\$ 250</u>	<u>\$ 19,258</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities - Enterprise Funds		TOTALS
	SDC Workshop	Background Checks	
OPERATING REVENUES			
Charges for services	\$ 46,080	\$ 26,939	\$ 73,019
Total Operating Revenues	<u>46,080</u>	<u>26,939</u>	<u>73,019</u>
OPERATING EXPENSES			
Salaries and benefits	11,364	6,073	17,437
Purchased services	9,469	22,604	32,073
Supplies and materials	52	-	52
Other objects	4,320	-	4,320
Depreciation expense	660	1,723	2,383
Total Operating Expenses	<u>25,865</u>	<u>30,400</u>	<u>56,265</u>
OPERATING INCOME (LOSS)	20,215	(3,461)	16,754
NET ASSETS (DEFICIT) - BEGINNING	<u>(1,207)</u>	<u>3,711</u>	<u>2,504</u>
NET ASSETS - ENDING	<u>\$ 19,008</u>	<u>\$ 250</u>	<u>\$ 19,258</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities - Enterprise Funds		TOTALS
	SDC	Background	
	Workshop Fund	Checks	
Cash flows from operating activities:			
Receipts from customers	\$ 46,080	\$ 26,939	\$ 73,019
Payments to suppliers and providers of goods and services	(16,341)	(20,290)	(36,631)
Payments to employees	(11,364)	(6,073)	(17,437)
Net cash provided by operating activities	<u>18,375</u>	<u>576</u>	<u>18,951</u>
Cash flows from noncapital financing activities:			
Decrease in interfund borrowing, net	(1,679)	(576)	(2,255)
Net cash used for noncapital financing activities	<u>(1,679)</u>	<u>(576)</u>	<u>(2,255)</u>
Net increase in cash and cash equivalents	16,696	-	16,696
Cash and cash equivalents - Beginning	-	-	-
Cash and cash equivalents - Ending	<u>\$ 16,696</u>	<u>\$ -</u>	<u>\$ 16,696</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	\$ 20,215	\$ (3,461)	\$ 16,754
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	660	1,723	2,383
Increase (decrease) in accounts payable	(2,500)	2,314	(186)
Net cash provided by (used for) operating activities	<u>\$ 18,375</u>	<u>\$ 576</u>	<u>\$ 18,951</u>

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 JUNE 30, 2011

	<u>Bilingual Directors Annual Meeting</u>	<u>Illinois Education and Technology Conference</u>	<u>Sangamon County Schoolmasters</u>	<u>Director's Conference</u>
ASSETS				
Cash and cash equivalents	\$ 19	\$ 79,333	\$ 6,928	\$ 13,909
TOTAL ASSETS	<u>\$ 19</u>	<u>\$ 79,333</u>	<u>\$ 6,928</u>	<u>\$ 13,909</u>
LIABILITIES				
Due to other governments	\$ 19	\$ 79,333	\$ 6,928	\$ 13,909
TOTAL LIABILITIES	<u>\$ 19</u>	<u>\$ 79,333</u>	<u>\$ 6,928</u>	<u>\$ 13,909</u>

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 JUNE 30, 2011

	University of Illinois at Springfield Roundtable	Special Education Non-Public Conference	Sangamon County Learning Academy	TOTALS
ASSETS				
Cash and cash equivalents	\$ 129	\$ 2,697	\$ 1,797	\$ 104,812
TOTAL ASSETS	\$ 129	\$ 2,697	\$ 1,797	\$ 104,812
LIABILITIES				
Due to other governments	\$ 129	\$ 2,697	\$ 1,797	\$ 104,812
TOTAL LIABILITIES	\$ 129	\$ 2,697	\$ 1,797	\$ 104,812

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2011

	Balance Beginning of Year 7/1/10	Additions	Deductions	Balance End of Year 6/30/11
<u>BILINGUAL DIRECTORS ANNUAL MEETING</u>				
ASSETS				
Cash and cash equivalents	\$ 3,891	\$ -	\$ 3,872	\$ 19
Total Assets	<u>\$ 3,891</u>	<u>\$ -</u>	<u>\$ 3,872</u>	<u>\$ 19</u>
LIABILITIES				
Due to other governments	\$ 3,891	\$ -	\$ 3,872	\$ 19
Total Liabilities	<u>\$ 3,891</u>	<u>\$ -</u>	<u>\$ 3,872</u>	<u>\$ 19</u>
<u>ILLINOIS EDUCATION AND TECHNOLOGY CONFERENCE</u>				
ASSETS				
Cash and cash equivalents	\$ 65,916	\$ 129,960	\$ 116,543	\$ 79,333
Total Assets	<u>\$ 65,916</u>	<u>\$ 129,960</u>	<u>\$ 116,543</u>	<u>\$ 79,333</u>
LIABILITIES				
Due to other governments	\$ 65,916	\$ 129,960	\$ 116,543	\$ 79,333
Total Liabilities	<u>\$ 65,916</u>	<u>\$ 129,960</u>	<u>\$ 116,543</u>	<u>\$ 79,333</u>

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2011

	Balance Beginning of Year 7/1/10	Additions	Deductions	Balance End of Year 6/30/11
<u>SANGAMON COUNTY SCHOOLMASTERS</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 4,979	\$ 3,268	\$ 1,319	\$ 6,928
Total Assets	<u>\$ 4,979</u>	<u>\$ 3,268</u>	<u>\$ 1,319</u>	<u>\$ 6,928</u>
<u>LIABILITIES</u>				
Due to other governments	\$ 4,979	\$ 3,268	\$ 1,319	\$ 6,928
Total Liabilities	<u>\$ 4,979</u>	<u>\$ 3,268</u>	<u>\$ 1,319</u>	<u>\$ 6,928</u>
<u>DIRECTOR'S CONFERENCE</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 13,909	\$ -	\$ -	\$ 13,909
Total Assets	<u>\$ 13,909</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,909</u>
<u>LIABILITIES</u>				
Due to other governments	\$ 13,909	\$ -	\$ -	\$ 13,909
Total Liabilities	<u>\$ 13,909</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,909</u>

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2011

	Balance Beginning of Year 7/1/10	Additions	Deductions	Balance End of Year 6/30/11
<u>UNIVERSITY OF ILLINOIS AT SPRINGFIELD ROUNDTABLE</u>				
ASSETS				
Cash and cash equivalents	\$ 1,369	\$ 4,602	\$ 5,842	\$ 129
Total Assets	<u>\$ 1,369</u>	<u>\$ 4,602</u>	<u>\$ 5,842</u>	<u>\$ 129</u>
LIABILITIES				
Due to other governments	\$ 1,369	\$ 4,602	\$ 5,842	\$ 129
Total Liabilities	<u>\$ 1,369</u>	<u>\$ 4,602</u>	<u>\$ 5,842</u>	<u>\$ 129</u>
<u>SPECIAL EDUCATION NON-PUBLIC CONFERENCE</u>				
ASSETS				
Cash and cash equivalents	\$ 4,043	\$ 27,560	\$ 28,906	\$ 2,697
Total Assets	<u>\$ 4,043</u>	<u>\$ 27,560</u>	<u>\$ 28,906</u>	<u>\$ 2,697</u>
LIABILITIES				
Due to other governments	\$ 4,043	\$ 27,560	\$ 28,906	\$ 2,697
Total Liabilities	<u>\$ 4,043</u>	<u>\$ 27,560</u>	<u>\$ 28,906</u>	<u>\$ 2,697</u>

SANGAMON COUNTY
 REGIONAL OFFICE OF EDUCATION #51
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2011

	Balance Beginning of Year 7/1/10	Additions	Deductions	Balance End of Year 6/30/11
<u>SANGAMON COUNTY LEARNING</u>				
<u>ACADEMY FUND</u>				
ASSETS				
Cash and cash equivalents	\$ 3,247	\$ 19,531	\$ 20,981	\$ 1,797
Total Assets	<u>\$ 3,247</u>	<u>\$ 19,531</u>	<u>\$ 20,981</u>	<u>\$ 1,797</u>
LIABILITIES				
Due to other governments	\$ 3,247	\$ 19,531	\$ 20,981	\$ 1,797
Total Liabilities	<u>\$ 3,247</u>	<u>\$ 19,531</u>	<u>\$ 20,981</u>	<u>\$ 1,797</u>
 <u>TOTAL ALL AGENCY FUNDS</u>				
ASSETS				
Cash and cash equivalents	\$ 97,354	\$ 184,921	\$ 177,463	\$ 104,812
Total Assets	<u>\$ 97,354</u>	<u>\$ 184,921</u>	<u>\$ 177,463</u>	<u>\$ 104,812</u>
LIABILITIES				
Due to other governments	\$ 97,354	\$ 184,921	\$ 177,463	\$ 104,812
Total Liabilities	<u>\$ 97,354</u>	<u>\$ 184,921</u>	<u>\$ 177,463</u>	<u>\$ 104,812</u>

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

<u>Federal Grantor/Pass-Through Grantor, Program or Cluster Title</u>	<u>CFDA Number</u>	<u>Project # or Contract #</u>	<u>Expenditures 7/1/10-6/30/11</u>
US Department of Education passed through Illinois State Board of Education			
Reading First State Grants			
Title I - Reading First Part B SEA	84.357A	10-4337-00	90,369
Title I - Reading First Part B SEA	84.357A	10-4337-04	5,773
Total Reading First State Grants			<u>96,142</u>
Learn and Serve America-School and Community Based Programs			
Learn & Serve America	94.004	11-4910-00	76,506
Learn & Serve America	94.004	10-4910-00	8,309
Total Learn and Serve America-School and Community Based Programs			<u>84,815</u>
Miscellaneous Federal Programs			
Title IV - Safe & Drug Free Schools	84.186A	10-4400-00	45
Title II - Teacher Quality	84.367A	11-4932-00	418
Total Miscellaneous Federal Programs			<u>463</u>
ARRA - Education Jobs Fund			
ARRA - Education Jobs Fund	84.410A	11-4880-92	25,270
ARRA - Education Jobs Fund	84.410A	11-4880-93	20,000
Total ARRA - Education Jobs Fund			<u>45,270</u>
Special Education - Grants to States			
Special Education - I.D.E.A. - Discretionary	84.027A	11-4630-00	15,978
Total US Department of Education passed through Illinois State Board of Education			<u>242,668</u>
US Department of Agriculture passed through Illinois State Board of Education			
School Breakfast Program	10.553	10-4220-00	134
School Breakfast Program	10.553	11-4220-00	2,391
Total School Breakfast Program			<u>2,525</u>
National School Lunch	10.555	10-4210-00	201
National School Lunch	10.555	11-4210-00	6,447
Total National School Lunch			<u>6,648</u>
Total US Department of Agriculture passed through Illinois State Board of Education			<u>9,173</u>

The accompanying notes are an integral part of this schedule.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

<u>Federal Grantor/Pass-Through Grantor, Program or Cluster Title</u>	<u>CFDA Number</u>	<u>Project # or Contract #</u>	<u>Expenditures 7/1/10-6/30/11</u>
US Department of Education			
Passed through Regional Office of Education #26			
Education for Homeless Children and Youth			
Area III - Homeless Liaison Project	84.196A	11-4920-00	47,103
Area III - Homeless Liaison Project	84.196A	10-4920-00	2,240
Total Education for Homeless Children and Youth			49,343
Total US Department of Education passed through Regional Office of Education #26			49,343
US Department of Health and Human Services passed through Illinois Department of Public Health			
Maternal and Child Health Services Block Grant to the States - Illinois Department of Public Health Dental Sealant	93.994	83480175	2,688
Total US Department of Health and Human Services passed through Illinois Department of Public Health			2,688
US Department of Education Title I - Part A Cluster			
Passed through Regional Office of Education #48			
System of Support (Title I - School Improvement and Accountability)	84.010A	11-4331-01	74,148
System of Support (Title I - School Improvement and Accountability)	84.010A	10-4331-00	11,427
Total passed through Regional Office of Education #48			85,575
Passed through Illinois State Board of Education			
System of Support (ARRA - Title I - School Improvement and Accountability)	84.389A	11-4854-00	190,820
Total US Department of Education Title I - Part A Cluster			276,395
Total Expenditures of Federal Awards			\$ 580,267

The accompanying notes are an integral part of this schedule.

SANGAMON COUNTY
REGIONAL OFFICE OF EDUCATION #51
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 – REPORTING ENTITY BASIS OF PRESENTATION AND ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Regional Office of Education #51 and is presented 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 – SUBRECIPIENTS

The Sangamon County Regional Office of Education #51 did not make any payments to subrecipients.

NOTE 3 – DESCRIPTION OF MAJOR FEDERAL PROGRAMS

Title I – Part A Cluster – This funding, consisting of Title I – School Improvement and Accountability and ARRA – Title I – School Improvement and Accountability funding, was used to support the operations of the System of Support program. This program provides professional development activities to schools that are on Illinois’s Academic Watch List, schools at which the students have not made adequate yearly progress for at least two years.

ARRA – Education Jobs Fund – Funding from the ARRA – Education Jobs Fund was used in the year ended June 30, 2011, for staff salaries in the Education Fund programs Sangamon County Truants Alternative and Optional Education and Regional Safe Schools.

NOTE 4 – NON-CASH ASSISTANCE

None

NOTE 5 – AMOUNT OF INSURANCE

None

NOTE 6 – LOANS OR GUARANTEES OUTSTANDING

None